

**Attachment R**  
**Standard District Policy 3.3**  
**Delegations of Authority**



## STANDARD DISTRICT POLICY

Section

### ORGANIZATION AND ADMINISTRATION

Subject

### DELEGATIONS OF AUTHORITY

Replaces SDP 3.3 - Delegation of Authority, dated Oct. 1998

#### PHILOSOPHY

Certain authority has been delegated to the General Manager to operate and manage the District business operations. The General Manager re-delegates most of this authority to the Executive Management Committee (EM) members who then may re-delegate that authority to the lowest appropriate level of management. While authority may be re-delegated downward, responsibility is not.

#### POLICY

The General Manager delegates powers and duties to the Executive Management Committee Members. The EMs are authorized to act on all matters within their own areas of responsibility. The EMs approve programs or projects within their approved budgets unless the Board or the General Manager reserves approval. The EMs must obtain General Manager approval through the Budget Office for non-budgeted and over-budget items or for significant changes to approved budget plans or programs. For purposes of this authority document, the Executive Management Committee members are defined as the General Manager, Assistant General Managers, District's General Counsel, Chief Financial Officer and Chief Information Officer. The Special Assistant to the Board has Manager-level authority.

The General Manager further authorizes the EMs to re-delegate their authority. Such delegations must be specific and in writing. Authority delegated to Managers/Directors may be further delegated with EM approval as noted on the delegation matrices. Managers must obtain EM approval through the Budget Office for non budgeted and over-budget items or for significant changes to approved budget plans or programs. In addition, authorities are limited to changes for which the managers have budget authority.

District management has a responsibility to keep the General Manager informed of issues and matters for which they are responsible. When policy direction is not clear, the General Manager's approval on a proper course of action shall be obtained in advance.

#### SPENDING LIMITS

Board expenditures are documented in resolution 87-4-55 and resolution 03-08-07 - District Procurement Policy, dated August 21, 2003. The Board has delegated other expenditure authority limits for various types of transactions to the General Manager. These types and limits appear in the Delegations of Authority.

#### PURCHASING

The EMs have final approval authority for purchases within their direct area of responsibility. They may re-delegate that authority. SDP 3.3.1 –



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**DELEGATIONS**

Delegations of Authority – Procurement and Contracts sets forth the expenditure authorization levels.

**PERSONNEL DELEGATIONS**

The approved budget contains the staffing and payroll limits for each Department. Within that budget, the department manager approves most matters that involve hiring, performance management, discipline and pay. Certain non-budgeted personnel transactions require the approval of the respective Executive Management member, the Chief Financial Officer and/or the General Manager. Personnel rules and regulations governing civil service employees are set forth in the MUD Act and the District’s Civil Service Rules.

The General Manager must approve terminations for cause, failure of probation or suspensions of 15 days or longer for any civil service employee or General Manager appointed employee.

EMs must consult the General Manager before making hiring decisions for Manager or Director positions. These appointments require the signature approval of the General Manager.

**CONCURRENCE & COORDINATION**

Individuals with delegated authority must get appropriate agreement from other organizational units before approving certain commitments and transactions. Check the comment column in the Delegations of Authority matrices before approving these commitments and transactions.

**FORMAL REDELEGATIONS**

Any position holding authority may re-delegate all or part of that authority. Formal notice of re-delegation must be in writing, identify the individual, state the duration of the authorization, have appropriate approval and copies sent to the Manager, Accounting and Controller, Supervisor, Receivables, Receipts and Payments (RRP) Manager, Supply Chain, Legal, and Human Resources. The Accounting department shall maintain these re-delegations of authority. SMUD Form No. 2574-SAP Security Authorization Request is required for all re-delegations for SAP Requisition approval and requires the applicable EM signature.

**TEMPORARY REDELEGATIONS**

Temporary re-delegations may be handled less formally to reduce paperwork and administrative overhead. Consider using one of the following methods:

- Do not re-delegate. Usually signature items can wait a short time or be approved at a higher level.



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**DELEGATE RESPONSIBILITIES**

- For an expected small number of signature items generated during your absence, attach a copy of the approved re-delegation to the item instead of sending out formal notification.
- Appoint a permanent back-up for absences.

Employees who have approval authority must be sure that:

- A. They follow all applicable Board policies, District policies, directives and procedures.
- B. They commit only those funds that are within the approved budget.
- C. They follow proper purchasing and contracting procedures.
- D. They make bid evaluations, contract terms and specifications in the best interests of the District.
- E. They coordinate across organizational lines to get Legal and other appropriate reviews and approvals prior to making a commitment.

**DELEGATION OF AUTHORITY MATRICES**

The District's Delegation of Authority Matrices are separated into three distinct SDPs:

- 1) SDP 3.3.1 – Delegation of Authority – Procurement & Contracts (issued 8/16/04)
- 2) SDP 3.3.2 – Delegation of Authority – Wholesale Energy & Gas Contracts (not issued yet)
- 3) SDP 3.3.3 – Delegation of Authority – General Categories (not issued yet)



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Adjust Electric Service Accounts For Billing Errors, Conformance With Rates.....	1.2
Adjust Electric Service Accounts Not Related To Billing Errors.....	1.1
Adjust Energy Efficiency Loans Not Related To Billing Errors.....	1.3
Advances and Reimbursements to Contract Agents (Claims against SMUD).....	3.1
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Advertising – Job Opportunities.....	2.1
Advertising – Legal Notices.....	2.2
Agreements for Gas Purchases, Sales, Brokering, Exchanges, Storage, and Transportation.....	6.1
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Replaces SDP 3.3 - Delegation of Authority index, dated August 2004

<sup>1</sup> Unless otherwise noted, these items are covered in SDP 3.3 Matrix

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<sup>1</sup> Unless otherwise noted, these items are covered in SDP 3.3 Matrix



