

TENNESSEE-TOMBIGBEE WATERWAY DEVELOPMENT AUTHORITY

Policies and Guidelines

(As Amended October 21, 2012)

In order to perform the functions and duties provided by the Tennessee-Tombigbee Waterway Development Compact, a copy of which is appended, the following policies and guidelines are adopted for the conduct of the business of the Authority.

1. Membership

The membership of this Authority shall consist of the governor of each party state and five other citizens of each party state appointed by the governor thereof. The appointed members of the Authority shall serve for four (4) years each. The term of an appointed member shall begin on the date his or her appointment by the governor of the respective state is effective, which appointment shall be by commission, a certificate of letter of notification. Vacancies on the Authority, which are created prior to the expiration of a term of any appointed member, shall be filled by the governor of the state in which the vacancy occurs for the unexpired portion of the term.

2. Expenses of Members

The members of the Authority shall be entitled to reimbursement of actual expenses incurred in attending meetings or incurred otherwise in the performance of their duties as a member of the Authority. Payment will be made by the Administrator or Secretary of the Authority subject to approval by the Treasurer (hereinafter provided for) from funds of the Authority upon receipt of a signed expense voucher from the member stating such expenses. Provided, however that expenses will only be paid to members that actually attend the scheduled Board meeting (s). The Administrator can approve exceptions for unforeseen or unexpected events.

The expense voucher will include travel and entertainment expense forms, including receipts for individual expenses exceeding \$20.00. Said vouchers, if not fully executed in accordance with generally accepted accounting procedures, shall not be approved for payment. All expenses requiring reimbursement shall be submitted to the

Administrator within 60 days of the date of expenditure. Members shall exercise discretion to insure that claimed expenses for reimbursement are compatible with those policies governing use of public funds.

Policies adopted for certain specific items of expense follow:

- A. **Expenses of Spouses of Members** – Travel expense of spouses accompanying member to Authority meetings or in the conduct of other Authority related business shall not be reimbursed by the Authority.

Any incidental costs for a spouse attending an Authority meeting itself shall be payable by the Authority.

- B. **Expenses of Guests of Member** – The Authority shall not be responsible for the expenses incurred by guests of members attending regular meeting or other business functions of the Authority. An exception to this policy shall be made for guests who may have unique capabilities or influence, and may contribute significantly to the discharge of the duties and functions of the Authority. Such and exception should be requested in advance by the member and approved by the Chairperson of the Executive and Finance Committee as recommended by the Administrator.

- C. **Commercial Airline Fare** – If available, members are encouraged to obtain tourist/coach accommodations when traveling by air on Authority related business. If these accommodations are not available and alternative travel arrangements are not practical, a member shall be reimbursed for costs incurred for traveling at first class rate.

- D. **Private Plane or Charter Service** – Members traveling by private plane or air charter service on Authority business shall be reimbursed at an amount equivalent to the rate for commercial air service between the origin and destination of such travel. The equivalent commercial rates for other passengers who are qualified for reimbursement of expense by the Authority shall be credited to the cost incurred for private air travel and payable to the appropriate party by the Authority.

- E. **Use of Rental Car** – The Authority shall reimburse a member for costs incurred in the use of a rental car for Authority business when ground transportation services are not available or not convenient for use. Prudence shall be exercised in the use of rental cars.

- F. **Symposium** – The Authority shall provide accommodation during the Quarterly board meetings for members to meet informally to permit discussion and free exchange of ideas in a social setting. Costs of refreshments for these accommodations shall be payable by the Authority, but not from appropriated funds.
- G. **Accident Insurance** – The Authority shall provide accident insurance coverage for members while traveling on Authority business. The amount of such coverage shall be determined by the Board.

3. **Officers**

The officers of the Authority shall consist of a chairperson, vice-chairperson and treasurer, and an administrator-secretary and such other officers as the Authority may deem necessary. The chairperson, vice-chairperson, and treasurer, who are chosen annually from among the members of the Authority and the designated representatives of the member governor, shall hold office for a period of one full year and until their successors are elected and have assumed office. The alternate or designated representative of the Lt. Governor of Kentucky, who by law is a member of the Compact, is also eligible to serve as an officer. The office of chairperson shall rotate each year among the party states in order of the acceptance of the Authority compact. The administrator-secretary and other such officers of the Authority shall be appointed and hold office at the pleasure of the Authority.

4. **Committees of the Authority**

The following standing committees shall be established and implemented to assist the Authority in addressing its duties and responsibilities.

