

Reading Municipal Light Department (RMLD) Board of Commissioners

Policy Committee Minutes

Tuesday, June 23, 2015

General Manager's Conference Room

Start Time: 7:35 a.m.

End Time: 8:12 a.m.

Attendees:

Committee Members: Messrs. Pacino, Stempeck and O'Rourke

RMLD Staff: Mses. O'Brien and Foti

Call Meeting to Order

Chairman Pacino, Chair of the Policy Committee called the meeting to order at 7:35 am.

Continued Review of Board Policies – Policy 5, Revision 8 – TRAVEL POLICY (Overnight/Day Travel)

Ms. O'Brien reported that when she first arrived, the policy was updated, the site was changed to the Massachusetts per diem which most towns and utilities use because the other site was outdated. The wording has been brought up to date because everyone uses a cell phone. The only other major change is instead of the Accountant reporting to the Board on issues, the General Manager will report issues to the Board. Ms. O'Brien added that Mr. Pollart, RMLD's legal counsel had discussed this with the committee at a past meeting.

PURPOSE

Mr. O'Rourke pointed out that in the PURPOSE section of the policy, it speaks to overrides. The Accountant can report a concern to you, it may be a minor issue in the scheme of things as opposed to the Accountant does or does not approve it and General Manager overrides it. Ms. O'Brien said that she has to report it to the Board.

Mr. O'Rourke pointed out that the language in the PURPOSE would mean even if you do not override it. If the General Manager and the Accountant have an issue the Board does not see this. Mr. Stempeck is in agreement. Mr. O'Rourke stated that the way it reads is suggests anything that is raised as a question that is resolved between the two of you needs to get reported.

Mr. O'Rourke pointed out that a concern does not mean an override. This language is found in the PURPOSE "The General Manager shall report any concerns raised by the Accounting Manager to the Reading Municipal Light Board of Commissioners at its next scheduled meeting." Mr. Stempeck said that he is only concerned with abnormalities and overrides, otherwise it is operational. Ms. O'Brien said that the way that the policy is written expenditures are clear to help circumvent questionable expenses incurred during travel. Ms. O'Brien used an example of a car rental by an RMLD employee. If an employee is staying at a hotel where the conference is a car rental would be denied. However, if there is a plant that is an hour away from the hotel that the employee wishes to visit due to a particular technology, then the employee can set up a car pool or rent a car. Ms. O'Brien may say in this instance to get a car rental then hypothetically it could be overturned by the Accounting Manager.

Reading Municipal Light Board D. 2.

Mr. Stempeck clarified that under D2 "Responsible for reviewing decisions made by the Accounting Manager concerning reimbursements involving the General Manager." It is different than Mr. O'Rourke's concern. Ms. O'Brien pointed out that the intent is discrepancy. Mr. Stempeck would like the language to read, "responsible for reviewing any discrepancies and decisions." Ms. O'Brien can adjust the wording.

RESPONSIBILITIES C.2.

Mr. O'Rourke said that C2 is for the purpose. "Responsible for reviewing decisions made by Accounting Manager on reimbursements. If the General Manager overrules a decision of the Accounting Manager, the General Manager shall make a report to the Reading Municipal Light Board at the next meeting of the Board."

Mr. O'Rourke said that the Board approves the General Manager's travel not employees. Mr. Stempeck said that language needs to get in there.

III. GENERAL GUIDELINES Air/Train/Bus Travel B1

Mr. Stempeck said to add nonrefundable airline tickets because refundable is double the expense. Allow for travel insurance on nonrefundable airline tickets.

III. GENERAL GUIDELINES Overnight Travel IIIA2

Mr. O'Rourke said that the intent is to get the travel preapproved in the budget. Ms. O'Brien explained that the intent is that if your Career Development Plan said that you needed overhead design training. In the past, there was not a path with a lump of money allocated in the budget for the purpose of improving their skill sets. Travel of that kind has to be submitted. The form is submitted prior to budget; a signature is required prior to purchasing a plane ticket. Mr. O'Rourke added that there must be some unplanned such as a benchmarking visit. The policy implies that the training has to be approved. Ms. O'Brien stated that it is states consideration.

General Guidelines IIIA3

Mr. Stempeck mentioned that why add something that says if employees will be notified if their requests have been authorized prior to finalization of the applicable budget; provided, however, that incorporation of the travel request into the applicable budget does not guarantee that the Travel Authorization will receive final approval. Ms. O'Brien said that wording will be added to clear this up.

Mr. O'Rourke pointed out that wherever possible we want all travel in the budget. Most importantly prior to taking the trip you need to get approval. Ms. O'Brien said that the intent of the Career Development Plan is to know what training you are taking beforehand, if there is an out of state travel which is submitted as part of the budget, the word should be tentatively. The employee is tentatively scheduled to attend the training; it is in the budget. As it gets closer, the signatures on the Form are required. Ms. O'Brien said that all the signatures are secured prior to the trip. If circumstances arise it may be necessary to cancel all anticipated travel. Ms. O'Brien said that to speak to Mr. Stempeck's comment, it is tentatively approved, but not finalized until the Form is signed all the way through prior to the trip. Mr. Stempeck asked if you can take out all of number three. What is the point of saying that it is tentatively approved? Why include something that says it is approved, but not really. Mr. O'Rourke stated that we do not want out of budget expenses, travel needs to be approved as part of the budget that is not your permission to travel. Mr. Stempeck clarified that final approval is up to the General Manager. Ms. O'Brien said that they are trying to educate employees if made the cut for the budget, it is not authorized until closer to travel until that form has been signed. Mr. Stempeck said that if it is standard operating procedure for electric utilities then he is fine with it.

Ms. O'Brien can change the wording to reflect tentative authorization. You can plan on it. Mr. O'Rourke suggested that a sentence reflects that in all cases employees must get final pre-approval prior to travel. Pre-approval in the budget process does not guarantee that you will take the trip.

General Guidelines III C. Car Rentals

Mr. Stempeck has a question on "Employees shall decline the coverage for Collision Damage Waiver Insurance offered by rental car companies. Please make it clear when renting a vehicle that it is a company rental. If the rental firm requires a certificate of insurance, please contact RMLD and the certificate will be faxed to them." He is unsure if they will accept an employee credit card. He has never done this. The company would pay him back. He is unsure if the rental companies will question the RMLD car rental without RMLD credit card. Ms. O'Brien explained that she would reword this.

Mr. O'Rourke asked what the per diem is. Ms. O'Brien explained that it is based on zip code with the website giving you the calculation for the specific area. The reason this came up was because the reimbursement was not sufficient based on the old criteria.

General Guidelines III N. Non Reimbursable Expenses

Mr. Stempeck said that under non reimbursable expenses the word "incidental" needs to be changed. Chairman Pacino suggested using the word related. Mr. Stempeck asked for Board travel such as the NEPPA Conference. Ms. O'Brien said that in Policy 19 it guides the commission members to Policy 5.

General Guidelines III N. Non Reimbursable Expenses

Mr. O'Rourke said that there should be an escalation process it should go to a Board vote. The Board and CAB policies need to incorporate this language into their policies. Mr. O'Rourke said that the General Manager is subject to per diem. Chairman Pacino added that the Board has a budget for training that has never been spent up to the budgeted level.

Schedule Next Meeting

No meeting date was set.

Motion to Adjourn

At 8:12 a.m. Chairman Pacino a motion seconded by Mr. Stempeck to adjourn the meeting.

Motion carried 3:0:0.