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# SMUD

SACRAMENTO MUNICIPAL UTILITY DISTRICT

No. **SDP 3.3**

Date: 3/5/05

**STANDARD  
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## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
<b>0.0 GENERAL AUTHORITY</b>							<b>REPLACED BY SDP 3.3.1 - CATEGORY 1.0 GENERAL AUTHORITY</b>
<b>1.0 ACCOUNT ADJUSTMENTS</b>							
1.1 Adjust Electric Service Accounts Not Related to Billing Errors. (Public Relations Adjustments)		-	-	X	\$4K	\$500*	AGM, Customer Services and Supervisor, Revenue Collection only. *Supervisors in Customer Services only.
1.2 Adjust Electric Service Accounts for Billing Errors, Conformance with Rates		-	-	-	X	\$1K	Supervisor, Revenue Collection only. Supervisor Billing Division only.
1.3 Adjust Energy Efficiency Loans When Not Related to Billing Errors		-	-	-	X	\$15K	Supervisor, Revenue Collection only. Supervisor, Finance Services only.
1.4 Write Off Miscellaneous Billings		-	-	-	X	\$10K	Manager, Accounting & Controller or Supervisor, Revenue Collection only. Supervisor, Receivables, Receipts, & Payments, or Supervisor, Credit Division only. Dual signatures required. Supervisors up to \$10K.
1.5 Write Off Uncollectible Electric Service Accounts		-	-	-	X	-	Supervisor, Revenue Collection only.
<b>2.0 ADVERTISING</b>							
2.1 Job Advertising		-	-	-	X	\$5K	Manager, Human Resources only. Supervisor, Compensation & Selection only.
2.2 Legal Notice Advertising		-	-	-	X	\$100K*	General Counsel and Manager, Supply Chain only. * SMUD Attorneys only -- X. * Procurement Specialists only-\$25K.
2.3 Other Advertising		-	-	-	X	\$5K	Manager, Communications & Advertising and other reviews as required.
<b>3.0 CLAIMS AGAINST SMUD</b>							
3.1 Advances and Reimbursements to Contract Agents		-	-	-	X	-	Supervisor, Risk Management or Manager, Human Resources.
3.2 Dental Insurance - Payment to Agent for Paid Claims		-	-	-	X	-	Manager, Human Resources.
3.3 Disability Payments, Short Term and Long Term		-	-	-	X	-	Manager, Human Resources only.

\*Sections 0.0 General Authority, 13.0 Insurance, 19.0 Permits/Permit Applications and 21.0 Procurement & Contract Awards were incorporated into SDP 3.3.1-Delegation of Authority - Procurement & Contracts

## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
3.4 Government Tort Claim Settlement Without Suit Filed	Over \$50K	-	Over \$10K	-	\$20K	-	Supervisor, Risk Management only.
3.5 On-Site Personal Property Claim	-	-	-	X	\$5K	-	AGM, Admin. Services, Chief Financial Officer only. Supervisor, Risk Management only.
3.6 Personal Injury Liability Settlement (Lawsuit filed)	Over \$100K	-	Any amount	\$100K	\$50K	-	AGM, Admin. Services, Chief Financial Officer only. Supervisor, Risk Management only. Dual signatures required. Legal must approve. AGM up to \$100K; Board >\$100K on all settlements.
3.7 Property Damage Liability Settlement (Lawsuit filed)	Over \$100K	-	Any amount	\$100K	\$50K	-	AGM, Admin. Services, Chief Financial Officer only. Supervisor, Risk Management only and Supervisor, Revenue Collection only to Small Claims Court jurisdiction. Dual signatures required. Legal must approve. AGM up to \$100K; Board >\$100K on all settlements.
3.8 Rejection of Claim or of Petition for Late Claim	-	-	All Claims	-	X	X	General Counsel only. Supervisor, Revenue Collection or Supervisor, Field Services Division only up to Small Claims Court jurisdiction.
3.9 Workers' Compensation Claim Settlements (including Subrogation)	-	Over \$100K	Any amount	-	\$100K	-	Manager, Human Resources only. Dual signatures required on all settlements >\$100K.
3.10 Any other claim or lawsuit against or dispute with SMUD not covered by above categories	Over \$100K	\$100K	Any amount	-	-	-	Dual signatures required. Legal must approve. GM up to \$100K; Board > \$100K on all settlements
<b>4.0 CLAIMS BY SMUD</b>							
4.1 Property Settlement and Release of Liability for claims with face value of	Over \$100K	-	Any amount	-	\$50K* \$25K**	\$1K	*Supervisor, Risk Management only. **Supervisor, Revenue Collection only-25K. Supervisor, Credit Division only.
<b>5.0 CONTRACTS – POWER</b>							
5.1 Interchange Agreement	-	-	Any amount	X	-	-	AGM, Energy Supply only.
5.2 Agreements for Power Purchases, Sales, Brokering, Exchanges (including power for gas), Transmission, Transmission Wheeling and Schedule Coordination Services	Over 2 years	X Up to 2 yrs Over 2 yrs. subject to Board ratification.	Over 2 years	-	Up to 1 year	-	Authority for contracts up to 2 years was delegated to GM by Board. Authority for contracts up to 1 year was sub-delegated by GM to Director, Energy Trading & Contracts or Manager, System & Operation Reliability
5.3 Power Purchase Agreements for terms greater than 2 years and less than 5 years.	Greater than 5 years	X 2 to 5 years	Any amount	-	-	-	GM authority extends only to prices at or below fair market value, and the volume purchased does not exceed 20 percent of expected retail load for the calendar year.

\*Sections 0.0 General Authority, 13.0 Insurance, 19.0 Permits/Permit Applications and 21.0 Procurement & Contract Awards were incorporated into SDP 3.3.1-Delegation of Authority - Procurement & Contracts

## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
5.4 Other energy related service agreements	Over 2 years	X Up to 2 yrs Over 2 yrs. subject to Board ratification.	Over 2 years	-	-	-	General Manager only.
5.5 Weather related financial hedge and/or risk mitigation	Over 3 years	X Up to 3 yrs Over 3 yrs. Subject to Board ratification.	Over 3 years	-	-	-	
<b>6.0 CONTRACTS - GAS</b>							
6.1 Agreements for Gas Purchases, Sales, Brokering, Exchanges (including gas for power), Storage, and Transportation	Greater than 5 years	X 2 to 5 years	Any amount	X	Up to 1 year irrespective of dollar amount, or in excess of one year if total contract expenditures do not exceed \$500K	-	GM authority extends only to: a) prices at or below prevailing market rates; b) the volume purchased does not exceed 25 percent of total expected gas load for the calendar year; and c) total volume of gas pipeline capacity contracts shall not exceed 20 percent of expected gas load.
6.2 Other energy related service agreements	Over 2 years	X Up to 2 yrs Over 2 yrs. subject to Board ratification.	-	-	-	-	General Manager only.
<b>7.0 DEFERRED COMPENSATION</b>							
7.1 Amend 401K and 457 Plan	-	X	-	-	-	-	See Board Resolutions 94-05-07 and 96-06-05
7.2 Establish 401K and 457 Plan Administrative Service Agreements	-	X	-	-	-	-	See Board Resolutions 94-05-07 and 96-06-05

