

## **BOARD EXPENSE REIMBURSEMENT AND TRAVEL**

Directors shall have the opportunity to attend conferences, meetings, training, and participate in outside organizations and other various activities that are appropriate to their work as a Director and provide value to the Nebraska Public Power District (NPPD).

Members of the Board of Directors shall be paid their actual expenses while engaged in the business of the District under the authority of the Board of Directors (Section 70-624.02, as amended).

Accordingly, the following applies to all Directors of NPPD and describes appropriate expenses; the process to request reimbursement; the approval requirements for participation in outside organizations and travel; and the use of NPPD aircraft. It is expected that all Director activities related to expenses and travel will comply with the NPPD Ethics Policy.

### **EXPENSES**

Directors shall only be reimbursed for expenses which are appropriate and consistent with the statutory obligations of a member of the Board of Directors. As such the Board has determined the following list of activities as appropriate for reimbursement of travel and related expenses.

- a. Regular and special Board of Director meetings and committee meetings.
- b. Meetings with District management, employees, retirees, or consultants.
- c. Trips to District offices, plants, facilities, or construction sites for District business or employee-related activities.
- d. Meeting with elected or appointed state, federal, or local government officials, including regulatory agencies, and with the general public, regarding matters which affect or may affect the District.
- e. Fees and expenses incurred while attending events for which the Director serves in a previously Board approved governance role (e.g., Officer, Board, Committee) for the organization with which the Director is affiliated (See PARTICIPATION IN OUTSIDE ORGANIZATIONS).

# **BOARD POLICY**

## **GOVERNANCE PROCESS**

**Policy No.** BP-GP-11  
**Effective Date** 12-10-20  
**Page** 2 **of** 5

- f. Attendance of conferences, meetings, or seminars which are sponsored by the District or outside groups, organizations or associations, and/or purchasing publications supplied by these entities which relate to the business of the District.
- g. Meetings with any current or potential District customer or their representative to discuss District activities, services, or property. This includes Wholesale and Retail customer meetings.
- h. Meeting with officials of any other public power entities or other bodies regarding action which affects, or may affect, the activities, services, or property of the District.
- i. Attending NPPD employee anniversary/service celebrations and going away/retirement parties when required to attend to serve as a speaker/presenter. This could also apply to other public power entities/employees events and businesses public celebrations/open houses where NPPD has a significant business relationship. If the Director would be attending such events for personal reasons (e.g., personally invited guest, friendship, relative, etc.) the event would not be considered a District event and related travel expenses would not be reimbursed.
- j. Accompanying or participating with a member of management in any activity within the delegated or sub-delegated responsibilities, powers, authority, or duties of management when requested by the President and Chief Executive Officer, a Vice President, or General Counsel.
- k. Meeting with any person or entity with which the District has a current contractual arrangement or is considering entering into a contractual arrangement, or any consultant hired by the Board.
- l. Participating in emergency planning exercises or responding to actual District emergency situations.
- m. Participating in litigation activities related to District activities, services, or property.
- n. Expenses associated with the above activities include, but are not limited to, related mileage expense (from Director's home and capped at estimated air travel costs), meals, lodging, airfare, parking, taxi, tips, fees, and reasonable entertainment expenses when dealing with customers, consultants, government officials, etc.

The Board has also determined the following list of business-related expenses as appropriate for reimbursement:

- a. Transmission and receipt of documents or communications between Directors, management, employees, consultants, customers, or documents from other members of the public, which relate to NPPD.

# **BOARD POLICY**

## **GOVERNANCE PROCESS**

Policy No. BP-GP-11  
Effective Date 12-10-20  
Page 3 of 5

- b. Purchase of office supplies, subscriptions, internet services, reference materials, or incurring other administrative-type expenses where supplies are used or expenses are incurred in conducting business of the District.

The Board has determined for any expenses not specifically addressed above, that District Standard PRO-ST-009, District Travel and Expense Reimbursement, shall apply.

### **EXPENSE REIMBURSEMENT**

Directors shall be provided a District Procurement Card (P-card) and whenever possible the P-card should be utilized to pay for District-related expenses. Directors shall obtain the necessary receipts with sufficient detail to indicate what was purchased and to support the business purpose. Meal expenditures for other individuals, in addition to the Director should include the names of the other individuals.

