

Board Decision

Administrative Changes to Check Signing Authority

December 17, 2003

Purpose

This resolution will facilitate the efficient operations of the Energy Trust by increasing the number of staff authorized to sign checks.

Background

The board, by resolution, established check-signing authority for the Executive Director on November 28, 2001, and for the General Counsel on July 24, 2002. Due to the increase in business volume and dollar size of operational transactions, the board, at its October 1, 2003 meeting, changed the limits and procedures as follows: any one authorized signature for payments of contractual obligations or budgeted expenses up to \$25,000; two authorized signatures required if the check payment exceeds \$25,000, and for any check above \$100,000 that is not in fulfillment of a contract obligation, one of the two signatures must be of an authorized board member. Neither the Executive Director nor the General Counsel may sign checks to themselves.

Description

The General Counsel position is currently vacant leaving the Executive Director as the only staff member with check-signing authority. When the Executive Director is unavailable, staff must coordinate schedules with an authorized board member to obtain their signature. This has required board members to take time away from their schedules to fulfill the Energy Trust's routine business operations. This has also been time consuming for staff, and has delayed timely payment of routine expenditures in some instances.

Program participant incentive checks prepared in-house have significantly increased the weekly transaction volume. An additional authorized staff check signer would facilitate the coordination of the process and disperse the volume of checks to be signed. When auto-signature functionality has been implemented later this month, the signature process will involve review vs. physical signature by the same authorized check signers.

The Energy Trust has established internal control procedures related to this process, including segregation of financial duties. These procedures are continually evaluated and enhanced by staff and reviewed by the outside audit firm on an annual basis.

Recommendation

Staff recommends the Energy Trust Board of Directors authorize one additional staff member to sign checks.

Resolution

BE IT RESOLVED: That Energy Trust of Oregon, Inc., Board of Directors replaces previous motions made on November 28, 2001, July 24, 2002, and October 1, 2003, with respect to check signatures, to provide check signing and disbursement authorization to the Director of Energy Efficiency to sign checks or authorize electronic fulfillment for payments of contractual obligations or budgeted expenses up to \$25,000, and co-sign checks or co-authorize electronic fulfillments over \$25,000 for payments of contractual obligations or budgeted expenses. For any check or electronic fulfillment above \$100,000 that is not in fulfillment of a contract obligation, one of the two signatures must be of an authorized board member. The three staff authorized signatories are Executive Director, General Counsel, and Director of Energy Efficiency. The Executive Director, General Counsel and Director of Energy Efficiency may not sign checks or authorize any payment to themselves.

Moved by: _____ Seconded by: _____

Vote: _____ in favor _____ opposed _____ abstained

Adopted on (date) _____ by Energy Trust of Oregon, Inc., Board of Directors.