

Policy: #1022 – Delegation of Authority from Board of Directors to the General Manager

SCOPE OF POLICY: Board of Directors

RESPONSIBILITY: Board of Directors, General Manager; Qualified Employee(s)

I. Policy

To delegate certain tasks and authority to the General Manager and to express the Board's expectations regarding managerial performance.

- A. The Board of Directors is responsible for directing the affairs of the District. It reserves the authority to establish policies, approve plans and programs, exercise fiduciary oversight, employ a General Manager, engage legal counsel, hire a professional firm to conduct the financial audit, and take other steps as may be in the best interest of the District as allowed by law.
- B. The General Manager is hereby delegated sufficient authority to manage the operations of the corporation on a day-to-day basis and thus, through such delegations, is authorized to facilitate the necessary actions to attain the objectives of this District.
- C. Because the General Manager has been delegated a significant level of power and authority, he or she is recognized as a "Corporate Officer" and serves as the Chief Executive Officer of the corporation, in contrast with the Board President, who is the principal executive officer of the board.

II. Procedure

To enable the District to achieve its mission, the General Manager shall:

A. Planning

- 1. Identify the mission, objective, and strategic priorities of the District by periodically engaging in a planning process with the board.
- 2. Develop board level governance policies to be recommended to the board for its consideration. Such policies shall be reviewed periodically with recommendations regarding revisions.
- 3. Conduct studies and research, utilizing staff, and develop proposed action plans and reports in such areas as load forecasts, power requirements, financial plans, energy management, marketing plans, and engineering requirements.
- 4. Arrange for customer satisfaction surveys and other techniques to measure customer satisfaction, and, also, on a periodic basis, conduct needs assessments to determine customer interest in additional products or services that might be offered by the District.
- 5. Develop long-range financial plans, cash management plans, work plans, and a budget for recommendation to the board, and provide

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periodic reports of revenue, expenses and other results compared to such plans.

6. Analyze and determine state and federal legislative and regulatory matters to be proposed, supported, or opposed.
7. Periodically analyze the District's rates, and service rules and regulations to ensure compliance with operating requirements. Upon review, if changes are necessary and substantive such that the Board's authorization is necessary, the Board shall be provided recommendations.
8. Develop mutual aid plans and agreements for cases of emergency with ERPPD and other Public Power Districts.

B. Organizations and Human Resource Management

1. Review activities of the District and determine the organization structure best suited to carry out its objectives.
2. Ensure that written job descriptions and job specifications are prepared and reviewed as necessary for all personnel. Such completed descriptions will not require board approval.
3. Develop or approve standards and qualifications for use in recruitment, selection, hiring, transfer, promotion, discipline, or termination of personnel and ensure all managerial and personnel issues are appropriately handled.
4. Ensure that staff members are trained in accordance with the qualifications and requirements of their positions.
5. Appraise, at least annually, the performance of immediate staff members, and ensure that a performance appraisal program is established and carried out for all personnel. Performance may be appraised through an ongoing coaching and performance improvement, action plan program.
6. Develop and propose a compensation plan for board approval.
7. Determine all salary adjustments, except the General Manager's, within the board-approved compensation plan and policy and within the limitations of the budget. Salary adjustments for the General Manager shall be determined by the board.
8. Negotiate, with or without consulting assistance, labor contracts if applicable and make recommendations to the board. Administer the approved labor contract and see that the appropriate managers and

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supervisors understand the provisions of the contract and its administration.

9. Authorize and approve travel expenses of personnel (except the General Manager) on company business within the limitations of the budget and within established policy. Such expenses shall be supported by itemized expense accounts with receipts attached, as appropriate. Expenses of the General Manager will be reviewed by the board.
10. Select and appoint consultants to provide advice and assistance within the limitations of the work plan and budget and advise the board of actions taken. The selection of consultants working in areas which affect the functions of the board require the board's approval. Report to the board periodically on services provided and the fees received by consultants.

C. Operations

1. Direct day-to-day operations of the District except as specified otherwise by the bylaws or the Board of Directors; delegate authority to immediate staff; authorize further delegation of authority to any level of management with full recognition that the General Manager cannot be relieved of overall accountability.
2. Designate a qualified person to serve as person in charge. In case the General Manager becomes incapacitated or is absent, the person in charge shall serve temporarily as acting General Manager. In the event the General Manager is incapacitated or absent for a period in excess of 20 calendar days, the Board of Directors shall take appropriate action, if necessary, at a special or regular meeting of the Board.
3. Participate in national, regional, state, and local meetings which further the best interests of the District, within the limitations of board policy and the approved budget. Participation by the General Manager in such activities which require considerable time over a sustained period requires the approval of the board. The General Manager's service on the board of other organizations shall be reported to the board.
4. Serve as the authorized spokesperson for the District.
5. Administer the approved budget. Any amount over \$20,000, unless it is an emergency expenditure, needs Board approval.
6. Determine insurance coverages required for effective risk management and negotiate purchases of such coverage within the limitations of the budget and board policy.

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7. Authorize memberships in civic clubs and organizations and company memberships in local organizations in which membership would be beneficial to the District, within the limitations of board policy and state law.

D. Reporting to and Working with the Board

1. Develop with the Board President a schedule of topics to be discussed and reports to be presented to the board to ensure that adequate attention can be devoted to strategic issues and challenges.
2. Develop with the Board President an agenda for each board meeting to ensure that issues are discussed in a timely fashion. Ensure that the agenda reflects the distinction between board reports that address past actions and action items that involve future issues that must be addressed.
3. Report to the board on conformity of operations with approved policies, plans and budgets, and recommend revisions requiring board approval. Periodic and special reports include:
 - a. Status of the long-range financial plan, including equity management and rate competitiveness
 - b. The Annual Financial Audit and Management Letter
 - c. Reports on electric service reliability
 - d. Reports on consumer satisfaction
 - e. A review of the bylaws, board policies, or legal issues
 - f. Loss Control
 - g. Others as appropriate

III. Acknowledgment

- A. It is the policy of the board to refrain as individuals from discussing management and personnel issues with personnel of the District. The board, in consultation with the General Manager, may confer with key personnel at regular or special meetings of the board.
- B. The board recognizes that should any director undertake private conversations with others to make commitments for the board or the corporation, unless directed officially by the board, that director becomes involved in a serious breach of policy and may be subject to discipline by the full board.