

POLICIES AND PROCEDURE MANUAL

Chapter:	Finance		
Title:	Board Member Compensation		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Version: 2.0 Page: 1 of 2	Review Cycle: Annually Author: Chief Finance Officer	Adopted Date: 02.04.2014 Review Date: 07.11.2017 Revision Eff. Date:	Related Policies: Travel

DO NOT WRITE IN SHADED AREA ABOVE

Purpose

To establish mechanisms regarding all per diem payments and expense reimbursements made to Board members and others for Mid-State Health Network (MSHN) related work.

Policy

- A. The amount of compensation paid to Board member and non-Board members (as defined by the Operating Agreement) shall be established by the Board through this policy.
- B. Board members shall not receive more than one per diem per day regardless of the number of meetings attended. No Board member will be compensated by MSHN if also compensated by a CMHSP for the same meeting.
- C. Board members shall receive a per diem of \$70 for Board meetings, Standing Committees, and Ad Hoc Committee meetings. In order for Board members to be eligible to receive per diem compensation for these meetings, they must be appointed to such a committee by the Executive Committee of the Board of Directors or Board Chairperson, as per the by-laws of the organization. The minutes for each meeting shall provide documentation that the Board members did in fact participate in the meeting for which he/she is being compensated. Participation can be in person, by phone or by video conference.
- D. Board members shall be eligible to receive a per diem for ad hoc Board work sessions as called by the Board Chairperson and for attendance at MSHN committees (made up of representatives from the Board of Directors, consumers, Board members of the Affiliation CMHs, advocates, staff, labor, and/or other stakeholders) when the Board members have been appointed to these committees by the Executive Committee or the Board Chairperson. An attendance sheet will provide documentation of attendance. When attendance at MSHN committees to which a Board member has been appointed requires travel outside of the Board member's county of residence, the Board member can receive mileage reimbursement for travel to the meeting. The reimbursement will be at the rate as established by the Board for all MSHN employees and paid in accordance with MSHN Travel Policy.
- E. Board members, representing MSHN are eligible to receive a per diem and reimbursement for all conference related expenditures (conference registration, lodging, meals, and travel) for up to two statewide MACMHB conferences per year. These conferences must be those (typically held in the winter, spring, and fall of each year) during which a MACMHB

Member Assembly or Executive Board meeting is held. Reimbursement will be paid in accordance with MSHN Travel Policy.

- F. Attendance at other events in support of MSHN, such as: community dialogues, educational offerings, town hall meetings, retirement / recognition events, and program visits are not eligible for per diem compensation.
- G. There shall be no monthly or yearly cap on the number of meetings for which Board members may receive compensation.
- H. Non-Board members and/or alternates who are appointed to participate as members of a Board committee shall be paid the same per diem, as Board members, for meetings and Board meetings attended. Non-Board appointed members shall not receive more than one per diem per day.
- I. Board members and appointees to committees of the Board of Mid-State Health Network who are paid on a per diem basis are considered employees of Mid-State Health Network for income tax withholding purposes only, per IRC 3401 (c) and the regulations there under, and not for any other purpose, including but not limited to conflict of interest.

Applies to

- ☒ All Mid-State Health Network Staff
- ☐ Selected MSHN Staff, as follows:
- ☐ MSHN's CMHSP Participants: ☐ Policy Only ☐ Policy and Procedure
- ☐ Other: Sub-contract Providers

Definitions

- 1. Attendance: Board meeting attendance eligible for a per diem includes in person, by phone and via electronic medium.

References/Legal Authority

IRC 3401 (c) and the regulations there under

Change Log:

<u>Date of Change</u>	<u>Description of Change</u>	<u>Responsible Party</u>
02.04.2014	New policy	Chief Finance Officer
11.06.2015	Policy update	Chief Finance Officer
05.24.2017	Policy update	Board Policy Committee