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| Policy Type:   | Board Policy   |
| Policy No:     | 105  |
| Title:         | Delegations from the Board of Directors to the General Manager/CEO |
| Date Reviewed: | October 22, 2024   |
| Date Revised:  | October 22, 2024   |

**SUBJECT: DELEGATIONS TO THE GENERAL MANAGER/CEO**

I. OBJECTIVE: To clearly define the delegations from the Board of Directors to the General Manager/CEO that gives the General Manager/CEO authority to adequately direct the operations of San Miguel Power Association, Inc. (hereinafter SMPA).

II. POLICY:

A. Planning

1. Viewpoints, Objectives and Policies and Procedures
  - a. To formulate, with SMPA staff, and recommend to the Board of Directors, strategic viewpoints, objectives, and corporate policies which pertain to finances, members and Board of Director governance of SMPA.
  - b. To develop, and recommend to the Board of Directors, work procedures and employee policies for employee guidance.
2. Long- and Short-Range Plans
  - a. To formulate, with SMPA staff and outside consultants as needed, and recommend to the Board of Directors, Short- and Long-Range plans, including plans in such areas as engineering, power supply, financial, public and member relations, etc.
3. Annual Work Programs and Budgets
  - a. To formulate, with SMPA staff, , and recommend to the Board of Directors, an annual work program and budget.
4. Membership Meetings
  - a. To develop, with SMPA staff, , and recommend to the Board of Directors, plans for SMPA's annual meeting and other membership meetings.
5. Legislation
  - a. To analyze, and recommend to the Board of Directors, State and Federal legislative and administrative matters to be supported by SMPA consistent with established SMPA policy.
6. Management Improvement
  - a. To plan and develop a comprehensive management improvement program, including such areas as position descriptions, organization planning, job evaluation and systematic wage and salary plan.
7. Rates

- a. To periodically study and analyze SMPA's rates and billing and collecting procedures to make sure they meet current operating requirements and to make appropriate recommendations to the Board of Directors.
- B. Organization
1. Organization Structure
    - a. To review periodically all activities of SMPA and determine the organization structure best suited to carry out overall SMPA objectives.
    - b. To determine the need for additional positions or transfer, reassignment or elimination of present positions and to affect such changes.
  2. Selection of Personnel
    - a. To develop or approve standards and qualifications for use in recruiting, transfer and promotion of SMPA's employed personnel. Such standards and qualifications shall be consistent with all applicable Federal and State legislation.
    - b. To select, appoint, transfer, promote and release all employed personnel.
  3. Wage and Salary Administration
    - a. To maintain a systematic wage and salary plan for all employees.
    - b. To determine all salary adjustments for employees except the General Manager/CEO's within the approved wage and salary plan and policy. Salary adjustments for the General Manager/CEO shall be decided by the Board of Directors.
    - c. To evaluate new positions and re-evaluate existing positions if their responsibilities and authorities substantially change, and, because of such evaluation or re-evaluation, place these positions in the wage and salary plan.
  4. Training
    - a. To see that SMPA staff is trained in accordance with the qualifications and requirements of their position.
    - b. To initiate and promote, through SMPA staff, appropriate management, professional and technical training programs for all personnel, including sending personnel to appropriate training program outside SMPA.
  5. Performance Appraisals
    - a. To appraise periodically the performance of SMPA senior staff and to counsel with them to assist them to develop and improve.
    - b. To see that a performance appraisal program is established and carried out for all SMPA personnel.
  6. Position Descriptions
    - a. To see that written position descriptions are prepared and kept up to date for all SMPA personnel. Such completed descriptions will not require Board of Director approval, except for the position description for General Manager/CEO.
  7. Fringe Benefits
    - a. To administer or approve activities and actions with respect to vacations, holidays, sick leave and other benefit programs for the employed personnel.
    - b. To study and recommend to the Board as required changes in SMPA's benefit programs.

