



# State of Arizona Accounting Manual

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Paid to Board Members

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## INTRODUCTION

The Government of the State of Arizona has a large number of assemblies, which are formally constituted and periodically convened, and which are comprised of persons who have been appointed to provide advisory, deliberative, consultative, administrative, executive, managerial, supervisory, oversight, governance, and/or investigatory services within their areas of expertise. Such an assembly may be known as a board, commission, committee or council, but, whatever its legal title, will be referred to as a “board” in this section of SAAM, and one who serves on a board, in other than a regular full-time or part-time employment capacity, will be referred to as “board member.”

This policy is adopted to ensure that all compensation and/or expense reimbursements paid to board members comply with the requirements of various taxing authorities.

## POLICIES

1. All compensation paid to board members shall be recorded in and paid through the State’s central payroll processing system.
  - 1.1. Compensation includes any payments for services rendered to or on behalf of the Government of the State of Arizona, including, but not limited to fees for attending meetings, preparation work, per diem compensation, etc. and no matter how such compensation is calculated.
  - 1.2. The State’s current central payroll processing system is the Human Resources Information Solution (HRIS).
  - 1.3. Appropriate documentation with respect to attendance, services provided, compensation paid etc. must be retained by the board or the agency having jurisdiction over the board.
2. All reimbursement of expenses to board members shall be initiated in HRIS or (when available and if travel-related) the State’s automated travel system.
  - 2.1. Any expense reimbursement must be claimed using the appropriate form or system of entry.
  - 2.2. Any expense reimbursement must be made in accordance with the provisions and directives contain in the State of Arizona Accounting Manual (SAAM).

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- 2.3. Any expense reimbursement claimed must be supported by appropriate documentation.
3. All compensation or expense reimbursements to board members shall be approved for payment by the appropriate agency official.
4. Any compensation paid to board members shall comply with the statutes, rules and policies governing such compensation.
  - 4.1. A board member legally entitled to be compensated for services to the board, may elect to forego such compensation. This election is to be made in writing and retained by the board.
5. Any expense reimbursements shall comply with the statutes and rules governing such reimbursement and shall be in accordance with the provisions of the State of Arizona Accounting Manual, except as expressly provided hereinbelow:
  - 5.1. Board members may be reimbursed for mileage to and/or from board meetings without first deducting fifty (50) miles or applying the deduction for normal commute miles.
  - 5.2. Travel claims will not be considered untimely filed if presented to the disbursing authority within six (6) months of incurring the expenses for which the claim is made.
    - 5.2.1. A board member's failure to claim a reimbursement for mileage or other expenses within six (6) months of incurrence, shall constitute his irrevocable election to forego reimbursement for such expenses.