

DIRECTOR RETAINERS, FEES AND EXPENSES

1. INTRODUCTION

- (1) The Board of Directors (the “Board”) is committed to the responsible use of public funds to support Board operations. This Policy reflects requirements of the Provincial Government, Treasury Board, Ministry of Health directives and Interior Health (the “Authority”) policies.

2. GENERAL RETAINERS AND MAXIMUM FEES

Item	Amount
Board Chair - Annual Retainer	\$15,000
Directors - Annual Retainer	\$7,500
Committee Chair - Annual Retainer: Audit & Finance Committee	\$5,000
Committee Chair – Annual Retainer: Governance & Human Resources Committee Quality Committee Strategic Priorities Committee	\$3,000
Board and Committee Meeting Fees	\$500/day for designated meetings over 4 hours \$62.50/hour for designated meetings up to 4 hours \$500/day maximum for all meetings
Travel Time Compensation Fees	\$62.50/hour (or portion thereof) up to a \$500/day combined maximum for meeting and travel time fees
Reimbursable Expenses	as set out below

DIRECTOR RETAINERS, FEES AND EXPENSES

3. FEES

(1) Board and Committee Meetings Fees

- (a) "Board and Committee Meetings" are defined as any Board meeting or Board Committee meeting published in the Board and Committee Meeting Schedules or any additional Board meeting or Board Committee meeting added during the course of the year. No distinction will be made between participation in person and participation by video, telephone or such other mode that permits that director to hear and be heard by all other participants.
- (b) Time spent at conferences is not eligible for reimbursement, except where the eligibility tests of the Stakeholder Relations Committee are met.
- (c) "Designated" Meetings refer to meetings of the Board of Directors, the Audit & Finance, Governance & Human Resources, Quality, and Strategic Priorities Committees and meetings of the Stakeholder Relations Committee, as defined in the Terms of Reference for the Stakeholder Relations Committee:

(2) Travel Time Compensation Fees

- (a) All Directors who travel more than 2 hours in length (one way) from their home to a board and/or sub-committee meeting are entitled to claim compensation for travel time.
- (b) Travel time compensation is to be paid out on an hourly basis or portion thereof, starting after the first 2 hours of travel time for a given trip.
- (c) Where deemed necessary, a travel advance for a requested trip can be issued, however, this should be avoided in so far as possible and is to be accounted for promptly after completion or cancellation of the trip.

4. EXPENSES

(1) Meals and Incidentals

- (a) In addition to the foregoing retainers and fees, Directors will be reimbursed for all reasonable out of pocket expenses necessarily incurred in the fulfillment of the individual's duties as a director.

DIRECTOR RETAINERS, FEES AND EXPENSES

- (b) Reasonable meal expenses incurred during Board related travel and business may be claimed. Any expense incurred over \$5 will require an itemized original receipt. Overall daily meal costs should not normally exceed \$50 per day, before taxes and gratuities.
 - (c) Gratuities shall not exceed 15% of post-tax total (excluding alcohol).
 - (d) Expenses for alcoholic beverages shall **not** be claimed.
 - (e) Expenditures for highway tolls, ferry fees, and parking fees are not considered part of the mileage allowance and are reimbursable as incidental expenses.
 - (f) Expenses associated with parking fines, traffic violations and towing/impoundment are the responsibility of the Director and are not reimbursable. This applies to private vehicles and/or leased vehicles.
- (2) **Travel**
- (a) The Authority's standard rate for kilometers traveled will be used for reimbursement of personal vehicle use for Board related travel, and may be adjusted from time to time. The distance travelled will be the distance between the director's home and the destination. Google maps will be the official calculator used to determine mileage for distance travelled. All insurance requirements are the responsibility of each director.

DIRECTOR RETAINERS, FEES AND EXPENSES

- (b) For longer distances and where feasible, at the director's discretion, mileage claims should not exceed the cost of best available economy class commercial air fare or the cost of renting a vehicle under Provincial Government Rental Agreements with designated vendors. When in-province, all vehicles should be rented under the Province's Daily Vehicle Rental Corporate Supply Arrangement (CSA), which will insure appropriate coverage by the CSA insurance arrangement. All other insurance should be declined. If renting outside of the province, or in BC from a rental agency that is not CSA approved, you must purchase 3rd party liability insurance from the rental agency. Air travel should be used when the total cost of travel is lower than the use of rental or personal vehicle, or when travel time is an issue or concern. Directors travelling on Board related business by commercial air carrier will be covered for the cost up to full Economy Class. Reasonable efforts should be made to secure the most practical routing and scheduling and the lowest fares possible.
 - (c) Airport improvement fees are reimbursable whether included in the cost of the airline ticket or purchased separately.
 - (d) The cost of standard flight cancellation insurance, where applicable and economically practical, shall also be covered. (Flight cancellation insurance is not considered economical where the cost exceeds ten (10) percent of the total value of the ticket cost including taxes, fees and surcharges.) Additional personal flight insurance is at the discretion and expense of the Director
 - (e) Board related bus or train travel will be reimbursed. The principles applied to air travel above, also apply to bus and train travel.
- (3) **Accommodation**
- (a) Where possible, accommodation should be obtained at those hotels offering BC Government approved rates at a hotel close to the site of the Board related business. Directors claiming provincial government rates should be prepared to provide identification of association with Interior Health.
 - (b) Reasonable accommodation expenses may be claimed. Overall daily accommodation costs should not normally exceed \$200 plus taxes per night within BC

