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OFFICE OF THE INSPECTOR OF COOPERATIVES OF PUERTO RICO
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Regulation to Authorize Appropriations of Funds for Travel and Subsistence Allowance to Members of Governing Bodies in Cooperative Associations Under the Puerto Rico Cooperative Associations General Act and the Savings and Credit Cooperative Associations Act, as amended.

No. 3519

Date: October 12, 1987 2:35 p.m.

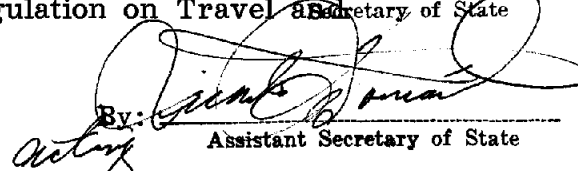
Approved: Héctor Luis Acevedo
Secretary of State

Article I - Title

This Regulation shall be referred to as "Regulation on Travel and Subsistence Allowance".

Article II - Legal Base

Enacted pursuant to the provisions of Articles 14 (A) and 19 (3) of the Puerto Rico Cooperative Associations General Act (No. 291 of April 9, 1946) and Articles 4 and 16 (k) of the Savings and Credit Cooperative Associations Act (No. 1 of June 15, 1973) as amended.

By: 
Assistant Secretary of State

Article III - Definitions

In this Regulation, the terms used shall have the following meaning:

A. Subsistence allowance - Amount of money authorized to a member or members of a governing body of a cooperative while on official business to cover breakfast, lunch, and dinner expenses incurred.

B. Transportation - Expenses authorized to a member or members of a governing body of a cooperative while on official business for traveling to and/or from a temporary post or the official post or residence while on official business.

C. Members of a governing body - Natural persons elected or designated to hold office in a Board of Directors, a Credit Committee, a Supervisory Committee, an Education Committee, or any other duly instituted permanent elective body of a cooperative, provided they do not receive salaries, wages, nor any unauthorized compensation for the performance of their assigned duties.

D. Payment - Disbursement to a third party on behalf of a member

F. Reimbursement - Disbursement to refund a member of a governing body to cover incurred expenses during the fulfillment, discharge or performance of an official assignment of the cooperative association.

G. Residence - Place within the boundaries of the Municipality where a person regular or permanently lives or lodges.

H. Most economical route - Shortest route employed to travel to or return, from a temporary post to the official destination or residence, and return.

Article IV - Exclusions

This Regulation shall not be applicable to any person entitled to or receiving salaries, wages or any other kind of remuneration for the performance of their assigned duties in a cooperative association.

Article V - Subsistence Allowance

A. The Board of Directors may authorize payments or reimbursements to members of governing bodies for any portion of the subsistence allowance based on time of departure to or arrival at the temporary post or residence, not to exceed the following amounts:

	<u>Departure</u>	<u>Arrival</u>	<u>Amount</u>
Breakfast	6:30 am	8:00 am	\$ 5.00
Lunch	12:00 m	1:00 pm	10.00
Dinner	6:00 pm	7:00 pm	15.00

B. On official assignments outside the geographical boundaries of the Commonwealth of Puerto Rico, expenses for breakfast, lunch and dinner may be paid or reimbursed on an actual cost basis, provided they are supported by the corresponding vouchers or invoices. Advanced funds shall not exceed the total amount which otherwise had been paid or reimbursed, and any excessive advance or not properly substantiated, must be refunded to the cooperative association.

Article VI - Transportation

A. The Board of Directors may authorize the payment or reimbursement of transportation expenses actually incurred by members of governing bodies

B. On trips outside the geographical boundaries of the Commonwealth of Puerto Rico, or whenever travel by car is not feasible, transportation expenses may be paid or reimbursed on an actual cost basis, provided they are supported by the corresponding vouchers or invoices. Advanced funds for this purpose shall not exceed the total amount which otherwise had been paid or reimbursed and any excessive advance, or not properly substantiated, shall be refunded to the cooperative association.

Article VII - Trips outside the Commonwealth

Trips outside the geographical boundaries of the Commonwealth of Puerto Rico may be authorized, and such expenses paid or reimbursed to members of governing bodies as official representatives of the cooperative association to participate in meetings, seminars or in any other activity relevant to the Cooperative Movement. Such payments or reimbursements shall be governed by this Regulation.

Article VIII - Other Expenses

A. The Board of Directors may authorize lodging expenses incurred while on official business, to be paid or reimbursed on an actual basis, provided they are properly supported by the corresponding vouchers or invoices.

B. Expenses may also be paid or reimbursed for services such as telephone, parking and expenses incidental to the official assignment, such as materials, enrollment fees, books, etc., incurred in pertinent activities, provided they are evidenced by pertinent vouchers or invoices.

Article IX - Procedures

Payments, advances or reimbursements for lodging, transportation, subsistence allowance and other expenses authorized by this Regulation shall be certified by the Treasurer of the Board of Directors, ascertaining that the disbursement is recommended, has not been made previously, it

thirty (30) days following the fulfillment of the assignment.

Article X - General Dispositions

A. Any agreement, disposition, observance or procedure in opposition to this Regulation shall be void and without legal effect whatsoever, with the exception of those dispositions arising from amendments to applicable laws and the Constitution of the Commonwealth of Puerto Rico.

B. Any payment, advance or reimbursement for lodging, transportation, subsistence allowance or other expenses disbursed in opposition to this Regulation, shall be considered as an illegal unauthorized bonus or compensation and as such, shall be subject to the penalties provided by applicable laws.

C. Direct payments to third parties supplying the services shall be governed by the dispositions contained in this Regulation.

D. No portion of the subsistence allowance shall be paid or reimbursed, as long as it is already included in the disbursement or invoice for lodging expenses.

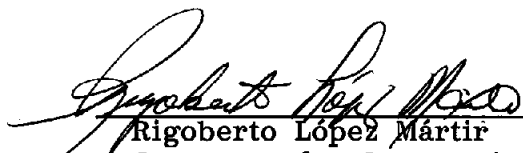
Article XI - Constitutionality

If any article, clause, paragraph, section or part of the Regulation is ruled out as unconstitutional by a Court with relevant jurisdiction, this ruling will not affect, harm or invalidate the remaining parts of this Regulation.

Article XII - Effectiveness

This Regulation shall be enforced immediately after being filed with the State Department of the Commonwealth of Puerto Rico, according to the provisions of Act No. 112 of June 30, 1957, as amended.

Approved in San Juan, Puerto Rico, on October 21, 1987.


Rigoberto López Martí
Inspector for Cooperatives