

5.05.009-P Contract Execution and Oversight Policy

History			
Source	Date	Action/Notes	Next Review Date
Board Decision	September 8, 2004		September 2007
Board Decision	October 3, 2007	Amended (R449)	October 2010
Board Decision	February 13, 2008	Amended (R465)	February 2011
Board Decision	February 9, 2011	Amended (R575)	February 2014

Purpose: *The Energy Trust Board of Directors has delegated to the Executive Director authority to execute all contracts on behalf of the organization consistent with the bylaws, PUC grant agreement and governing law. This policy regulates the implementation of this authority.*

Policy:

1. All contracts shall be consistent with the bylaws, PUC grant agreement and governing law.
2. The Energy Trust legal department shall review as to form all contracts before submitting them to the Executive Director.
3. Contracts over the amount of \$500,000:
 - No contract will be executed unless the Board of Directors has first reviewed and approved its basic terms.
 - When it approves basic contract terms, the Board may instruct the Executive Director to bring a final contract back to the Board for review and approval before the contract is executed.
 - The Executive Director shall not execute contract amendments that make major changes in contract terms (e.g., more than 10% change in funds obligated, more than 20% change in energy saved or produced, time by which savings will be achieved) unless the Board of Directors has first reviewed and approved the basic terms of the change.
4. Contracts under \$500,000: The Executive Director or, if the Executive Director is unavailable, the General Counsel or corporate officer designated by the Executive Director, is authorized to execute contracts involving less than \$500,000 without Board review or approval of basic terms. This authority includes instances in which two or more contracts involving less than \$500,000 with a single contractor exceed \$500,000 in the aggregate.
5. For programs managed directly by Energy Trust staff, incentive agreements that involve less than \$500,000, and are processed in accordance with standardized program forms and procedures that have been reviewed by the legal department may be approved by the relevant department director or management-level staff

- designated by the department director. This authority includes instances in which multiple incentive payments to a participant or contractor, processed in accordance with standardized program forms and procedures, exceed \$500,000 in the aggregate.
6. Not less often than annually, staff shall report to the Policy Committee all instances in which Energy Trust has paid more than \$500,000 to an individual contractor in a given calendar year.
 7. Staff and in-house contractor employment agreements: The Executive Director or, if the Executive Director is unavailable, the General Counsel or corporate officer designated by the Executive Director, may execute staff and in-house contractor employment agreements without Board review or approval of basic terms.
 8. Contracts not involving a dollar expenditure may be signed by the relevant director or his/her designated manager(s).
 9. The Executive Director shall maintain contract records required for an independent audit.