Requests for expense reimbursement shall be submitted monthly to the Chief Audit and Ethics Officer (CAEO) or designee. All requests shall include the specific business purpose for each expense and the appropriate supporting documentation (i.e. receipts >\$25 for P-card and all receipts for Out-of-Pocket). If a personal charge is included within a business charge on the P-card, the charge will be reimbursed through an offset against other out-of-pocket reimbursements or ACH deduction from the Director's main payroll bank account on file. The CAEO shall review all Director expense reimbursement requests to ensure they fall within the scope of this policy and ultimately approve the request.

If the CAEO questions the appropriateness of any expense, clarification will first be sought from the respective Director and if the concern remains the expense will be submitted to the Audit, Risk and Compliance (AR&C) Committee for consideration and approval.

The AR&C Committee shall be provided, at each regularly scheduled Board meeting, a packet summarizing Director expense reimbursements for the Committees review and approval.

If the AR&C Committee were to deny a request, based upon a concern of the CAEO or through the Committee's review of Director expenses, the respective Director may bring the expense to the full Board for consideration and approval.

### **PARTICIPATION IN OUTSIDE ORGANIZATIONS**

Directors may be asked, or choose, to serve on Board of Directors or specific Committees/Working Groups for organizations related to the business of the District.

# **BOARD POLICY**

## **GOVERNANCE PROCESS**

**Policy No.** BP-GP-11  
**Effective Date** 12-10-20  
**Page** 4 of 5

Directors must obtain prior approval to serve in such role to have any associated expenses reimbursed.

To obtain approval: 1) the Director will notify the Assistant Secretary of the Board of the role to be served, the length of term, purpose/value of the role, number of annual meetings/trips, and estimated required costs, 2) the Assistant Secretary will forward the request to the CAEO who will provide the request to the AR&C Committee for approval, 3) once approved by the AR&C Committee, the Assistant Secretary will place an item related to this participation on the next Board meeting consent agenda for full Board approval. Directors shall obtain approval for re-election to any role with an outside organization.

If the request is denied, the Director may still serve in the position for the outside entity at the Director's expense.

### **DIRECTOR TRAVEL AND APPROVAL**

Director travel within the state of Nebraska will require no additional approval. Also, no additional approval is required for out-of-state trips related to business meetings/events in which a Director is required to attend to represent NPPD in an official capacity (e.g., rating/regulatory agency meetings, bond issuance meetings, SPP meetings) or for approved participation in outside organizations.

Directors will be allowed, during a calendar year, up to two (2) out-of-state trips, within the continental United States, to attend training and learning events (e.g., conferences, seminars, etc.) with no additional approval. For any travel outside the United States or any out-of-state travel to attend more than the allowed two training events in a calendar year, additional approval is required.

To obtain approval, the Director shall 1) notify the Assistant Secretary of the travel location, the purpose of the trip, the date of travel, and an estimated cost, 2) the Assistant Secretary will forward the request to the CAEO who will provide the request to the AR&C Committee for approval, 3) once approved by the AR&C Committee, the Assistant Secretary will place an item related to this travel on the next Board meeting consent agenda for full Board approval. If the request is denied, the Director may still attend the event at the Director's expense.

Travel by Directors is to be coordinated with the Assistant Secretary.

### **USE OF DISTRICT AIRCRAFT**

District owned, leased, or chartered aircraft use are intended primarily for flights where the use of commercial airlines or ground transportation is not feasible. Economic discretion should be used in the scheduling of District aircraft, taking into consideration

**BOARD POLICY**  
**GOVERNANCE PROCESS**

Policy No. BP-GP-11  
Effective Date 12-10-20  
Page 5 of 5

speed, convenience, necessity, and the effective use of personnel. When possible, meetings and work arrangements should be coordinated in order to achieve the most efficient utilization of the District aircraft. District aircraft can be utilized by Directors as a means of transportation to get to and from regularly-scheduled Board meetings if reasonable.

The Board will comply with the NPPD policy related to utilizing District aircraft for family members or guests when a District employee or Director is utilizing it for business purposes as well as the taxability of such use (see HR-ST-013, Personal Travel on District Aircraft).