1. Executive and Finance
2. Audit Committee
3. Publicity
4. Planning and Development
5. Affirmative Action

The Chairperson, after consultation with the vice-chairperson and administrator, shall appoint the individual members of the committees and designate the chairperson of each committee. The vice-chairman shall serve as Chairperson of the Executive and Finance Committee as well as ex officio member of each of the committees. The treasurer and the past vice-chairman shall serve as members of the Executive and

Finance Committee. The members of each committee shall serve until reappointed by the Chairperson.

The Audit Committee is established pursuant to the provisions of the State of Tennessee Audit Committee Act of 2005. Its membership is comprised of the vice-chairperson and a member from each of the four states.

Each Committee is encouraged to formulate guidelines to help focus its activities on the more pertinent issues related to those functions of the Authority under its jurisdiction. Periodically, each committee is encouraged to make recommendation on policies and issues to the Authority members for consideration and action.

5. Meeting

The Authority shall hold regularly scheduled Board meetings during each of the four quarters of the fiscal and calendar year. The Administrator shall recommend dates and places for the quarterly meetings in advance to the Board members for their approval and early scheduling. Special meetings of the Authority may be called by the Chairperson or Vice-Chairperson or by a majority of the Authority. Notice in writing by the Administrator of the time and place of each regular meeting of the Authority shall be mailed to each Board member as early as possible but no later than (10) ten days prior to the date of the meeting. Notice of the time and place of special meetings shall be given by the administrator as the chairperson or vice-chairperson, prepare an agenda for each meeting. A conference call, in lieu of on-site board meeting will be allowed but only when circumstances beyond the control of the Board dictates such as finances or the need to establish a quorum.

6. Procedure

The chairperson, or in his absence the vice-chairperson, shall preside at all meetings and otherwise perform the duties customarily performed by a deliberative body. No business shall be transacted by the Authority of any meeting unless quorum of the members is present. A majority of the members of the Authority shall constitute a quorum. Any number less than a quorum may adjourn the meeting from time to time. All actions taken by the Authority at any meeting shall be by the affirmative vote of the majority of the members present. Except as otherwise provided by the Compact and herein, all proceedings of the Authority shall be conducted in accordance with Roberts Rules of Order, the regular order of business at each meeting shall be:

1. Roll Call
2. Reading of Minutes
3. Reports of Committees
4. Administrator-Secretary's Report

5. New Business
6. Old Business
7. Other Business

7. **Administrator-Secretary**

The administrator-secretary (hereinafter referred to as the administrator), under the direction of the Authority, shall be responsible for carrying out the policy, program, and other activities of the Authority. The Administrator shall have general supervision and responsibility of all the Authority's programs and activities.

The position of Administrator shall receive a salary in an amount to be determined by the Authority, based upon the qualification and experience of the individual appointed. This position shall be assisted by a staff of employees as outlined in number 10 below. The administrator shall have immediate charge of the Authority's office and personnel.

Along with other duties, the administrator as secretary of the Authority shall make, or cause to be made, a record of the proceedings of the Authority and maintain custody of the Authority's books, records, and papers, which the Administrator shall keep at the office of the Authority.

8. **Fiscal**

Funds appropriated to this Authority by party states shall be requested or requisitioned over the signature of the Administrator. Such requisitions shall be in accordance with fiscal procedure and the appropriation acts of those states making such funds available.

The Administrator shall prepare or cause to be prepared an annual budget as well as semi-annual budgets. Such budget proposals shall be reviewed by the Treasurer and Executive and Finance Committees and approved by a majority of the Authority. All monies received from the Compact States shall be expended only in accordance with the approved budget. Provided however, monies can be moved between categories in the budget as long as the total amount approved is unchanged.

Records of expenditures shall be maintained by the Authority under the direction of the Administrator in accordance with acceptable accounting procedures. A certified public accounting firm shall be retained by the Authority for the purpose of conducting an annual audit or review of the records and expenditures. In addition to the audit or review, the firm shall submit its findings and recommendation to the Authority concerning management and accounting of funds expended by the Authority.

9. Consultants

The Authority shall employ consultants if such is determined to be necessary in order to carry out its functions and duties. Prior to the employment of a consultant, the administrator shall prepare or cause to be prepared a scope of work or detailed description of the services to be performed. Fees for performing such services shall be negotiated and consummated by contract or written memorandum to be approved and signed by the selected consultant, the administrator and the vice-chairman of the Authority. Said memorandum will become a permanent record of the Authority.

