

**Mutual Aid Box Alarm System – Illinois
Policy – Practices – Guidelines Manual**

Index #A-02-03

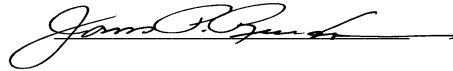
Adopted – 10-24-07

Revised:

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Subject: Stipends and Elected Executive Board Members
Functional Area: Governance and Administration
Category: Policy
Attachment: Board Discussion – Stipends 7-5-07 (Page 3 of 3)

Approved By:



Purpose:

To provide a policy regarding monetary stipends assigned to MABAS-Illinois elected Board Members positions and their relationship to budget, budget development, election cycles and award applicability.

Responsibility:

It is the responsibility of the President, 1st and 2nd Vice Presidents, Treasurer/Comptroller, seeking an elected position to declare their positions regarding their acceptance or unwillingness to accept a stipend in whole, in part, or not at all annually prior to budget adoption and prior to an election cycle when their Board position (incumbent or candidacy) is in question.

Accountability:

Elected Board members are accountable to divisional members in complying with this policy. The MABAS-Illinois CEO shall comply with budget policy as required including full or partial payments of stipends accepted by Board members.

Reporting Requirement:

Invoicing, purchase orders and check issuance procedures.

History:

Prior to calendar year 2007 no specifically budgeted funds existed nor were distributed to elected Board members of MABAS-Illinois. Beginning in calendar year 2007 funds were budgeted for elected Board members efforts, time and services. At the direction of the full MABAS-Illinois Divisional Board this policy was developed providing process and policy direction regarding stipends for the elected Executive Board member candidates and incumbents.

Rationale and Justification:

- There is considerable time, effort, work and commitment associated with acceptance of an elected Board member position with MABAS-Illinois.
- Considerable responsibility and matters of legal compliance are directly associated with elected Board member positions in MABAS-Illinois.
- Some municipalities and fire districts extend stipend-like compensation for elected Board members as a matter of policy.
- Elected Board members of MABAS-Illinois may incur certain, non-reimbursed expenses while serving in their capacity for the good of MABAS.

Stipend Administration:

- Stipend payments can be made quarterly following each quarterly MABAS-Illinois Executive Board Meeting. Executive Board members seeking payment must submit an invoice for stipend Board services within thirty (30) days following each quarterly Board Meeting.
- MABAS-Illinois Executive Board members not receiving a stipend may request a letter from MABAS-Illinois for donated "pro bono" service in the amount of their annual stipend as it would have been budgeted if they accepted stipend compensation. Letters recognizing the donated service will be issued in December annually.
- The MABAS-Illinois CEO shall process invoices for stipend services, letters for pro bono services and appropriate income tax earnings/payment documents.
- An attached memo dated July 5, 2007 from the MABAS-Illinois CEO to the elected Board is provided as supporting documentation.

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- Should Executive Board member incumbents accept the stipend, it is highly recommended that the individual advise their employer through good communication techniques of their decision to accept the stipend.
- Once elected, stipend declarations are made an Executive Board Meeting prior to the election, but in no case later than the October quarterly meeting a motion and second with a concurring majority vote must occur to approve payment of the stipend for the upcoming calendar year.

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July 5, 2007

TO: MABAS Executive Board

FR: MABAS Executive Team (Jay Reardon, Terry Lipinski, Randy Justus, and Paul Maplethorpe)

RE: Board Discussion – Policy Concepts Regarding Stipends

As the Executive Board may recall, direction was given at the February 28, 2007 Executive Board Meeting for the Executive Team to review the stipend budget issue and return to the full Board with recommendations. The “stipend” budget issue involves compensation to Executive Board elected individuals for serving in the positions. Currently thirty thousand dollars (\$30,000) is budgeted and distributed as follows:

\$10,000 – President
\$7,500 – 1st Vice President
\$7,500 – 2nd Vice President
\$5,000 – Treasurer/Comptroller

None of these funds have been disbursed in the current (2007) and past (2006) budgeted years.

The Executive Team has met to discuss the issue and has developed a series of considerations for a written policy regulating the stipends. Those considerations are as follows:

- There is considerable time, effort and work associated with an elected position
- Some municipalities and districts extend stipend-like compensation for elected Board members as a matter of policy
- Stipends associated with MABAS elected positions should be a matter of individual choice of those involved, but regulated by written policy
- Each MABAS elected individual on the Executive Team must declare their wishes at an Executive Board meeting to accept or decline the stipend in its full amount or lesser. This action must be taken before the October meeting annually, as well as prior to each positions election cycle in accordance with by-laws and the annual budgeting process.
- Upon announcement of the elected individual decision to accept a stipend or decline at an Executive Board meeting, approval will be considered by motion and second from the floor by attending MABAS divisions. Policy will result annually on stipend payments by a quorum, majority action annually

Should the Executive Board agree on the concepts presented in this memo a policy will be drafted for consideration at the October 24, 2007 Executive Board Meeting in Peoria.

For budgeting purposes in 2007 and 2008, existing Board members should declare their intent to accept or decline their assigned stipend at the July 2007 Board Meeting.