



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Brown, Helgeson, Manning and Mital
FROM: Lance Robertson, Public Affairs Manager
DATE: Feb. 19, 2016
SUBJECT: Review and revisions to Board Policy EL3 – Public Requests for Board Expenditures
OBJECTIVE: Board review and feedback of governance policy EL3

Issue

As part of the Board's regular review of its governance policies, staff reviewed Executive Limitations 3, which relates to public requests for donations, sponsorships, grants and other direct requests for expenditures of public funds for community support.

Background

A governance policy was first adopted in 1987 to guide the Board in approving requests for donations, sponsorships, in-kind services and other community requests for utility funds. The policy was revised in 2005. The revised policy was intended to allow the Board to approve requests for such funds above \$2,000. However, the Board also approves annual budgets authorizing staff to expend funds for such things as energy and water education grants, Greenpower grants, watershed protection and research grants, general donations and sponsorships. Many are in excess of \$2,000. These funds are expended by EWEB management staff in accordance with the approved budget. However, the manner in which the policy is written may be interpreted as requiring separate and specific Board approval to expend funds in excess of \$2,000. For example, the annual \$50,000 Greenpower grants are included in the annual budget, are voted on by Greenpower customers and then awarded each year, without separate Board approval for each grant.

Discussion

Staff has proposed a revised EL3 governance policy to allow staff to efficiently consider, review and expend funds authorized by the Board through the normal budgetary approval process, but also to provide continued opportunities and authority for the Board to consider and approve community requests made directly to the Board or individual Commissioners. The draft policy provides suggested guidelines and limitations in accordance with EWEB's Community Investment Strategy, which can be found at: <http://www.eweb.org/investment>.

Requested Board Action

Management is requesting feedback from the Board on the draft revisions to EL3 at its March 1 regular meeting. The draft EL3 will be revised, based on Board direction, and re-submitted for final approval at a subsequent Board meeting.

Policy Number: EL3
Policy Type: Executive Limitations
Policy Title: Public Requests for Board Expenditures
Effective Date: _____

The Board authorizes the expenditure of funds or in-kind services for purposes of research, community support, sponsorships, education programs and other activities as part of the annual budget-setting process. The General Manager, or appropriate division manager, is authorized to expend these funds as needed. Utility Management also has established a Community Investment Team to accept, review and authorize requests for sponsorships that align with EWEB's mission, vision and values, in accordance with authorized annual budgets.

However, the Board or individual Commissioners on occasion receive requests directly from customers or community groups. The Board may wish to consider and approve certain requests directly. In doing so, the Board shall consider such direct requests for funding under the following guidelines:

- The request is in excess of \$50,000. For requests below that amount, the Board will refer the request to staff for consideration as part of the utility's normal operational procedures.
- The Board must determine that the request for financial support meets EWEB's established Community Investment priorities, which focus on the social, environmental or economic benefit to the community.
- The Board must determine that the proposed expenditure supports the purposes of EWEB pursuant to the Eugene City Charter.

The Board must determine that funds are available within the appropriated budget. If not, the Board may authorize additional expenditures through a Budget Amendment or other appropriate procedures.

The Board is not obligated to consider direct requests in excess of the established limit. Any direct request may be referred to staff for consideration and approval.

The General Manager shall require specific information from proposers requesting EWEB funds or services. Such information should include a clear and detailed written description of the proposal, a description and quantification of benefits to EWEB or its utility consumers, and description of how research findings or services will be distributed and used.

At its discretion, the Board may impose additional requirements, including contractual agreements, upon any proposer as a condition of funding or continued funding.

Source: Board Approved 04/13/1987; Ratified 04/19/2005; *Revised and Ratified 4/05/2016 (Tentative date)*

Policy Number: EL3
Policy Type: Executive Limitations
Policy Title: Public Requests for Board Expenditures
Effective Date: April 19, 2005

The Board authorizes ~~may authorize~~ the expenditure of funds or in-kind services for purposes of research, community support, sponsorships, education programs and other activities as part of the annual budget-setting process. The General Manager, or appropriate division manager, is authorized to expend these funds as needed. Utility Management also has established a Community Investment Team to accept, review and authorize requests for sponsorships that align with EWEB's mission, vision and values, in accordance with authorized annual budgets.

However, the Board or individual Commissioners on occasion receive requests directly from customers or community groups. The Board may wish to consider and approve certain requests directly. In doing so, the Board shall consider such direct requests for funding under the following guidelines. In considering such requests, the Board's decisions will be guided by:

- The request is in excess of \$50,000. For requests below that amount, the Board will refer the request to staff for consideration as part of the utility's normal operational procedures.
- The Board must determine that the request for financial support meets EWEB's established Community Investment priorities, which focus on the social, environmental or economic benefit to the community.
- The Board must determine ~~A determination~~ that the proposed expenditure supports the purposes of EWEB pursuant to the Eugene City Charter, ~~and~~
- ~~A determination that EWEB or its utility consumers can reasonably be expected to receive sufficient and readily accessible benefits from the proposal to justify the expenditure.~~
- ~~The Board must determine~~ ~~A determination~~ that funds are available within the appropriated budget. If not, the Board may authorize additional expenditures through a Budget Amendment or other appropriate procedures. Requests will be considered as submitted.

The Board is not obligated to consider direct requests in excess of the established limit. Any direct request may be referred to staff for consideration and approval.

~~The General Manager, who will recommend approval or disapproval, shall screen solicitations of funds or services by outside agencies or individuals. The General Manager is authorized to act on the Board's behalf for expenditures or in-kind value of up to \$2,000.~~

The General Manager shall require specific information from ~~the~~ proposers requesting EWEB funds or services. Such information should include a clear and detailed written description of the proposal, a description and quantification of benefits to EWEB or its utility consumers, ~~the qualifications of the principals, plans for shared funding,~~ and description of how research findings ~~and or~~ services will be distributed and used, ~~and by whom, etc.~~

At its discretion, the Board may impose additional requirements, including contractual agreements, upon any proposer as a condition of funding or continued funding.

Source: Board Approved 04/13/1987; Ratified 04/19/2005; [Revised and Ratified 04/05/16](#)
[\(Tentative date\)](#)

Policy Number: EL3
Policy Type: Executive Limitations
Policy Title: Public Requests for Board Expenditures
Effective Date: April 19, 2005

The Board may authorize the expenditure of funds or in-kind services for purposes of research, community support, and other activities. In considering such requests, the Board's decisions will be guided by:

- A determination that the proposed expenditure supports the purposes of EWEB pursuant to the Eugene City Charter, and
- A determination that EWEB or its utility consumers can reasonably be expected to receive sufficient and readily accessible benefits from the proposal to justify the expenditure.
- A determination that funds are available within the appropriated budget. Requests will be considered as submitted.

The General Manager, who will recommend approval or disapproval, shall screen solicitations of funds or services by outside agencies or individuals. The General Manager is authorized to act on the Board's behalf for expenditures or in-kind value of up to \$2,000.

The General Manager shall require specific information from the proposers requesting EWEB funds or services. Such information should include a clear and detailed written description of the proposal, a description and quantification of benefits to EWEB or its utility consumers, the qualifications of the principals, plans for shared funding, and description of how research findings and services will be distributed and used, and by whom, etc.

At its discretion, the Board may impose additional requirements, including contractual agreements, upon any proposer as a condition of funding or continued funding.

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