\*Sections 0.0 General Authority, 13.0 Insurance, 19.0 Permits/Permit Applications and 21.0 Procurement & Contract Awards were incorporated into SDP 3.3.1-Delegation of Authority - Procurement & Contracts

## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
7.3 Emergency Withdrawal Authorization for 457 Participants	-	-	X	-	X	-	Manager, Human Resources See Board Resolution 83-10-30.
<b>8.0 ELECTRIC SERVICES</b>							
8.1 Cancel or Settle	-	-	-	X	-	-	AGM, Customer Services
8.2 Establish Temporary Service at Customer's Expense	-	-	Over \$25K or Non-Standard Form	X	\$25K	\$1K	AGM, Customer Services only. Supervisor, Revenue Collection only. Supervisor, Credit Division only.
8.3 Install, Relocate or Remove Facilities at Customer's Expense	-	X	Over \$200K or Non-Standard Form	\$200K	\$100K	\$25K	AGM, Customer Services only. Supervisor, Revenue Collection only. Supervisor, Credit Division only.
8.4 Provisions in Conformance with Rates, Rules & Regulations	-	-	-	-	X	-	Supervisor, Revenue Collection only.
<b>9.0 EMPLOYEE TRANSACTIONS</b>							
9.1 Discharge for Cause or Rejection During Probationary Period	-	X	*	-	*	-	* Manager, Human Resources and Legal review and sign-off only. For Union employees, Manager, Labor Relations review and sign-off only.
9.2 Educational Assistance	-	-	-	-	-	X	See SDP 4.1.1 for limits.
9.3 Employee Severance Incentive	-	X	-	-	-	-	See District Separation Program
9.4 Employee Status Notification	-	Policy Exceptions	-	X	*	-	Requires Human Resources sign-off. * Directors, Managers and Resource Center Supervisors can approve voluntary resignations, title changes, voluntary demotions, job promotions within District guidelines, class re-grades, temporary upgrades/transfer/demotions and returns from temporary assignment, transfers within a department, and normal job and salary progressions. Managers can approve unpaid leave status for up to 1 mo. Unpaid leave status requires AGM approval when over 1 mo. to 6 mos., GM approval over 6 mos.
9.5 Meal Reimbursement	-	-	-	-	-	X	

\*Sections 0.0 General Authority, 13.0 Insurance, 19.0 Permits/Permit Applications and 21.0 Procurement & Contract Awards were incorporated into SDP 3.3.1-Delegation of Authority - Procurement & Contracts

## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
9.6a Merit Increases – Exempt – Performance Incentive Plan (PIP)	-	-	-	Policy Exceptions	X	-	Approval through SAP application.
9.6b Merit Increases – Non-Exempt Regular (R) or Special (S)	-	-	-	(S) over 5%	(S) to 5%	(R)	Requires Human Resources sign-off. Resource Center Supervisors.
9.7 Miscellaneous Reimbursable Employee Expenses	-	-	-	-	-	X	See SDP 605-4 for limits.
9.8 Overtime Meal Reimbursement	-	-	-	-	-	X	See IBEW M.O.U. for limits.
9.9 Payroll Register	-	-	-	X	*	-	* Requires Manager, Accounting & Controller and Manager, Human Resources or their delegate for sign-off.
9.10 PERS Disability Retirement on behalf of an employee	-	-	-	X	-	-	AGM, Admin. Services only.
9.11 Position Action Request	-	Policy Exceptions	-	-	-	X	All budgeted positions require a PAR signed by the Director/Dept Manager All unbudgeted funded (UF) part-time, limited term (initial two years) and casual positions require a PAR signed by the Director/Dept. Manager. All new unbudgeted regular full-time positions and unbudgeted, but not funded, (UA) positions require a PAR routed to the Director/Dept. Manager, AGM, Chief Financial Officer and Human Resources. Requests for a Job Study require a PAR and documentation signed by the Director/Dept. Manager, AGM, Chief Financial Officer and Human Resources. Transfers between departments require a PAR routed to both Directors/Dept. Managers
9.12 Extension of Limited-Term Appointments	-	-	X See Comments	X	X See Comments	-	Extension of limited term positions for an additional period not to exceed two years, pursuant to Chapter 4, Article 1, Section 12055(f) of the MUD Act. Authority to extend is delegated by the General Manager to the Executive Committee members ONLY.
9.13 Use of Personal Vehicle for Temporary Change in Headquarters	-	-	-	-	-	X	See SDP 606-3.
9.14 Employee Time Sheet Approval Report	-	-	-	-	-	X	Employee Self Service – SAP

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## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
<b>10.0 CUSTOMER ENERGY EFFICIENCY/RENEWABLES</b>							
10.1 Energy Efficiency Loans, agreements, e.g., loans for energy saving measures through District financing	Over \$500K	\$500K	Over \$500K or any non-standard form	\$500K	\$250K*	\$75**	AGM, Customer Services only. * Supervisor, Revenue Collection can approve up to \$500,000 for incentives/rebates on a project that has been pre-approved by AGM, Customer Service. A single project exceeding \$500,000 for rebate and financing combined must go to the Board for approval. ** Supervisor, E/E Loans only. See Board Resolution 93-12-7.
10.2 Energy Efficiency Loans, Changing Loan Terms & Conditions	-	-	-	-	-	X	Supervisor, E/E Loans only.
10.3 Energy Efficiency Loans, Write Off Uncollectable Loans	-	-	-	-	X	\$10K	Supervisor, Revenue Collection only. Supervisor, E/E Loans only.
10.4 Energy Efficiency Program Incentive payments or rebates	Over \$500K	\$500K	Over \$500K or any non-standard form	\$500K	\$250K*	\$50K	AGM, Customer Services or AGM, Energy Supply only. Manager Residential Segment, Manager Commercial Segment, Supervisor Revenue Collection only. * Manager Residential Segment, Manager Commercial Segment, Supervisor Revenue Collection can approve up to \$500,000 for incentives/rebates on a project that has been pre-approved by the AGM, Customer Services. Supervisors in Residential, New Construction, Commercial & Industrial Retrofit Services, or E/E Loans only. A single project exceeding \$500,000 for rebate and financing combined must go to the Board for approval. See Board Resolution 93-12-7.
10.5 Energy Efficiency/Renewable Projects, e.g., solar systems, TES systems, feasibility studies, etc.	Over \$500K	\$500K	Over \$500K or any non-standard form	\$500K	\$250K	\$50K	AGM, Customer Services only. Manager Residential Segment, Manager Commercial Segment, Supervisor Revenue Collection only. Supervisors in Residential, New Construction, Commercial & Industrial Retrofit Services, or E/E Loans only.
10.6 Subordination of District UCC-1 on Energy Efficiency Loans	-	-	-	-	-	X	Supervisor, E/E Loans only.

