

# Board Policy Committee Meeting and Special SMUD Board of Directors Meeting

Date: Wednesday, May 8, 2024

Time: Scheduled to begin at 6:00 p.m.

Location: SMUD Headquarters Building, Auditorium  
6201 S Street, Sacramento, CA

Powering forward. Together.



# **AGENDA**

## **BOARD POLICY COMMITTEE MEETING**

### **AND SPECIAL SMUD BOARD OF DIRECTORS MEETING**

**Wednesday, May 8, 2024**  
**SMUD Headquarters Building, Auditorium**  
**6201 S Street, Sacramento, California**  
**Scheduled to begin at 6:00 p.m.**

**Remote Telephonic Location:**  
**WorldMark Las Vegas – Spencer Street**  
**4225 Spencer Street**  
**Las Vegas, NV 89119**

This Committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of compliance with the Brown Act. In order to preserve the function of the Committee as advisory to the Board, members of the Board may attend and participate in the discussions, but no Board action will be taken. The Policy Committee will review, discuss and provide the Committee's recommendation on the following:

**Virtual Viewing or Attendance:**

Live video streams (view-only) and indexed archives of meetings are available at:  
[http://smud.granicus.com/ViewPublisher.php?view\\_id=16](http://smud.granicus.com/ViewPublisher.php?view_id=16)

**Zoom Webinar Link:** [Join Board Policy Committee Meeting Here](#)

**Webinar/Meeting ID:** 160 898 3326

**Passcode:** 066847

**Phone Dial-in Number:** 1-669-254-5252 or 1-833-568-8864 (Toll Free)

**Verbal Public Comment:**

Members of the public may provide verbal public comment by:

- Completing a sign-up form at the table outside of the meeting room and giving it to SMUD Security.
- Using the “Raise Hand” feature in Zoom (or pressing \*9 while dialed into the telephone/toll-free number) during the meeting at the time public comment is called. Microphones will be enabled for virtual or telephonic attendees when the commenter’s name is announced.

**Written Public Comment:**

Members of the public may provide written public comment on a specific agenda item or on items not on the agenda (general public comment) by submitting comments via email to [PublicComment@smud.org](mailto:PublicComment@smud.org) or by mailing or bringing physical copies to the meeting. Email is not monitored during the meeting. Comments will not be read into the record but will be provided to the Board and placed into the record of the meeting if received within two hours after the meeting ends.

## **DISCUSSION ITEMS**

1. Laurie Rodriguez  
Dr. Markisha Webster      Discuss the monitoring report for **Strategic Direction SD-8, Employee Relations.**  
Presentation: 30 minutes  
Discussion: 15 minutes
2. Laurie Rodriguez      Discuss the monitoring report for **Strategic Direction SD-12, Ethics.**  
Presentation: 10 minutes  
Discussion: 5 minutes
3. Ellias van Ekelenburg      Discuss proposed revisions to **Board-Staff Linkage BL-10, Delegation to the CEO with Respect to Real and Personal Property.**  
Presentation: 5 minutes  
Discussion: 2 minutes
4. Dave Tamayo      Board Monitoring: **Governance Process GP-11, Board Review of Internal Records; Governance Process GP-14, External Auditor Relationship; and Board-Staff Linkage BL-5, Unity of Control.**  
Presentation: 5 minutes  
Discussion: 5 minutes

## **INFORMATIONAL ITEMS**

5. Rosanna Herber      Board Work Plan.  
Discussion: 5 minutes
6. Public Comment
7. Dave Tamayo      Summary of Committee Direction.  
Discussion: 1 minute

*Members of the public shall have up to three (3) minutes to provide public comment on items on the agenda or items not on the agenda, but within the jurisdiction of SMUD. The total time allotted to any individual speaker shall not exceed nine (9) minutes.*

*Members of the public wishing to inspect public documents related to agenda items may click on the Information Packet link for this meeting on the [smud.org](http://smud.org) website or may call 1-916-732-7143 to arrange for inspection of the documents at the SMUD Headquarters Building, 6201 S Street, Sacramento, California.*

*ADA Accessibility Procedures: Upon request, SMUD will generally provide appropriate aids and services leading to effective communication for qualified persons with disabilities so that they can participate equally in this meeting. If you need a reasonable auxiliary aid or service for effective communication to participate, please email [Toni.Stelling@smud.org](mailto:Toni.Stelling@smud.org), or contact by phone at 1-916-732-7143, no later than 48 hours before this meeting.*



