

**ICOC Meeting of April 7, 2005**  
**Agenda Item 5**  
**Recommendations for Per Diem Reimbursement Policy**  
**For ICOC Members**

**Background**

Under Proposition 71, each member of the ICOC, except the Chair and Vice Chair, is eligible to receive a per diem of one hundred dollars (\$100) per day for each day actually spent in the discharge of the member's duties. However, this phrase is not specifically defined. In addition, the Proposition is silent with regard to the eligibility of designated representatives for appointed members who are authorized to exercise full authority, including voting, at ICOC meetings.

Per diem is considered taxable income to the recipient and is paid through the payroll system administered by the State Controller's Office (SCO). At the end of each calendar year the SCO will issue the recipient a W-2 reflecting the total amount received and any withholding for state and federal taxes.

Proposition 71 provides that an annual cost of living adjustment be made to the per diem amount but does not specify when and by what factor is to be applied.

**Discussion**

After reviewing the per diem processes of several boards and commissions, primarily the Fair Political Practices Commission, we have concluded that the following policy should be adopted:

- \$100 shall be paid to each member or designated representative who is authorized to exercise full authority for the following:
  - Any day on which a member attends a meeting of the full ICOC, an ICOC subcommittee or an ICOC working group to which the member is appointed.
  - Any day in which the member is engaged in additional activities that have been pre-determined by the Chairman to be a discharge of the members' duties, pursuant to Health and Safety Code Section 125290.40.
  
- \$12.50 shall be paid to each member or designated representative who is authorized to exercise full authority for the following for time spent in preparation for a meeting of the full ICOC, an ICOC subcommittee or an ICOC working group to which the member is appointed.

- ICOC members and eligible designated representative who do not wish to claim per diem should notify the Chief Administrative Officer using the attached letter format.
- Per diem amounts will be claimed by the ICOC members and eligible designated representative at the end of each month using the attached form. (NOTE: This form will be converted to a "fill and print" form and posted on the CIRM web site for your convenience.

**Recommendation**

ICOC should adopt the policy described above and apply it retroactive to 12/17/2004.