\*Sections 0.0 General Authority, 13.0 Insurance, 19.0 Permits/Permit Applications and 21.0 Procurement & Contract Awards were incorporated into SDP 3.3.1-Delegation of Authority - Procurement & Contracts

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## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
<b>11.0 EXPENSES, MISCELLANEOUS EMPLOYEE RELATED</b>							
11.1 Association Memberships (Initial Entry and Renewals -- District Financed)	-	-	-	-	-	X	Individual memberships. See Miscellaneous General Expenses in this matrix for District memberships.
11.2 Hiring Incentives: Recruitment/ Signing Incentive	-	X	-	-	-	-	
11.3 Housing Purchase Assistance/Home Buy Out	-	X	-	-	-	-	
11.4 Medical Examinations -- Including Lab and Other Related Costs	-	-	-	-	X	-	Manager, Human Resources only.
11.5 Relocation Expenses for New Employees and Transfers	-	-	-	-	X	-	See SDP 4.5.2 for limits. All Managers except those reporting to AGM, Admin. Services. Accounting has authority to pay invoices for moving expenses already approved by an AGM. Amounts over \$20K must, however, be submitted to the General Manager by the requesting department for approval.
<b>12.0 EXPENSES, MISCELLANEOUS GENERAL</b>							
12.1 Acquisition of Surplus Federal Materials and Equipment	-	-	-	-	X	-	Manager, Supply Chain only
12.2 Association Memberships	-	Over \$100K	-	-	\$100K	-	District Memberships.
12.3 Books, Subscriptions, Periodicals	-	-	-	-	-	X	See SDP 5.1.2
12.4 Credit Collection-Small Claims, Court Fees, & Related Expenses	-	-	-	-	X	\$250	Supervisor, Revenue Collection only. Supervisor, Credit Division only.
12.5 Financial Reports-Credit Ratings, Contractor Statement, Inc.	-	-	-	-	X	*	General Counsel, Manager, Supply Chain or Supervisor, Revenue Collections only *Supply Chain Supervisors and Supervisor, Credit Division only
12.6 Other Misc. Services & Expenses	-	-	-	-	\$5K	\$500	Includes one time payment for services and expenses not covered elsewhere. Includes fees for overweight infractions on District line trucks. Does not include contracts. Accounting will bring inappropriate uses of this category to the attention of an AGM. See SDP 5.1.2

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## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
12.7 Postage Meter Costs, Box Rental, Indicia, Permits, Bulk Mail, and Related Expenses	-	-	-	-	-	X	Supervisor, Image Production & Postal Services only
12.8 Stream Gauging Expenses	-	-	-	-	X	-	Manager, Power Generation only
12.9 Telephone/Telecommunication Service Authorization (Installation Plus Annual Cost)	-	-	-	-	-	X*	*Superintendent , Telecommunications and Telephone Services only
<b>13.0 INSURANCE</b>							<b>REPLACED BY SDP 3.3.1-CATEGORY 2.0 INSURANCE</b>
<b>14.0 JOINT POLE/TRENCH TRANSACTIONS</b>							
14.1 Joint Trenching by Utilities	-	-	-	X	\$50K	\$25k	AGM, Customer Services only. Manager, New Services, Manager, Asset Management only. Area Head 012 Estimating & Service Planning only .
14.2 Pole Ownership Conveyance Agreement	-	-	-	-	X	-	Manager, New Services, Manager Asset Management only.
14.3 Purchase, Lease, or Sale of Joint Pole Interest	-	-	-	-	X	X	Manager, New Services, Manager, Asset Management only. Process Coordinators, Distribution Services
<b>15.0 JPA/JOINT VENTURE</b>							
15.1 Contract Expenditures (Within Approved Budget)	-	-	-	X	X	-	AGM, Energy Supply only. May be delegated by AGM to appropriate District representative.
15.2 Joint Venture Advances (Payments for Project Development)	-	X	-	\$500K	-	-	AGM, Energy Supply only.
15.3 JPA/Joint Venture/Project Devel. Contract or Agreement	Any Amount	Any Amount	Any amount	-	-	-	GM or authorized representative signs contract after Board approval.
<b>16.0 LAND TRANSACTIONS</b>							
16.1 Acquisition of Surplus Federal Property	-	-	-	-	X	-	Manager, Supply Chain only.
16.2 Grant Easement and Rights-Of-Way Over District Real Property	-	-	-	-	-	X	Supervisor, Real Estate Services only.
16.3 Payment of Assessments for Public Improvements	-	-	Over \$1K	-	X	\$4K	Manager, New Services, Manager, Asset Management only. Per parcel, Supervisor, Real Estate Services only.

