

Policy	GOVERNANCE POLICY		
Policy Category			
Sub-Section:	Official's Expenses	Policy Number:	6270
Date of Policy:	February 7, 2015	Review Date:	March 3, 2018
Board: Governance & Human Resources Committee	Management: CEO		

PURPOSE

The purpose of this policy is to establish the official's expenses standards for TCU Financial Group Credit Union.

POLICY

Out of Pocket Expenses

The Credit Union shall reimburse members of the Board of Directors and Board appointed committees for out of pocket expenses incurred while engaged in Credit Union business at rates as set from time to time by the Board of Directors. Expense claims must be supported by receipts. Expense claims not supported by receipts may be approved at the discretion of the Chair and Vice-Chair.

Travel

The Credit Union will pay travel expenses at the rate established by SaskCentral for member representatives for mileage traveled in excess of 30 kilometres. In addition, where a board member car pools with another director, the Credit Union will pay that board member an Environmental Alternative Incentive (EAI) in the amount of 50% of the travel expense claimed by the driver of the vehicle.

Hotel and Meal Expenses

The Credit Union will pay expenses incurred for hotel and meals while on Credit Union business. When authorized, accommodation and meal expenses for legal and common law spouses traveling with Board Members will also be paid. Expense claims must be supported by receipts. Expense claims not supported by receipts may be approved at the discretion of the Chair and Vice-Chair.

Per Diem - Board Meetings

The Credit Union will pay the following per diem for Board meetings:

- Board meetings for **our** subsidiary **company** which are held on the same day as the board meeting for the parent company will be considered as one board meeting.
- A board meeting will be considered as a meeting that is generally 4 or more hours in length. For designated board meetings less than 4 hours in length, Directors shall be entitled to a "per diem" as follows:
 - Over 4 hours in length - \$400.00
 - 2 to 4 hours in length - \$225.00
 - Less than 2 hours in length - \$175.00

Other Board Remuneration

- The Credit Union will pay Directors and Chair a taxable expense allowance of \$100.00 per month.
- The Credit Union will pay the Chair an honorarium of \$400.00 per month.

Committee Meetings

The Credit Union will pay to Board members and to members of Board appointed committees an amount to cover expenses incurred for each Committee Meeting attended in accordance with the following:

- Over 4 hours in length - \$400.00
- 2 to 4 hours in length - \$225.00
- Less than 2 hours in length - \$175.00

For members living beyond legal limits of the urban centre in which the meeting is held, highway travel shall be paid at the rate set by the Board in addition to the above stipends.

Per Diem - Credit Union System Meetings, Conferences/Conventions and Official Functions

For each Credit Union System meeting, official function or a conference/convention attended by a Director on behalf of the Credit Union, the Credit Union will pay the Directors, including the Chair, the greater of the per diem indicated below or the amount which a Director loses in pay from his/her employer.

- Over 4 hours in length - \$400.00
- 2 to 4 hours in length - \$225.00
- Less than 2 hours in length - \$175.00

For Directors living beyond the legal limits of the urban centre in which the meeting, official function or convention/conference is held, the Director will also be paid reasonable travel expenses.

The Board of Directors will designate which credit union system meetings and official functions qualify for “per diem” or loss of pay payments.

When it is in the best interests of TCU Financial Group to appoint a member of the TCU Board of Directors to another board, the Board may decide to pay the greater of the “per diem” amounts or the amount which a Director loses in pay from his/her employer and reasonable expenses, provided the Director has not been reimbursed by the other Board to the level paid by TCU Financial Group.

The Board of Directors will authorize the conferences/conventions attended by Directors and all expenses incurred in attending such conferences/conventions.

Directors wishing to claim the “loss of pay” expense will need to provide a letter from his/her employer indicating the amount of loss of pay incurred.

Training Sessions:

All Directors are encouraged to complete the Credit Union Director Achievement Program within their first term. In addition, Directors are encouraged to attend Director training and information sessions provided by the Credit Union Deposit Guarantee Corporation, and any other organization that provides board training and development courses.