DIRECTOR RETAINERS, FEES AND EXPENSES

- (c) The Secretary to the Board will keep Directors informed of any special rates offered to the Authority, and for group meetings, will endeavour to make suitable reservations on behalf of the Directors involved.
 - (d) Directors choosing private accommodation while on Board related business may claim a rate of \$30 per night in lieu of commercial accommodation expenses.
 - (e) In addition to selecting the most economical rates for hotels, Directors are encouraged to select those hotels which are environmentally friendly and use environmentally-friendly practices.
- (4) **General Guidelines**
- (a) All family and friends accompanying Board Directors on Board related travel do so at their own personal expense.
 - (b) Expenses for a guest accompanying a director are reimbursable in accordance with this policy only when the director is attending a function where a written invitation has been extended to include a guest, or when the guest is attending a pre-retirement or awards function for the director. In these instances, attendance of the guest requires pre-approval by the Board Chair or Governance & Human Resources Committee Chair.
 - (c) Directors wishing to combine Board related travel with personal travel may do so. The director will be required to pay for any additional expenses incurred above those for Board related travel. Any travel cost which combines Board related travel and personal elements must be allocated on an equitable basis between business and personal portions.

5. ADMINISTRATION

- (1) Directors planning to attend non-Board meeting events must receive prior approval from the Board Chair.
- (2) No invoices or other support is required in respect of annual retainers for the Chair and Directors which shall be paid monthly in advance.
- (3) Directors are not required to complete claim forms for Board or Committee Meeting fees where minutes including a record of attendance are provided in the Authority's records.

DIRECTOR RETAINERS, FEES AND EXPENSES

- (4) Claim forms are required to document a day of travel, business, or reasonable out of pocket expenses where minutes including a record of attendance are not provided to the Board office.
- (5) All claims for fees or reimbursable expenses will be submitted for payment by the end of the month following the month in which the expense was incurred using the standard claim form provided by the Authority and in accordance with the instructions and limits stated on the claim form as set out in this policy.
- (6) Itemized receipts or proof of purchase must accompany expense claims for all expenditures except private accommodation and mileage reimbursement. In extraordinary circumstances, requests for reimbursement of an expenditure not supported by receipt or proof of purchase may be approved on an exception basis by the Board Chair or Governance & Human Resources Committee Chair.
- (7) All claim requests will be approved by the submitting Directors who will certify that the claim is a true statement of disbursements made and/or fees to which he/she is entitled as a result of the activity undertaken on behalf of the Authority.
- (8) All claims for fees and reimbursable expenses submitted by Directors, other than the Chair, will be reviewed and approved by the Chair. All claims for fees and reimbursable expenses submitted by the Chair will be reviewed and approved by the Chair of the Governance & Human Resources Committee. Any questions about retainers, fees or reimbursable expenses will be referred to the Governance & Human Resources Committee for resolution.
- (9) All claim forms received before the 5th business day of a month will be reviewed, signed, and processed such that Directors will receive their cheques before the last business day of that month. Forms received after the 5th business day will be held and processed the following month.
- (10) Where this policy is silent, *Interior Health policy AP0300 – Travel Expense* will provide guidance.

6. MAXIMUM PAYMENTS

- (1) A director shall not claim meeting, travel time, or combined meeting and travel time fees of more than \$500 per day.

DIRECTOR RETAINERS, FEES AND EXPENSES

- (2) The Chair is eligible for reimbursement up to a maximum number of 60 Board and Committee Meetings per year. Directors, other than the Chair, are eligible for reimbursement up to a maximum number of 30 Board and Committee Meetings per year.

7. REPORTING

- (1) On an annual basis, Interior Health and the Public Sector Employers Council post director remuneration and expense amounts on their respective websites. The Ministry of Health reviews all health authority Board remuneration information to ensure compliance with remuneration guidelines prior to information being posted.