SSS No. PSS 24-002

# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting Date Policy – 05/08/24
Board Meeting Date May 16, 2024

TO	TO
1. Claire Rogers	6.
2. Jose Bodipo-Memba	7.
3. Suresh Kotha	8.
4. Brandy Bolden	9. <b>Legal</b>
5. Farres Everly	10. <b>CEO &amp; General Manager</b>

<b>Consent Calendar</b>	<input checked="" type="checkbox"/>	<b>Yes</b>		<b>No</b> <i>If no, schedule a dry run presentation.</i>	<b>Budgeted</b>	<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>(If no, explain in Cost/Budgeted section.)</i>
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FROM (IPR) Laurie Rodriguez	DEPARTMENT People Services & Strategies	MAIL STOP B251	EXT. 5628	DATE SENT 4/10/24
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**NARRATIVE:**

**Requested Action:** Accept the monitoring report for Strategic Direction SD-8, Employee Relations.

**Summary:** This presentation provides the Board with the annual monitoring of SD-8, Employee Relations and confirms that SMUD is developing and maintaining a high quality, inclusive workplace that engages and inspires employees to commit to SMUD’s purpose, vision, and values.

**Board Policy:** Strategic Direction SD-8, Employee Relations  
*(Number & Title)*

**Benefits:** Provide the Directors and Executive Staff with an overview of the Board Policy and give them an opportunity to ask questions, make corrections, additions or changes, if necessary.

**Cost/Budgeted:** Costs contained in internal labor budget.

**Alternatives:** Provide via written report through the Chief Executive Officer and General Manager.

**Affected Parties:** All SMUD employees

**Coordination:** People Services & Strategies; Diversity, Equity, Inclusion & Belonging (DEIB), Learning, & Sustainable Communities

**Presenter:** Laurie Rodriguez, Director, People Services & Strategies  
Dr. Markisha Webster, Director, DEIB, Learning, & Sustainable Communities

**Additional Links:**

SUBJECT <b>SD-8, Employee Relations Board Monitoring Report</b>	ITEM NO. <i>(FOR LEGAL USE ONLY)</i>
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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

# SACRAMENTO MUNICIPAL UTILITY DISTRICT

## OFFICE MEMORANDUM

**TO:** Board of Directors

**DATE:** April 25, 2023

**FROM:** Claire Rogers *CR 4/25/24*

**SUBJECT: Audit Report No. 28007743  
Board Monitoring Report; SD-8: Employee Relations**

Internal Audit Services (IAS) received the SD-8 *Employee Relations* 2023 Annual Board Monitoring Report and performed the following:

- Selected a sample of statements and assertions in the report for review.
- Interviewed report contributors and verified the methodology used to prepare the statements in our sample.
- Validated the reasonableness of the statements in our sample based on the data or other support provided to us.

During the review, nothing came to IAS' attention that would suggest the items sampled within the SD Board Monitoring report did not fairly represent the source data available at the time of the review.

**CC:**

Paul Lau

# Board Monitoring Report 2023 SD-8, Employee Relations



## 1. Background

Strategic Direction 8 (SD-8) states that:

Developing and maintaining a high quality, diverse and inclusive workplace that engages and inspires employees to commit to SMUD's purpose, vision and values is a core value of SMUD.

SMUD is committed to diversity and inclusion and will foster and support a workplace that values employees representing a variety of backgrounds, including but not limited to, race, ethnicity, gender, gender identification and/or expression, sexual orientation and identification, national origin, age, physical abilities, veteran status, socio-economic status, life experiences, talents, and thinking styles.

Therefore:

- a) SMUD shall attract and retain a highly qualified and diverse workforce.
- b) SMUD shall promote inclusion and diversity and engage its workforce in activities that demonstrate and support inclusion and diversity across the organization.
- c) SMUD shall engage its workforce in personal and professional development.
- d) SMUD's percentage of engaged employees as measured through the Engagement Index shall exceed 80%.
- e) SMUD shall use a broad mix of communication and outreach channels to ensure its recruitment activities reflect the diversity of the communities it serves.
- f) SMUD shall maintain and communicate written policies that define procedures and expectations for staff and provide for effective handling of grievances.
- g) Annually, and consistent with State and Federal law, the Board shall receive a report detailing the demographics and trends of the SMUD workforce, the available workforce, and the Sacramento region. The report shall also provide information on veterans as a part of SMUD's workforce.

