

Policy Type:	Board Policy
Policy No:	105
Title:	Delegations from the Board of Directors to the General Manager/CEO
Date Reviewed:	June 25, 2019
Date Revised:	April 24, 2018

SUBJECT: FUNCTIONS OF THE BOARD OF DIRECTORS

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, strategic viewpoints, objectives, and corporate policies which pertain to finances, members and Board of Director governance of SMPA to be recommended by the General Manager/CEO to the Board of Directors for approval. To develop 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, an annual work program and budget to be recommended to the Board of Directors for approval.
4. Membership Meetings
 - a. To develop, with SMPA staff, plans for SMPA’s annual meeting and other membership meetings to be recommended to the Board of Directors for approval.
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 with SMPA staff the organization structure best suited to carry out over-all SMPA objectives.
- b. To determine, with SMPA staff, 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 Federal and State legislation.
- b. To select, appoint, transfer, promote and release all employed personnel.

3. Wage and Salary Administration

- a. To maintain, with SMPA staff, 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 Board approved 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 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 fringe benefit programs for the employed personnel.
- b. To study and recommend to the Board as required changes in SMPA's fringe benefit program.

8. Consultants

- a. To select and recommend the employment of specialized consultants as needed, within the approved SMPA budget.

C. Operations

1. Over-all 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 further delegation of General Manager/CEO authority to any level of management; with full recognition that the General Manager/CEO cannot be relieved of his or her over-all responsibility or any portion of his or her 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 economical operation of the electric system, extend service life of physical property to its reasonable maximum and bring about a high level of continuity of service to the members and consumers.
- g. To sign contracts for electrical service.
- h. To administer the approved budget, including direct approval of the non-budgeted expenses and budget over-runs not exceeding \$25, 000, and those exceeding \$25,000 that involve unanticipated emergency maintenance or repairs. All non-budgeted expenses and budget over-runs 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, published and distributed.
- 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 himself or herself 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.
- 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 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 requisition for funds set up in the RUS loan budget.
- 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 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 the co-op 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 present at the 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 adequacy of power supply and make appropriate recommendations to the Board.
- 6. Member Complaints
 - a. To submit periodically to the Board 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 a report on quality of service and remedial action taken.
- 8. Member Meetings
 - a. To report to the Board, upon analysis by General Manager/CEO and SMPA staff, of 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 periodically on how he or she 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 to periodically provide the 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.