

Policy: Board and Committee Member Compensation, Travel and Reimbursement

Date Approved: 11/13/17 (effective 1/1/18)

Purpose:

1. to encourage all board members to be fully active in the work of the board, and committee members to be fully active in the work of their respective committees
2. to facilitate the service of board and committee members, both individually and collectively, as responsible fiduciaries on behalf the foundation

The Morgan Family Foundation encourages its board of directors and committee members to be fully informed about and engaged in their respective work for the foundation. To this end, the foundation will pay for or reimburse reasonable out-of-pocket expenses for board and committee members' attendance at board meetings; committee meetings; professional development conferences and meetings related to their foundation service; and other business conducted on behalf of the foundation (site visits, for example). The foundation will pay for or reimburse such expenses only if they are directly related to the foundation's work, and incurred by or on behalf of foundation board or committee members, not spouses, dependents or others who have no role with the foundation.

When practical, the foundation may make travel, lodging and conference arrangements on behalf of board and committee members and pay for them directly. Otherwise, board and committee members will be reimbursed for these expenses upon submission of a completed expense reimbursement request form and proper receipts/documentation. Reimbursement requests must be submitted within the fiscal year of when the expenses were incurred, or for expenses incurred in the last month of the fiscal year, within the first 60 days of the new fiscal year. The Executive Director in consultation with the President approves all travel outside of the board or committee member's home town.

While traveling on behalf of the foundation, expenditures should reflect the foundation's concern for an individual's personal health and safety. Expenditures should be incurred in a modest (mid-range) fashion, indicative of the geographic area, regarding items such as meals, lodging and transportation. Reimbursement for travel in one's personal vehicle will be made at the prevailing rate established by the IRS.

When making airline reservations, it is expected that board members, committee members, and staff make all reasonable efforts to book flight(s) at least 14 days in advance to take advantage of optimal prices. Business class may be booked when flying outside of North America. If business class is not offered for any leg of the trip outside of North America, then first class may be used.

As a convenience in recognition of the challenges of travel logistics, board members, committee members, and staff may add and pay for a personal leg to a business itinerary, while clearly distinguishing between foundation business and personal expenses. If combined business/personal travel expenses are less than or equal to the cost of business-only travel expenses, the foundation can pay for or reimburse the full cost of the expenses. If combined business/personal travel expenses are greater than the cost of business-only travel expenses, the individual concerned will pick up the difference. To substantiate the amount paid or reimbursed by the foundation in such instances, the traveler should provide contemporaneous documentation of the cost of business-only travel expenses at the time when combined business/personal expenses are incurred.

In addition, compensation (which will be reportable income) will be provided for board and committee service as follows:

1. Each Board member will be paid \$500 in annual base compensation.
2. Each Board member will be paid \$600 per Morgan Family Foundation board meeting attended for meetings of at least four hours in duration. For attending a board meeting of more than two hours but less than four hours in duration, each board member will be paid \$400. Payments will be made following each board meeting or retreat attended.
3. Each committee member who is not staff or a consultant to the foundation will receive an honorarium of \$500 per year per committee, to be paid semi-annually. Committee service for any portion of a semi-annual period qualifies the member for the honorarium.

4. Each committee member who is not staff, a board member, or a consultant to the foundation will be paid \$400 for each Morgan Family Foundation board meeting attended. The board meeting must be at least four hours in duration. Payment will be made following the board meeting attended.
5. If overnight travel is required for a board or committee member to attend a board meeting or to conduct committee business, the individual concerned will be paid \$100 in addition to any other meeting attendance compensation. Payment will be made following completion of the business or the board meeting attended.
6. If the work of a foundation task force extends longer than six months, members of the task force that are not staff or consultants to the foundation will receive an honorarium of \$500 per year per task force, to be paid semi-annually. Task force service for any portion of the semi-annual period qualifies the member for the honorarium.