## 2. Executive Summary

**SMUD is in full compliance with SD-8, Employee Relations.**

The rapid pace of change in today's energy industry and economy requires that employer workforce strategies shift in kind. SMUD has accordingly accelerated the rate at which we implement changes to how we attract, retain, engage, and develop our employees. After several years enhancing people strategies with better data and stronger partnerships, the 2023 outcomes in this report will illustrate early signs of the building momentum we're experiencing within our programs.

<b>SD Support</b> (Program, Policy, Procedure or Initiative)	<b>SD Requirement(s)</b>	<b>Purpose</b>	<b>Outcome</b>	<b>Notes</b>
Education Outreach	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity e) Broad mix of recruiting communication and outreach	Train future energy leaders; increase STEM awareness and curiosity; engage the community in SMUD's 2030 Zero Carbon Plan; promote new tech/SMUD programs; increase customer engagement and value	Engaged 13,201 students in learning about SMUD's Zero Carbon effort and related energy industry careers	Up from less than 13,000 students in 2022
Career Ambassador Program	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity e) Broad mix of recruiting communication and outreach	Increase future workforce talent while simultaneously engaging employees through early outreach & connection with future pipeline (K-12, college, and community)	Reached 11,378 students and community members at 128 Career Ambassador outreach events (103 in-person, 25 virtual).	While we reached fewer community members compared to 2022, total 2023 events increased by 64%. Our strategy prioritized attendance at smaller events to provide 1:1 instruction & learning for the most underserved communities.  (2022 stats: 17,495 community members reached, 78 events - 53 in-person and 25 virtual)
Internships	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity e) Broad mix of recruiting communication and outreach	Strengthen talent pipeline by immersing students of varied backgrounds in SMUD's culture and careers	3,146 college intern applicants, 58 college interns hired  303 high school intern applicants, 11 high school interns hired	Up from 1,659 applicants in 2022, up from 55 interns hired  Up from 80 high school applicants, down from 17 interns hired
Regional Workforce Development	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity e) Broad mix of recruiting communication and outreach	Develop workforce training and partnerships to support readiness and skills for a zero carbon economy; help close economic disparity gaps by creating equitable access to resulting economic growth	Partnered with 48 community organizations to deploy workforce development and training, reaching over 1,905 youth & adults and training more than 750 in work-readiness and technical skills. Placed 856 trainees into new careers	High emphasis on bringing opportunities to under-resourced communities



Sacramento Power Academy Programs	<p>a) Attract and retain qualified, diverse workforce</p> <p>b) Promote and engage employees in inclusion, diversity</p> <p>e) Broad mix of recruiting communication and outreach</p>	Provide communities with knowledge and exposure needed to compete in a high wage and complex skilled trades career in the growing utility industry	<p>682 Lineworker Training Scholarship applicants, 35 awarded to learn pole climbing, industry tools, equipment installation, and groundwork; 25 participants graduated from the program</p> <p>205 Powering Careers program applicants, 16 program graduates</p> <ul style="list-style-type: none"> <li>- 6 hired as limited-term Utility Assistants</li> <li>- 3 went on to obtain full-time employment with SMUD</li> </ul>	<p>512 applicants were in SMUD service territory. Interested grads have applied for SMUD linework apprenticeships and are competing for positions.</p> <p>Assistants completed 6-month rotations in workgroups including Line Equipment Operators, High Voltage Electricians, Cable Splicers, Gas Control Techs, and Meter Techs to learn new skills and develop</p>
Skilled Trades Apprenticeship Programs	<p>a) Attract and retain qualified, diverse workforce</p> <p>c) Workforce personal and professional development</p>	Engage SMUD employees in personal and professional development through formal apprenticeship	<p>Managed training plans, on-the-job training hours, and classroom instruction for 75 apprentices, 28 of which were new in 2023</p> <ul style="list-style-type: none"> <li>- 12 Lineworkers</li> <li>- 1 Network cable splicer</li> <li>- 2 Hydro high voltage electricians</li> <li>- 13 High voltage electricians</li> </ul>	Each apprentice completes approximately 2,000 on-the-job hours each year
Corporate Learning & Development Curriculum	<p>a) Attract and retain qualified, diverse workforce</p> <p>b) Promote and engage employees in inclusion, diversity</p> <p>c) Workforce personal and professional development</p> <p>d) Employee engagement</p>	Develop skills and leadership competencies that will support SMUD's current and future business strategy	<p>Employees averaged 70 hours of training throughout 2023</p> <ul style="list-style-type: none"> <li>- 25 hours of mandatory training</li> <li>- 45 hours of non-mandatory training</li> </ul>	Up from 29 hours in 2022; includes mandatory training, LinkedIn Learning, Safety, and Learning@SMUD
Internal & External Leadership Programs	<p>a) Attract and retain qualified, diverse workforce</p> <p>b) Promote and engage employees in inclusion, diversity</p> <p>c) Workforce personal and professional development</p> <p>d) Employee engagement</p>	Provide experiential learning opportunities to develop leadership, and support collaboration and philanthropy in the community	24 employees completed or graduated from nine different local and regional leadership development programs	Up from 21 employees in 2022; currently adding a 10 <sup>th</sup> opportunity: Western Energy Institute's Utility Business Essentials