\*Sections 0.0 General Authority, 13.0 Insurance, 19.0 Permits/Permit Applications and 21.0 Procurement & Contract Awards were incorporated into SDP 3.3.1-Delegation of Authority - Procurement & Contracts

## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
16.4 Purchases-Over 110% of Appraisal	Over \$100K	\$100K	Over \$100K	-	-	\$100K	AGM, Customer Services only. Manager New Services, Manager Asset Management only. Supervisor, Real Estate Services only.
16.5 Purchases-Within 110% of Appraisal	Over \$200K	\$200K	Over \$200K	-	-	\$200K	AGM, Customer Services only. Manager, New Services, Manager, Asset Management only. Supervisor, Real Estate Services only.
16.6 Quitclaims meeting Board Resolution #8057 Criteria	-	-	-	-	-	X	Supervisor, Real Estate Services only.
16.7 Rental or Lease-From Outside Party	Over \$100K	\$100K	Any Amount	-	\$100K	\$75K	AGM, Customer Services only. Manager, New Services, Manager Asset Management only. Supervisor, Real Estate Services only.
16.8 Rental or Lease-To Outside Party	Over \$100K	\$100K	Any Amount	-	\$100K	\$10K	AGM, Customer Services only. Manager, New Services, Manager, Asset Management only. Supervisor, Real Estate Services only.
16.9 Sales	Any Amount	Any Amount-	Any Amount	-	-	-	
16.10 Settlement of Condemnations with Resolution of Necessity  See Resolution 97-02-07	Excess of 110% of Appraisal Value	Up to 110% of Appraised Value or below \$100K	Any Amount	-	-	-	Dual signatures required; Legal must approve. GM up to 110% of appraised value; Board in excess of GM's authorized limit.
16.11 Titles, Reports, Maps, Permits, etc. Recording, Notary, and Other Minor Fees, including Hazardous Waste/ Materials and Land Transaction Expenses	-	-	-	-	X	\$10K* \$5K**	Manager, New Services, Manager, Asset Management only. * Supervisor, Safety, Health & Environmental Services only for environmental transactions ** Supervisor, Real Estate Services only for land transactions.
<b>17.0 LEGAL</b>							
17.1 Billing Approval-Public Agency Hearing Transcripts, Court Reporters, Filing, Legal, Engr. And Other Professionals retained by the Legal staff	-	-	-	X	-	-	General Counsel only.
17.2 Claim Release from Pole Litigation	-	X	Any Amount	\$50K	-	-	AGM, Customer Services only
17.3 Report of Lobbyist Employer (State Form 635)	-	-	-	-	X	-	Director, Government & Community Affairs

\*Sections 0.0 General Authority, 13.0 Insurance, 19.0 Permits/Permit Applications and 21.0 Procurement & Contract Awards were incorporated into SDP 3.3.1-Delegation of Authority - Procurement & Contracts

## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
<b>18.0 MISCELLANEOUS CATEGORIES</b>							
18.1 Designate District Representative - Small Claims Court	-	-	-	-	X	-	Manager, Customer Services only.
18.2 Destruction of Records -- Establish Record Retention Schedule	-	-	-	-	-	X	
18.3 Materials, Stationery & Supplies -- Withdrawals from Stock	-	-	-	-	-	X	Managers may provide Warehouse with a list of individuals who are authorized to make withdrawals from stock.
18.4 Petty Cash Purchases of Services or Supplies	-	-	-	-	-	\$200	Whenever a group of items, normally purchased together, are contemplated for purchase, such supplies and materials cannot be purchased separately to avoid provisions of the Municipal Utility District Act. This will be the case even if the purpose of the separation is to save time.
18.5 Telephone Change Request	-	-	-	-	-	X	Superintendent, Telecommunications or Telephone Services only.
<b>19.0 PERMITS/PERMIT APPLICATIONS</b>							<b>REPLACED BY SDP 3.3.1 – CATEGORY 3.0 PERMITS / PERMIT APPLICATIONS</b>
<b>20.0 PROJECTS</b>							
20.1 Energy Efficiency/Renewables	Over \$500K	-	Over \$500K or any non-standard form	\$500K	\$250K	\$50K	AGM, Customer Services or AGM, Energy Supply only. Manager, Residential or Commercial only. Supervisors of Residential, New Construction Services, Commercial & Industrial Retrofit Services, or E/E Loans only.
<b>21.0 PURCHASES &amp; CONTRACTS</b>							<b>REPLACED BY SDP 3.3.1 – CATEGORY 4.0 PROCUREMENT &amp; CONTRACT AWARDS</b>
<b>22.0 SALE OF EQUIPMENT MATERIALS, SUPPLIES &amp; SCRAP</b>							
22.1 New Material for Construction or Customer's Convenience, Surplus Material or Scrap	-	-	-	-	-	X	Supervisors Supply Chain only.
22.2 Used Automotive Equipment (Pink Slip)	-	-	-	-	-	X	Superintendent, Transportation only.

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## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
<b>23.0 TAX PAYMENTS</b>							
23.1 Payroll and Withholding Taxes	-	-	-	-	-	X	Supervisor, Receivables, Receipts & Payments only.
23.2 PERS	-	-	-	-	-	X	Supervisor, Receivables, Receipts & Payments only.
23.3 Property Taxes	-	-	Any Amount	-	X	-	Director, Distribution Services only.
23.4 Sales and Surcharge	-	-	-	-	-	X	Supervisor, Records, Reporting & Services and Supervisor, Receivables, Receipts & Payments only.
23.5 Withhold At Source Payments	-	-	-	-	-	X	Supervisor, Receivables, Receipts & Payments only.
<b>24.0 TRAVEL</b>							
24.1 Travel Advance	-	-	-	-	-	X	
24.2 Travel Claim	-	-	-	-	-	X	
24.3 Travel Requests	-	-	-	-	-	X	
<b>25.0 TREASURY TRANSACTIONS</b>							
25.1 Debt Issue Related Expense & Debt Service Payments, Trustee Fees	-	-	-	-	X	-	Manager, Treasury or Assistant Treasurer only.
25.2 Escrow Investments	-	-	-	-	X	-	Manager, Treasury or Assistant Treasurer only.
25.3 Investments	-	-	-	-	X	-	Dual signatures required; only Manager, Treasury and Assistant Treasurer.
25.4 Manual Checks, Machine Checks, and Transfer to Trustees & Paying Agents	-	-	-	-	X	-	Manager, Treasury or Assistant Treasurer only. See Board Resolution 86-4-35.
<b>26.0 WORK ORDERS, CAPITAL</b>							
26.1 Distribution Plant-Specific WA/WO	-	-	-	X	\$250K	\$200K	AGM, Admin. Services, AGM, Customer Services, Chief Financial Officer only. Director, Distribution Services, Manager, General Services, or Managers in Distribution Services only. Process Coordinators only - \$10K per WA/WO for changes.
26.2 General Plant	-	-	-	X	\$250K	-	Manager, General Services or Manager, Nuclear Plant Decommissioning

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## DELEGATIONS OF AUTHORITY MATRIX – August 2004