The Credit Union will pay to Board members and to members of Board appointed committees an amount to cover expenses incurred for each training session attended in accordance with the following:

For each approved training session/module, the Credit Union will pay the Directors, including the Chair, the greater of the per diem indicated below or the amount which a Director loses in pay from his/her employer.

- Over 4 hours in length - \$400.00
- 2 to 4 hours in length - \$225.00
- Less than 2 hours in length - \$175.00

For Directors living beyond the legal limits of the urban centre in which the training sessions is held, the Director will also be paid reasonable travel expenses.

The Board of Directors will designate which training courses qualify for “per diem” or loss of pay payments.

Directors wishing to claim the loss of pay expense will need to provide a letter from their employer indicating the amount of loss of pay incurred.

For Directors taking computer module training or on-line training modules, the Credit Union will reimburse based on the following tiered schedule:

- Over 4 hours in length - \$400.00
- 2 to 4 hours in length - \$225.00
- 1 to 2 hours in length - \$175.00
- Less than 1 hour in length - \$75.00

The Credit Union recognizes the benefits of providing training to the Board of Directors. Each Director will be allotted \$6,000.00 during each 3-year elected term of office to be disbursed at any time during that term. The allowance will include various types of training, including CUDA, Credit Union organized training, CUSource courses and other applicable training courses. Board members interested in taking courses under the “applicable training courses” category will need to seek approval of the Executive Committee prior to registration. This allowance will go towards the payment of registration fees and supplies. Travel, hotel and meal expenses will be reimbursed

following the regular Director expense reimbursement practices. Training session per diems will be paid over and above the training allowance.

* If travel outside of the Province is required to attend CUDA sessions, prior approval by the Executive Committee is required.

Service Award

At the end of a Board Member's tenure as a Director, the Credit Union will provide a gift of cash valued at \$50/year served.

Director and Officer Liability

TCU Financial Group Credit Union will purchase and maintain insurance for the benefit of a Director, or member of a committee of the board against liability, loss or damage incurred by that person while serving the credit union or a subsidiary of the credit union as a director or member of a Board committee.

Accident Insurance:

The Credit Union shall provide accident insurance coverage in the amount of \$100,000.00 under a policy as determined by the Board of Directors from time to time for the following groups of people:

- Board of Directors
- Management Staff

The coverage shall be for accidental death on a 24 hour basis and includes dismemberment and loss of sight coverage as stated in the policy.

Board Service Costs:

Directors and their legal or common law spouses are entitled to the following services from the Credit Union:

Free Services:

Service charges as listed in our service charge brochure under the following sections:

- Personal Chequing
- Maximizer
- Plan 24 Savings

Fees for:

- Money orders
- Drafts
- Travelers cheques (both Can and foreign currency)
- Certifying a cheque
- Stop Payment charges
- Utility payments where direct debit is not available
- Personalized Cheques (personal cheques only)
- RRSP withdrawal fees for all Board and spouses. Transfer-out fees will apply.

Safety Deposit Boxes of a size 1 ½" x 5" or 2 ½" x 5" when available. Board who have boxes that are larger than the above stated sizes shall have their costs reduced by an amount equal to the rental rate on the 2 ½" x 5" box.

For the registration of loan documents, the Directors will pay the costs that are paid out by the Credit Union. Fees normally charged by the Credit Union shall be waived for personal loans and for owner occupied residential mortgages. Regular fees shall apply to all other mortgages such as mortgages on rental or commercial properties.

Chief Executive Officer's Expense

All business expenses incurred by the Chief Executive Officer will be submitted to and approved by either the Chair or the Vice-Chair.

The CEO's professional development will be co-ordinated through and approved by either the Chair or the Vice-Chair.

MONITORING

The Board of Directors shall review this policy on a minimum three year cycle. In addition, the Board of Directors shall make changes to this policy as deemed appropriate and necessary on an ongoing basis.