Whenever practical, the Authority shall use the services of state agencies and educational institutions, when available, in lieu of employing private consultants. The need for employing a private consultant to perform certain services shall be at the discretion of the administrator.

10. Staff Personnel

The Authority shall employ staff necessary to carry out its duties and functions. The administrator shall make the recruitment, selection and appointment of such employees. The total number of positions of employment, including description of duties to be performed by each staff position, shall be approved by the majority of the Authority members pursuant to recommendations by the administrator.

It is the policy of the Authority that no person, because of race, color, religion, sex, age, or national origin, shall in any way be excluded from participation in or denied the benefits of employments with the Authority or of any program or activity administered by the Authority. An affirmative action program shall be adopted by the Authority and implemented as part of its official employment policy.

The staff shall be reimbursed for actual expenses incurred and the performance of the individual's duties as an employee of the Authority. Reimbursement of expenses of staff members shall be payable by the Authority in accordance with the same policies set forth heretofore for members of the Authority.

11. Personnel Benefits

The benefits of employees of the Authority shall be governed by the following:

- A. **Salaries** – Each employee shall receive a salary in an amount to be determined by the majority of the Authority members based upon the recommendation of the administrator. The annual salary of an employee

shall be determined commensurate with the individual's qualifications and contributions toward fulfilling the duties and responsibility of the Authority.

B. **Holidays** – The Authority shall observe the federally recognized holidays during the year. The Authority shall not observe special holidays recognized by the compact states.

C. **Vacation** – Annual leave for employees shall be based on the following policy:

1-3 years of service – 13 days of paid leave annually

3-15 years of service – 19 ½ days of paid leave annually

15 years or more service – 26 days of paid leave annually

It shall also be the policy to permit compensatory time for work performed by employees in excess of a normal work period in lieu of overtime payment. The use of earned compensatory time shall be at the discretion of the administrator, and shall be taken when approved as soon after it is earned as practicable.

D. **Health Benefits** – Each employee shall be granted 13 days of sick leave annually. That amount of sick leave not used by the employee during the year shall be available for use during the subsequent year with no limitations on the total amount that may be accumulated by an employee. However, compensation shall not be made for accumulated sick leave at the termination of an employee's service with the Authority.

It shall also be the policy of the Authority to provide health insurance coverage to all its permanent employees. Premiums for such coverage shall be payable by the Authority.

E. **Accident Insurance** – The Authority shall provide accidental insurance coverage to all its permanent employees. Premiums for such coverage shall be payable by the Authority.

F. **Retirement Plan** – On October 1, 1989, the Authority joined the State of Mississippi Public Employees Retirement System. Since that date all permanent employees are required to participate in the state retirement plan and are entitled to all the benefits of the plan.

12. Amendment of Policies and Guidelines

These policies and guidelines may be amended or repealed at any time under a majority vote of the Authority, except that suspension of the rules on parliamentary questions will require the customary two-thirds vote.

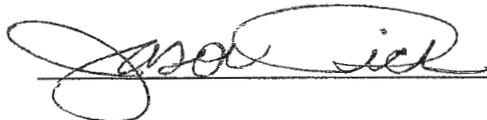
These policies and guidelines were adopted at the quarterly meeting of the Tennessee-Tombigbee Waterway Development Authority held at the Skycenter Hotel, Huntsville, Alabama, on November 8, 1981, and supersede those rules and regulations adopted at the Authority's organizational meeting held in Columbus, Mississippi, on September 15, 1958.

The policies and guidelines were amended at the Authority's quarterly meeting in Huntsville, Alabama, on March 6, 1994, to mainly reflect more recent changes in employee benefits and clarification of member expense.

An amendment was unanimously approved on October 29, 2000, at the Authority's fourth quarterly meeting in Lexington, Kentucky, to allow representatives of the member governors to serve as an officer of the Compact.

An amendment was unanimously approved at the Authority's quarterly meeting at Pickwick State Park, Tennessee on August 28, 2005 to establish an Audit Committee in accordance with the provisions of the State of Tennessee Audit Committee Act of 2005.

An amendment was unanimously approved at the Authority's quarterly meeting at Lexington, Kentucky on October 21, 2012 to update these Policies and Guidelines and to correct minor typographical errors. These changes reflect past practices of the Authority and supersede those Policies & Guidelines adopted at Pickwick State Park, Tennessee on August 28, 2005.



Jason Rich, Vice-Chairman
October 21, 2012