CATEGORY	BOARD APPROVAL	GM	LEGAL REVIEW	EXEC COMM MEMBER	DIRECTOR/MANAGER	SUPV	COMMENTS
26.3 Generation & Bulk Transmission Facilities - New Construction	-	-	-	X	\$250K	-	AGM, Energy Supply only. Director, Power Generation or Manager, System & Operation Reliability only. Major projects, must have an authorization memo with the necessary approval for the overall project.
26.4 Generation Facilities - Modify Existing Facilities	-	-	-	X	\$250K	-	AGM, Energy Supply only. Director, Power Generation or Manager, Nuclear Plant Decommissioning only.
26.5 Repair Accident Damage - Specific WA/WO	-	-	-	-	X	X	Manager, General Services or Managers in Distribution Services only. Superintendent, Transportation only. Process Coordinators only - \$50K.
26.6 Routine WA (60 Persondays, 15 Poles/Span)	-	-	-	-	X	\$50K	Managers of Distribution Services only. Process Coordinators only.

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No. <b>SDP 3.3.1</b>	Date: 8/16/04
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<b>STANDARD DISTRICT POLICY</b>	Section <b>DELEGATION OF AUTHORITY</b>	Subject <b>PROCUREMENT &amp; CONTRACTS</b>
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Replaces parts of SDP 3.3 - Delegation of Authority Matrix-Sections 0.0, 13.0, 19.0, 21.0, only dtd. 9/14/01

## OVERVIEW

The procurement of goods and services is an integral part of District operations. It is the District's policy that such procurement shall take place in accordance with applicable legal requirements in a fair, competitive and inclusive manner to maximize the benefit to the District's ratepayers and the economic development of the community.

With the implementation of these procurement delegations of authority, the General Manager is not only delegating higher levels of spending authority, but also delegating higher levels of responsibility. These delegations are based on, and should be exercised within the Board-adopted District Procurement Policy No. BL-7 (see GMO03-236 memo dated 9/24/03), which is a comprehensive framework of how the staff should operate in its procurement activities. Although the Board will no longer have to approve most procurements of goods and services, management and the Supply Chain staff is required to provide the Board with a quarterly report on purchasing activities. The guiding principles listed below are the basis upon which these delegations of authority and procurement rules should be exercised.

This Procurement Delegations of Authority does not include wholesale energy and/or gas procurements and contracts (refer to SDP 3.3.2).

## PROCUREMENT PRINCIPLES

- Principle I** Each of us is expected to exercise due diligence and prudent judgment in making procurement decisions and shall avoid even the appearance of impropriety to ensure and maintain public confidence in the District.
- Principle II** A delegation of authority does not divest the delegating staff member of the power to exercise the authority, nor does it relieve the delegating staff member of the responsibility for actions taken pursuant to the delegation.
- Principle III** The District is committed to a competitive procurement process whenever practical.
- Principle IV** The District is committed to inclusiveness of the entire supplier community.
- Principle V** The District is committed to the economic development of the rate-paying community.
- Principle VI** The District is committed to minimizing the impact on the environment through its procurement practices.
- Principle VII** The District is committed to ensuring that it does business only with reputable and responsible suppliers.





No. <b>SDP 3.3.1</b>	Date: 8/16/04
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<b>STANDARD DISTRICT POLICY</b>	Section <b>DELEGATION OF AUTHORITY</b>	Subject <b>PROCUREMENT &amp; CONTRACTS</b>
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Replaces parts of SDP 3.3 - Delegation of Authority Matrix--Sections 0.0, 13.0, 19.0, 21.0, only dtd. 9/14/01

## PROCUREMENT RULES

### Rule 1 Budget Responsibility

The delegations only cover budgeted procurement of materials, supplies or services that fall within the delegate's area(s) of responsibility.

### Rule 2 Non-Standard Language

All contracts, purchase orders or other procurement documents that do not strictly adhere to standard District language and terms must be reviewed and approved by the Legal Department and Risk Management.

### Rule 3 Board Responsibility

The Board of Directors must approve any expenditure, procurement or commitment that exceeds what has been delegated to the General Manager or falls outside the scope of this policy.

### Rule 4 Executive Committee

The General Manager will designate the Executive Committee members. The Executive Committee currently consists of the General Manager, all AGMs, General Counsel, Chief Financial Officer and Chief Information Officer.

### Rule 5 Approval Consistency

Contract Changes must be approved at the same level of authority or above that approved the original contract. The delegations of authority amounts apply to the sum of the original contract and all contract changes.

### Rule 6 SAP Importance

All requisitions for contracts, purchase orders and changes must be entered and approved through SAP.

### Rule 7 Procurement Aggregation

Aggregation is the combining of like or similar services, products and/or purchases and shall occur whenever practicable and in the District's best business interests to take advantage of "economies of scale". An acquisition of material, supplies or services may not be split into smaller units for the purpose of evading the provisions of these Delegations. Splitting a transaction means reducing the size of any purchase under circumstances where there is reasonable knowledge that additional material, supplies or services will be required within the same budgetary term, and that there are funds available for that project or those supplies, and the sole purpose is to knowingly avoid formally bidding out the procurement. The District, may, in its best interest, decide to contract for similar services or products without aggregation to take advantage of small business promotion or economic development opportunities. Any deviation from this rule requires an Executive Committee member's approval.



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**Rule 8 Procurement Contract Authority**

The Manager, Supply Chain Services, must approve and sign all procurement contracts.

**Rule 9 General Counsel Authority**

The District's General Counsel has authority to retain outside legal counsel and associated services to assist in the representation of the District in suits in which the District is a party and other legal matters in which it is interested. The General Counsel's authority in this regard is not covered by these delegations of authority.

**Rule 10 Information Technology Procurements**

No employee shall procure or acquire, either by purchase, rental or lease, any Information Technology equipment, services or software, including Process Control and Real Time System control equipment, services or software without first obtaining the prior written approval of the Chief Information Officer. Excluded from this rule are consumable supplies.

**Rule 11 Manager Definition**

The title Manager in the matrix means Department Managers only. Other classifications that contain "manager" in the title, such as Project Manager, do not have the same authority unless delegated by the Manager or above.