8. Consultants
  - a. To select and recommend the employment of specialized consultants as needed within the approved SMPA budget.
- C. Operations
  1. Overall Administration
    - a. To direct the day-to-day operations and activities of SMPA except as specified otherwise by the Bylaws or the Board of Directors; delegate appropriate authority to SMPA senior staff; authorize the further delegation of General Manager/CEO authority to any level of management; with full recognition that General Manager/CEO cannot be relieved of their over-all responsibility or any portion of their accountability.
    - b. To manage the operations of SMPA in accordance with the strategic viewpoints, objectives and policies of the Board of Directors.
    - c. To direct appropriate and efficient membership services in such areas as, but not necessarily confined to, provision of electric service, power use, member education, and research, as authorized by the Board of Directors.
    - d. To accept invitations to participate in or to designate another staff member to participate in national, state, and local meetings, which further the best interest of SMPA.
    - e. To direct provision of system improvements and improvements in service as required within the limitations of Board policy.
    - f. To design, plan and direct a preventive maintenance program that will ensure the economical and reliable operation of the electric system, and extend the service life of physical property to its reasonable maximum.
    - g. To sign contracts for electrical service.
    - h. To administer the approved budget, including direct approval of the non-budgeted expenses and budget overruns not exceeding \$25,000 and those exceeding \$25,000 that involve unanticipated emergency maintenance or repairs. All non-budgeted expenses and budget overruns that are not included in the previous sentence must be presented to the Board of Directors for approval prior to that authorization.
  2. Public and Member Relations
    - a. To see that the authorized SMPA publications are prepared, edited, and made available.
    - b. To determine and approve SMPA's participation in community and civic activities with the limitations of Board policy.
    - c. To investigate and authorize membership in clubs and associations in which the General Manager/CEO believes membership of themselves or staff members or Directors would be helpful; and authorize the dues for payment following the policy of the Board and consistent with the budget.
  3. Financial
    - a. To administer expenditures as required within the limitations of Board policy and the budget.
    - b. With the assistance of the Chief Financial Officer (CFO), to invest or re-invest SMPA funds, cash investments when due, as necessary to protect SMPA's cash position.

- c. To authorize and approve the travel and expenses of SMPA personnel on SMPA business within established policy.
- d. To approve accounting systems, procedures, statistics and types of reports necessary for the sound financial management of SMPA and for necessary control information required by the Board of Directors.
- e. To purchase all SMPA equipment, hardware, furniture, materials and supplies within the limitations of the budget approved by the Board.
- f. To approve loan applications to be recommended to the Board for approval.
- g. To approve and sign funds requisitions under existing loan documents.
- h. To co-sign checks for payment of approved bills, salaries, and other expenditures.
- i. To approve "write-off" of delinquent accounts per established procedures.

#### D. Controls

- 1. Operations
  - a. To submit periodic and special reports to the Board of Directors on the conformity of operations with approved objectives, policies and programs; to recommend any revisions requiring Board approval and to direct any remedial action.
- 2. Finances
  - a. To submit periodic and special reports to the Board on the overall financial position of SMPA, which may include receipts, disbursements, and cash balances to keep them informed of SMPA's financial position and conformance to financial plans and forecasts.
- 3. Annual Financial Audit
  - a. To review with the Board the Annual Financial Audit and direct any remedial action required. Such review may be with the auditor participating in such Board Meeting.
- 4. Physical Inventories
  - a. To determine the amount of and establish proper control of all physical inventories of SMPA, including disposition of surplus or obsolete stocks of supplies.
- 5. Power Supply
  - a. To review periodically the adequacy of the power supply and make appropriate recommendations to the Board of Directors.
- 6. Member Complaints
  - a. To submit periodically to the Board of Directors an analysis of member and consumer complaints and take any corrective action required or to recommend appropriate revisions in Board policy.
- 7. Quality of Service
  - a. To submit periodically to the Board of Directors a report on the quality of service and remedial action taken.
- 8. Member Meetings
  - a. To report to the Board of Directors on the effectiveness of annual and other member meetings with recommendations on any improvements which can be made.
- 9. Bylaws

- a. To report to the Board periodically on a review of Bylaws made in consultation with SMPA's attorney and to recommend any revisions required.

### III. RESPONSIBILITY:

- A. The General Manager/CEO shall report to the Board of Directors periodically on how the General Manager/CEO is carrying out these delegations. The General Manager/CEO may make further delegations to SMPA staff as required. It will also be the responsibility of the Board of Directors to periodically provide the General Manager/CEO with a review on their performance of this responsibility.
- B. The Board of Directors is responsible for approving any changes in the delegations to the General Manager/CEO.