This Policy governs compensation and reimbursement of expenses for members of the Authority’s Board of Directors. The Policy applies to both regular members of the Board and alternate members.

DIRECTORS’ COMPENSATION
Pursuant to this Policy adopted by the Board of Directors, the Authority is authorized to compensate Board members in the amount of $212.50 for (1) attending each meeting of the Board of Directors, and (2) otherwise providing a day of service to the Authority. The Policy limits compensation to a specified maximum number of days per month. The Board of Directors may, from time to time, amend the Policy to change the amount of compensation and/or the maximum number of compensable days per month.

The following activities are compensable.

Compensable Activities
1. **Meetings**
   Each regular Director shall be entitled to compensation for attendance at (1) each meeting of the Board of Directors; (2) each meeting of a standing committee on which the Director serves; (3) each meeting of an ad hoc committee to which the Director has been duly appointed; and (4) each meeting of any joint governmental board, committee, or association to which the Director has been appointed as the Authority’s representative. Each alternate Director shall be entitled to compensation for attendance at a meeting when, and only when, the alternate Director attends the meeting in place of the regular Director.

2. **Required Training**
   Each Director shall be entitled to compensation for attendance at the ethics training required by Government Code Section 53235 and the sexual harassment training and education required by Government Code Section 12950.1.

3. **Other Activities**
   The Chair of the Board of Directors and Chief Executive Officer may, on a case-by-case basis, authorize compensation of individual Directors for a day of service when participating in the following types of activities: (1) meetings with representatives of local, regional, state, or national government on issues affecting the Authority; (2) meetings, conferences, and seminars relating to the business and operation of community choice aggregation entities, (3) ceremonial events sponsored by the Authority; (4) ceremonial events sponsored by another organization; (5) meetings of agencies, nonprofit organizations, or service clubs where the Director makes a presentation on behalf of the Authority; and (6) meetings with Authority staff, including telephone conferences when physical attendance is impractical.

4. **Considerations**
   The Board Chair and the Chief Executive Officer shall approve compensation under Section 1 above only for activities that provides a benefit to the Authority. Benefits include, but are not necessarily limited to, the acquisition of information, education,
training, and skills that will further the Authority’s mission and purpose. Other benefits include positive changes to federal and state statutes and regulations that govern the Authority, and maintenance of positive relations with the public and other governmental agencies.

Limitation
In no event shall a Director receive compensation for more than one meeting or other activity on the same day. Directors may not be compensated for more than six meetings per month.

Non-Compensable Activities
Notwithstanding the section above, Board members shall not receive compensation for the following activities: (1) attendance at meetings or events of nonprofit organizations or service clubs, except when the Board Chair and Chief Executive Officer has authorized the Director to make a presentation on behalf of the Authority as described above; (2) Authority sponsored employee events including, but not limited to, the annual employee holiday luncheon and retirement events; (3) parades, festivals, holiday events, or retirement dinners; (4) meetings, without Authority staff present, with existing or potential contractors, vendors, or consultants; (5) meetings of partisan political organizations; (6) meetings, tours, and similar events conducted at the request of the Board member; or (7) any activity not described above.

REIMBURSEMENT OF DIRECTORS’ EXPENSES

Approved Activities
In accordance with the terms of this Policy, the Authority will reimburse Directors for certain expenses incurred in connection with the compensable activities described above in Directors Compensation. The Authority will not reimburse Directors for any other expenses.

Reimbursable Expenses
1. Transportation
   In travelling to and from events, Directors must use the most economical form of transportation that is reasonably consistent with the Director’s travel and scheduling requirements.

2. Mileage for Personal Vehicles
   a. The Authority will reimburse Directors for use of personal vehicles based on actual miles traveled at the then-current “standard mileage rate” adopted by the U.S. Internal Revenue Service for use in deducting the cost of operating an automobile for business purposes. The Authority will not reimburse Directors for any other personal vehicle expenses.
   
   b. When calculating mileage traveled by a Director to attend an event, the Authority will use the lesser of (1) the distance from the administrative headquarters of the Director’s member agency to the event, and (2) the actual distance traveled. Mileage reimbursements shall not exceed the cost of the lowest available airfare.