**Rule 12 Staff Augmentation Procurements**

The Manager, Human Resources, the Manager, Labor Relations and Legal department must review all staff augmentation contracts/purchase orders. The Chief Financial Officer must approve all out-of-budget staff augmentation contracts/purchase orders. These reviews/approvals must be documented with a Staffing Summary Sheet (SSS). Staff augmentation delegation amounts are included in professional and consulting services category.

**Rule 13 Accountability**

Intentional actions inconsistent with these delegations of authority may be grounds for appropriate disciplinary action and/or may be reflected negatively on the employee's performance evaluation.

**Rule 14 Re-delegations**

Managers/Directors may re-delegate their authority to subordinate staff. Such re-delegations require the approval of their Executive Committee member. All specific re-delegations will be in writing. Re-delegations may be for an unlimited period or for a specific time. Re-delegations may be for any dollar amount up to the level held by the person making the delegation. Re-delegations will not normally be made to contractors. If special circumstances would require a re-delegation to a District contractor, an Executive Committee member's approval is required.

Replaces parts of SDP 3.3 - Delegation of Authority Matrix--Sections 0.0, 13.0, 19.0, 21.0, only dtd. 9/14/01

**DEFINITIONS**



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**Competitive Procurement** “Competitive Procurement” is soliciting bids or proposals on the open market from multiple sources that are regularly in the business of providing the requested commodities or services. Open market bidding provides all qualified bidders with a fair opportunity to enter the bidding process, thereby stimulating competition in a manner conducive to sound fiscal practices. Competition prevents the occurrence or appearance of favoritism, fraud and corruption in the awarding of District contracts. *Reference the Supply Chain Services Competitive Bidding procedures, Supply Chain Website.*

**Determining Authority** The Manager, Supply Chain or a member of the Executive Committee is responsible for making the final determination if a procurement meets the requirements of a “Sole Source” and will make the determination if a “Direct Procurement” has been adequately justified.

**Direct Procurement** “Direct Procurement” is the purchase of goods or services without a competitive selection process when multiple sources are available. A “Direct Procurement” is a rare exception and shall only be used when it is in the District’s best business interest to do so (e.g., when advertising for bids would not produce an advantage to the District, or where it is practically impossible or unreasonably costly to obtain what is required through a competitive solicitation).

A written “Direct Procurement” justification memo that fully describes the product or service to be procured and why a competitive solicitation would be an “idle act” under the circumstances of the particular situation shall support all Direct Procurement requests. The “Direct Procurement” justification shall be incorporated into the Staffing Summary Sheet (SSS) and permanently maintained in the contract file.

*For further information related to “Direct Procurements”, please refer to the Supply Chain Intranet Website.*

**Sole Source Procurement** “Sole Source Procurement” applies when it can be substantiated that a requirement involves a commodity or service provided by only one supplier or contractor. In this context, “sole” means “the only one.” A “Sole Source” justification must withstand the questions of:

- 1) Is the commodity or service the only one of its kind that can fully satisfy the minimum requirements?

And

- 2) Is the commodity or service available from one, and only one, source?



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Questions 1 and 2 above must be answered in the affirmative for "Sole Source" to apply. If either questions 1 or 2 are answered "No," please refer to the "Direct Procurement" definition. All "Sole Source" procurements shall be supported by a written "Sole Source" justification memo prior to consideration. This justification memo shall fully describe the product or service requested and shall provide detailed responses to the two questions listed above. This written justification will be incorporated into the Staffing Summary Sheet (SSS) and/ or will be included in the contract file.

The specifications for "Sole Source" procurements must not be drafted in a manner that directly or indirectly limits the procurement, to any one specific supplier or contractor in conflict with the District's general procurement policy.

*For further information related to "Sole Source", please refer to the Supply Chain Intranet Website.*

**Staff Augmentation Services**

A Staff Augmentation Services contract is used exclusively for labor and provides the District with personnel to supplement staff. Contractor personnel report to and receive day-to-day direction from a SMUD supervisor and perform work to established District standards and procedures. As required by District management, contractor personnel may be used to temporarily fill any position within the District including all trades and professions.

**ATTACHMENT**

Attachment 1: Delegation of Authority Matrix - Procurement & Contract Awards

**STANDARD DISTRICT POLICY**Section  
**DELEGATION OF AUTHORITY**Subject  
**PROCUREMENT & CONTRACTS****Attachment 1**

## Delegation of Authority Matrix – Procurement &amp; Contract Awards

Replaces parts of SDP 3.3 - Delegation of Authority Matrix—Sections 0.0, 13.0, 19.0, 21.0, only dtd. 9/14/01

CATEGORY	GM	LEGAL REVIEW	EXEC COMMITTEE MEMBER	DIRECTOR/MANAGER	AUTH	COMMENTS
<b>1.0 GENERAL AUTHORITY</b> (replaces 0.0)						
1.1 Payments for items outside SDP Policy authorizations	-	-	\$20K	-	Prior delegation	Examples include non-standard payments for employee travel and relocation.
<b>2.0 INSURANCE</b> (replaces 13.0)						
2.1 Approval of Premium Payments and Broker Fees	-	-	-	X	Prior delegation	Supervisor, Risk Management only.
2.2 Cancellation or Placement of Policies	-	-	X	\$1M	Prior delegation	Chief Financial Officer and the Supervisor, Risk Management only. This generally pertains to property, casualty, bonds and miscellaneous insurance policies.
2.3 Cancellation or Placement of Employee Benefits Policies, Insurance, Contracts	-	-	X	X	Prior delegation	AGM, Administrative Services and Manager, Human Resources only
2.4 Employee Benefits Premium Payments	-	-	-	X	Prior delegation	Manager, Human Resources and Supervisor, Benefits & Payroll only.
<b>3.0 PERMITS/PERMIT APPLICATIONS</b> (replaces 19.0)						
3.1 Purchase of air emission reduction credits (ERCs)	\$1.5M	Any Amount	-	-	Prior delegation	GM authority extends only to the purchase of ERCs to be used for new gas-fired generation or to provide additional operating flexibility at existing District gas-fired power plants and the ERCs are purchased at or below fair market value.



