

Exhibit to Agenda Item #2

Discuss proposed revisions to **Governance Process GP-15, Board Travel and Training Reimbursement.**

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, January 17, 2024, scheduled to begin at 6:00 p.m.
SMUD Headquarters Building, Auditorium

Proposed Revisions to GP-15, Board Travel and Training Reimbursement

Board members shall have the opportunity to attend conferences, meetings, training, and various activities that are appropriate to their work as Directors and provide value to SMUD.

As part of this policy:

- a) Each Board member shall have an annual budget for travel and training, which shall be purposes of \$15,000, adjusted annually for inflation based on the Travel Price Index (July-June) and rounded to the nearest hundred dollars. The training budget shall include attendance at community functions.
- b) The Board shall approve its travel and training budget as part of the annual budget process. Budgeted travel and training funds shall expire at the end of each calendar year with no rollover option.

Proposed Revisions to GP-15, Board Travel and Training Reimbursement (cont.)

- ~~b) If a Board member exceeds his or her annual budget, then he or she shall be responsible for reimbursing SMUD within 30 days the difference between the member's annual budget and the actual expenditure.~~
- ~~c) The Board shall approve its travel and training budget annually.~~
- ~~d) Budgeted travel and training funds shall expire at the end of each calendar year with no rollover option.~~
- e)c) The Board travel and training budget shall be managed by the Special Assistant to the Board as part of the Board Office budget.

Proposed Revisions to GP-15, Board Travel and Training Reimbursement (cont.)

- f)d) Requests for travel, training and events in excess of ~~\$1,000~~\$500 shall be accompanied by a written justification of the benefits to SMUD and consistency with Board policy and submitted to the Board Special Assistant. Written travel and training justifications, along with a status report on the Board's travel and training budget and individual directors' expenditures, shall be distributed to all Board members monthly for the purposes of transparency and oversight. 30 days prior to the event. Such justification will include the estimated costs, the percentage to be paid by SMUD, and whether the expenditure will span multiple years.
- ~~i) If SMUD representation is requested with shorter than 30-day notice and travel is required, the Board Special Assistant shall notify Board members of the pending trip.~~
- ~~ii) Written travel and training justifications shall be distributed to all Board members in the Board packet for purposes of transparency and oversight, along with a status report on the Board's travel and training budget and individual directors' expenditures.~~

Proposed Revisions to GP-15, Board Travel and Training Reimbursement (cont.)

- g)e) Board members shall submit all relevant travel and training receipts to Board Office staff within two weeks for reconciliation.
- h)f) Board members shall publicly report the results of their travel and training at a Board meeting.
- i)g) New Board members shall receive an orientation in the Board's travel and training policy.