



Board Member Reimbursements

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1. Can a board member be reimbursed for expenses incurred in carrying out board business?

Yes. While board members serve without compensation, district funds may be used for purposes that the board determines are necessary in the conduct of the public schools. Tex. Educ. Code §§ 11.061(d), 45.105(c). Therefore, reimbursement of board member expenses is not illegal if the reimbursement is determined to be necessary in the conduct of the school and to serve a proper public purpose. Tex. Att’y Gen. Op. No. JH-0133 (1973). See TASB Policy BBG(LEGAL).

2. Can a board member get reimbursed for the expenses of a family member who traveled with the board member?

No. The board may not pay the travel expenses of spouses or other persons who have no responsibilities or duties to perform for the board when they accompany board members to board-related activities. Tex. Att’y Gen. Op. No. MW-0093 (1979).

3. Are there limits on the amount of reimbursements board members can receive during the school year?

Yes. Local policy establishes your district’s rules for authorized, allowable, and reasonable board member reimbursements. See TASB Policy BBG(LOCAL). Typically, local policy requires that an amount for board member travel must be approved in the budget for each school year and documented in accordance with district policy or procedures.

4. Who determines whether a board member is carrying out “board business?”

The board must authorize board business before a board member incurs any expenses. Local policy typically provides that in order to be reimbursable, expenses must be incurred while carrying out board business only at the board’s request or while attending meetings and conventions as an official representative of the board. See TASB Policy BBG(LOCAL).

5. What type of expenses are reimbursable?

Local policy typically states that expenses must be “reasonable” and “allowable.” In most cases, board member expenses are related to travel for board business. Expenses incurred by board members related to home printing and office supplies are not ordinarily reimbursed.

6. How are payments for expenses made?

To be paid, expenses must be authorized and documented. Payment may be made by one of two methods—reimbursement or advancement of a set amount.

If the district advances a set amount to a board member, any excess funds over the actual expenses must be refunded to the district. Excess payments retained by board members may be considered a travel allowance or compensation, which are not permitted. Tex. Educ. Code § 11.061(d); Tex. Educ. Agency, [Financial Accountability System Resource Guide](#), (FASRG), *Module 1, Financial Accounting and Reporting*, p. 159 (2019). If the district advances travel expenses, it is important to consult with the district’s auditor or financial advisor to ensure that the district’s advance does not exceed expenses and that the district requires actual proof of expenses, such as receipts or other documentation. Tex. Educ. Agency, [Financial Accountability System Resource Guide](#), (FASRG), *Module 1, Financial Accounting and Reporting*, p. 159 (2019).

7. What documentation is required for board reimbursements?

Local policy typically requires that for any authorized expense incurred, board members must submit a statement, with receipts, documenting actual expenses in accordance with procedures applicable to employee expense reimbursement.

8. Do board member reimbursements have to be reported?

Yes. The district is required by law to prepare and distribute an annual financial management report. Tex. Educ. Code § 39.083. The report must include a summary schedule for the fiscal year of expenditures paid on behalf of, and total reimbursements received by, each board member, including transactions on the district’s credit cards, debit cards, stored-value cards and any other similar instruments to cover expenses incurred by each board member. The summary schedule must separately report reimbursements for meals, lodging, transportation, motor fuel, and other items. 19 Tex. Admin. Code § 109.1001(q)(3)(B)(ii). See TASB Policy CFA(LEGAL).

9. Can board members be issued a laptop, cell phone, or other technological device or an email account to conduct district business?

Yes. A district may choose to issue to board members, or otherwise provide them access to, any number of technological resources so that board members can review documents or conduct other district business. If the district chooses to do so, the board should adopt a policy addressing board member use of technology. TASB provides recommended policy language at TASB Policy BBI(LOCAL). Board members should also sign an acceptable use agreement that details the regulations and parameters of the board member's use of the technology. TASB provides sample acceptable use agreements at CQ(EXHBIT) in the Regulations Resource Manual (Exhibit D).

10. Can a board member use district-issued technology for personal reasons?

Yes, within limits. TASB Policy BBI(LOCAL), for example, permits limited personal use of district resources as long as the personal use does not impose a tangible cost on the district or unduly burden district technology resources.

Personal use of school district services, including internet service, raises two significant legal issues. The first issue is whether personal use of these services creates a gift of public funds. The Texas Ethics Commission has concluded that reasonable and incidental use of government property such as email and internet does not constitute misuse, as long as the personal use does not result in direct costs or impede government functions. Op. Tex. Ethics Comm'n No. 372 (1997).

The second issue is whether personal use of district equipment or services is taxable income to a board member. Under Internal Revenue Code section 3401(c), an officer of a political subdivision is treated like an employee, and communications equipment, such as a laptop and internet service, is considered a taxable fringe benefit. 26 C.F.R. § 1.61-2(d)(1); Internal Revenue Manual § 4.23.5.15(3). As a result, absent an exception, board members are obligated to pay income tax on the fair market value of their personal use of district technology equipment and services. This is troubling in light of the state law that prohibits board members from receiving compensation for their board service. Tex. Educ. Code § 11.061(d).

The *de minimis fringe* exception provides a safe harbor for personal use that is so small as to make accounting for the use unreasonable. For example, an occasional phone call or email on school equipment is not taxable income to a board member; but significant personal use of school equipment, including a laptop, is taxable as income. Internal Revenue Manual § 4.23.5.15.2(5).

11. Can a board member be held responsible for the theft, loss, or damage of a school district-issued technology device?

Yes. Unlike the case of employees and students, no law restricts a district from requiring a board member to reimburse the district for the theft, loss, or damage of a district-issued device. The board may adopt a policy or guidelines requiring reimbursement.

This document is continually updated, and references to online resources are hyperlinked, at tasb.org/services/legal-services/tasb-school-law-esource/governance/documents/board-member-reimbursements.pdf. For more information on this and other school law topics, visit TASB School Law eSource at schoollawesource.tasb.org.

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