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CATEGORY	GM	LEGAL REVIEW	EXEC COMMITTEE MEMBER	DIRECTOR/MANAGER	AUTH	COMMENTS
<b>4.0 PROCUREMENT &amp; CONTRACT AWARDS</b> (replaces 21.0)						
<b>4.1 Materials &amp; Supplies-Operational Inventory</b> <ul style="list-style-type: none"> <li>Competitive Award</li> <li>Sole Source</li> <li>Direct Procurement</li> </ul>	\$5 M \$1 M \$50K	\$5 M > \$50 K > \$20 K	\$5 M \$1 M \$50 K	\$2 M \$50 K \$20 K	BL-7, #03-08-07, dtd. 8/21/03	Manager, Supply Chain only.
<b>4.2 Materials &amp; Supplies-Non-Inventory</b> <ul style="list-style-type: none"> <li>Competitive Award</li> <li>Sole Source</li> <li>Direct Procurement</li> </ul>	\$3 M \$1 M \$50 K	\$3 M > \$50 K > \$20 K	\$3M \$1M \$50K	\$1 M \$50 K \$20 K	BL-7, #03-08-07, dtd. 8/21/03	
<b>4.3 Construction &amp; Craft Maintenance Services</b> <ul style="list-style-type: none"> <li>Competitive Award</li> <li>Sole Source</li> <li>Direct Procurement</li> </ul>	\$5 M \$1 M \$50 K	\$5 M > \$50 K > \$20 K	\$5 M \$1 M \$50 K	\$2 M \$50 K \$20 K	BL-7, #03-08-07, dtd. 8/21/03	
<b>4.4 Professional, Consulting &amp; General Services<sup>1,2</sup></b> <ul style="list-style-type: none"> <li>Competitive Award</li> <li>Sole Source</li> <li>Direct Procurement</li> </ul>	\$1 M \$1 M \$50 K	\$1 M > \$50 K > \$20 K	\$1 M \$1 M \$50 K	\$500 K \$20 K \$20 K	BL-7, #03-08-07, dtd. 8/21/03	Per Rule 12: <sup>1</sup> Manager, Human Resources, Manager, Labor Relations, and Legal must review all <u>staff augmentation</u> contracts / purchase orders. <sup>2</sup> Chief Financial Officer must approve all <u>out-of-budget staff augmentation</u> contracts or purchase orders.
<b>4.5 Rentals/Leases (Land excluded)</b> <ul style="list-style-type: none"> <li>Competitively Award</li> <li>Sole Source</li> <li>Direct Procurement</li> </ul>	\$1 M \$1 M \$50 K	> \$20 K > \$50 K > \$20 K	\$1 M \$1 M \$50 K	\$50 K \$50 K \$20 K	BL-7, #03-08-07, dtd. 8/21/03	
<b>4.6 Software Maintenance &amp; Licensing Fees</b> <ul style="list-style-type: none"> <li>Competitive Award</li> <li>Sole Source</li> <li>Direct Procurement</li> </ul>	\$5 M \$3 M or Original Approved Amount \$50 K	- > \$50 K > \$20 K	\$5 M \$3 M or Original Approved Amount \$50 K	\$3 M \$500 K \$20 K	BL-7, #03-08-07, dtd. 8/21/03	Per Rule 10: Chief Information Officer only.



# SMUD

SACRAMENTO MUNICIPAL UTILITY DISTRICT

No. <b>SDP 3.3.1</b>	Date: 8/16/04
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<b>STANDARD DISTRICT POLICY</b>	Section <b>DELEGATION OF AUTHORITY</b>	Subject <b>PROCUREMENT &amp; CONTRACTS</b>
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Replaces parts of SDP 3.3 - Delegation of Authority Matrix-Sections 0.0, 13.0, 19.0, 21.0, only dtd. 9/14/01

CATEGORY	GM	LEGAL REVIEW	EXEC COMMITTEE MEMBER	DIRECTOR/MANAGER	AUTH	COMMENTS
<b>4.7 Direct Procurement from Government Entities</b>	\$1 M	> \$20 K	\$1 M	\$20 K	BL-7, #03-08-07, dtd. 8/21/03	
<b>4.8 Direct Procurement from Nonprofit Entities</b>	\$1 M	> \$20 K	\$1M	\$20 K	BL-7, #03-08-07, dtd. 8/21/03	
<b>4.9 Direct Procurement for Pilot / Trial / R&amp;D / Proof of Concept</b>	\$500 K	> \$20 K	\$500 K	\$0	BL-7, #03-08-07, dtd. 8/21/03	
<b>4.10 Emergency Procurement or Contract for Materials &amp; Supplies, Services or Construction</b> (Procurement without observance of provisions requiring contracts, bids or public notice)	\$1 M	X <sup>1</sup>	\$500 K <sup>1</sup>	\$500 K <sup>1,2,3</sup>	BL-7, #03-08-07, dtd. 8/21/03	<sup>1</sup> Advise GM and Legal Counsel immediately. GM reports action to Board at earliest practical date. <sup>2</sup> Managers of New Services, Asset Management, and Planning & Operations only. <sup>3</sup> Supply Chain Services only (Emergency procurement contract must involve power restoration, public safety or loss of generation conditions).

**Symbol Key**

- K = Thousand Dollars
- M = Million Dollars
- > = Greater Than
- X = Any Amount

**SAP Requisition Security Codes, Roles and Spending Limits**

Code	SAP Role	Title	4.2 Materials & Supplies-Non Inventory	4.3 Construction & Craft Maint Svcs	4.4 Professional, Consulting & General Svcs	4.5 Rentals / Leases (Land Excluded)	4.6 Software Maintenance & Licensing Fees
05	ZM:REQ_APRO5	General Manager	\$3,000,000	\$5,000,000	\$1,000,000	\$1,000,000	\$5,000,000
03	ZM:REQ_APRO3	Exec Committee Member	\$3,000,000	\$5,000,000	\$1,000,000	\$1,000,000	\$5,000,000
02	ZM:REQ_APRO2	Director/Manager	\$1,000,000	\$2,000,000	\$ 500,000	\$ 50,000	\$3,000,000
A1	ZM:REQ_APR1	Delegated Release Sub-Level A	\$ 500,000	\$1,000,000	\$ 250,000	\$ 50,000	\$1,000,000
B1	ZM:REQ_APRB1	Delegated Release Sub-Level B	\$ 250,000	\$ 500,000	\$ 100,000	\$ 50,000	\$ 500,000
C1	ZM:REQ_APRC1	Delegated Release Sub-Level C	\$ 100,000	\$ 200,000	\$ 0	\$ 50,000	\$ 100,000