

Subject: Delegation of Non-Energy Contracts and Financial Authority Policy

1.0 PURPOSE:

Peninsula Clean Energy (PCE) is committed to effective and efficient management of its operations and finances. The purpose of this policy is to:

- Establish the principles that govern the delegation of non-energy contracting and financial authority
- Support accountability and efficiency in non-energy contracting and financial transactions
- Establish non-energy contract authorization and expense approval limits by role for senior staff of Peninsula Clean Energy

2.0 RESPONSIBLE PARTIES:

The Chief Executive Officer, Chief Operating Officer and Chief Financial Officer are responsible for ensuring that uniform policies and procedures are followed for delegating and implementing approval authorities.

3.0 GENERAL POLICY GUIDELINES:

The cumulative amount of contract and financial authority is limited by approved budgets. Approval from the Board of Directors is required in order to exceed a budgeted amount as dictated in PCE's Joint Powers Agreement, Section 5.2.3.

4.0 SCOPE:

- 4.1 This policy applies to all the employees of Peninsula Clean Energy.
- 4.2 This policy is for staff only and does not cover the Board of Directors' powers and responsibilities, which are detailed in PCE's Joint Powers Agreement.

5.0 POLICY DETAILS:

The limits of authority set forth in this policy are the maximum limits authorized for the referenced position. This policy addresses the most common types of commitments, agreements, and expenditures for PCE, and the corresponding approval level that is required.

By position title, the limits are as follows:

- 5.1 Chief Executive Officer may approve and enter into any contract agreement if the total amount payable under the agreement is less than \$100,000 in any fiscal year, as stated in the PCE Joint Powers Agreement, section 3.4 (except for the specific approval authority granted in PCE Policy #15 related to energy supply procurement).
- 5.2 Chief Operating Officer or Chief Financial Officer may approve and enter into contract agreements for Operating, General and Administrative Expenses in areas for which there is direct supervisory or management responsibility if the total amount payable under the agreement is less than \$100,000 in any fiscal year.
- 5.3 The Chief Financial Officer will prepare a written monthly report for the Chief Executive Officer and Chief Operating Officer that lists all contract agreements approved that month.