3. Other Transportation Expenses
   a. When travel by personal vehicle is impractical, the Authority will reimburse
Directors for the actual cost of (1) regularly-scheduled travel by airplane, train, bus, or other commercial carrier, (2) rental cars, and (3) taxis and other comparably-priced for-hire vehicles. The Authority will also reimburse Directors for related necessary travel expenses such as baggage fees, toll charges, and parking fees. Directors must take advantage of any government or group rates offered by a transportation provider.

b. Before deciding to travel by air, each Director must consider the total cost of alternatives, including the cost of ground transportation and any necessary lodging. Each Director should also consider alternative departure times, departure and arrival airports, dates, departure times, and stopovers to minimize airfare. Directors should request travel arrangements as early as possible to take advantage of lower airfares.

c. Generally, the Authority will only reimburse Directors for air travel in coach class. When necessary based on a Director’s physical needs and/or the need to conduct meaningful work during a flight, the Board Chair has the discretion to approve reimbursement of first-class air travel. For trips that will exceed 24 hours, Directors must use their personal cars to travel to and from the airport, and utilize long-term airport parking, rather than pay for a taxi or other transportation to and from the airport.

4. **Lodging**
   
a. The Authority will reimburse Directors for actual and necessary lodging expenses incurred in attending a conference, seminar, or meeting. Directors must take advantage of any government rate or group rate for lodging whenever possible. If there is no government or group rate, the Authority will reimburse Directors for lodging up to the per diem rate used by the U.S. Internal Revenue Service as the maximum allowable deduction for business-related lodging expenses. The rates are set by the General Service Administration (“GSA”) for federal employees. The rates are set forth at GSA.gov/per diem.

b. Lodging in connection with an activity that lasts only one day is considered “necessary” when the travel time to and from the activity exceeds two hours.

5. **Meals**
The Authority will reimburse Directors for actual and necessary dining expenses incurred while attending (1) a conference, seminar, or meeting outside of the Authority, or (2) an Authority-related business meeting within the Authority. The Authority will reimburse Directors up to the applicable GSA per diem rate for each separate meal set forth at GSA.gov/per diem.

6. **Incidentals**
The Authority will reimburse Directors for actual and necessary incidental expenses incurred while attending a conference, seminar, or meeting outside the Authority, up to the applicable GSA per diem rate set forth at GSA.gov/per diem. Reimbursable expenses include tips given to drivers, porters, bellhops, baggage carriers, and hotel housekeepers.

7. **Travel Arrangements**
a. Each Director must utilize Authority staff to arrange all travel, lodging, and event registrations. The Chief Executive Officer shall designate an Authority employee responsible for making these arrangements. The Chief Executive Officer shall designate a single travel agency for use in making all travel arrangements.

**Expenses That Are Not Reimbursable**
The Authority will not reimburse Directors for the costs of: (1) barber and/or beauty shop services; (2) fines for traffic or parking violations; (3) any person accompanying a Director on a Authority-approved trip or event; (4) personal telephone calls; (5) fitness/health facility use; (6) massages; (7) alcoholic beverages; (8) entertainment (movies, sporting events, etc.); or (9) vehicle expenses other than the standard mileage charge.

**Reimbursement Procedure**
Each Director seeking reimbursement must file with the Secretary of the Board an expense report no later than three weeks after the conclusion of the compensable activity. The report shall attach detailed, actual receipts for all expenses. The report shall document that each expense meets the requirements for reimbursement set forth in this policy. Without limiting the foregoing, each report shall identify the compensable activity and the date, nature, and purpose of each expense for which reimbursement is sought. For reimbursement of a personal vehicle expense at the standard mileage rate, the expense report shall identify the date of the travel, the actual miles traveled, and the business purpose of the travel. The Chief Executive Officer shall prepare a standard form of expense report for use by Directors in seeking reimbursement.

**Board Reports**
Each Director seeking reimbursement of expenses incurred in connection with an activity shall provide a brief report of the activity at the next regular meeting of the Board of Directors.

**Other Expenses**
Any expense that does not meet the requirements of this Policy may be reimbursed only if the Board of Directors approves the expense at a public meeting before the expense is incurred.

**PENALTIES**
Any Director that misuses public resources or falsifies an expense report required by this Policy is subject to the following penalties: (1) loss of reimbursement privileges; (2) restitution of the Authority; (3) civil penalties for misuse of public resources pursuant to Government Code Section 8314; and/or (4) prosecution for misuse of public resources pursuant to Penal Code Section 424.