Education Assistance	a) Attract and retain qualified, diverse workforce c) Workforce personal and professional development d) Employee engagement	Support employee continued education to attract & retain a highly qualified workforce	136 employees used the Education Assistance Tuition Reimbursement (EATR) program	Up from 102 employees; successfully curbed participation decline noted in 2021 and 2022
Inclusive Culture Implementation Plan	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity d) Employee engagement	Create an environment where all employees feel psychologically safe and a sense of belonging <i>(Note: Next survey scheduled for Fall 2024)</i>	Prioritized employee growth and development by establishing Enterprise Performance goal to increase non-mandatory training participation by 5%	Exceeded goal; - Learning@SMUD (32% increase) - LinkedIn Learning (18% increase) - Mentoring Program (81% increase) - Field employee learning (46% increase)
Employee Resource Groups (ERGs)	b) Promote and engage employees in inclusion, diversity c) Workforce personal and professional development d) Employee engagement	Contribute to an inclusive work culture by creating a sense of community and promoting education and awareness in alignment with SMUD's mission and values and our Inclusion Policy	Hosted 72 ERG events to increase cultural awareness, foster a sense of support and belonging, and promote employee engagement	Up from 45 ERG events in 2022; including: ERG Leader Retreat, Toastmasters ERG Leader Cohort, Young Professionals Book Club, Parents ERG Mental Health Awareness and more
Code of Business Ethics and Employee Conduct	a) Attract and retain qualified, diverse workforce d) Employee engagement f) Maintain and communicate policies re: staff expectations, grievances	Equip employees with an easy-to-read explanation of SMUD's values and expectations for employee behavior	100% of all employees received and acknowledged code of ethics and conduct	Code supplements SMUD's state law-mandated Conflict of Interest Code
Workforce Demographics Reporting	g) Reporting on demographics, SMUD and regional workforce trends, veterans	Provide informational update on workforce demographics	Identify and report on trends and ongoing efforts for a high quality, diverse and inclusive workforce	See SD-8 appendix for detailed reporting

### **3. Additional Supporting Information**

Please see attached Appendix for additional information related to the SD-8 metrics.

### **4. Challenges**

As we continue to enhance our programs, we must consider impacts to bandwidth, program service level, and resource allocation so as not to impair employee engagement, customer experience, or our robust organizational culture. We're mitigating these risks with an increased focus on cross-functional collaboration, improving the awareness of neighboring projects and appropriately committing resources.

While improved data, tools, and planning are enhancing the line of sight into our changing workforce composition and we are beginning to note shifts, changes to our workforce make-up and future skill requirements will require a significant investment of time. We suspect tomorrow's workforce won't look entirely different from today's. According to the [U.S. Bureau of Labor Statistics](#), the labor force is growing more slowly than in previous decades and remaining in the workforce longer.

These trends, SMUD's historically low employee turnover, and the realities of a fast-changing energy industry and economy indicate the need for a careful investment in both current and future priorities. As we continue to adapt, our goal is sustainable progress.

### **5. Recommendations**

As reflected in this report, SMUD has achieved the goals set forth in SD-8 for ensuring SMUD develops and maintains a high quality, inclusive workplace that engages and inspires employees to commit to SMUD's purpose, vision, and values.

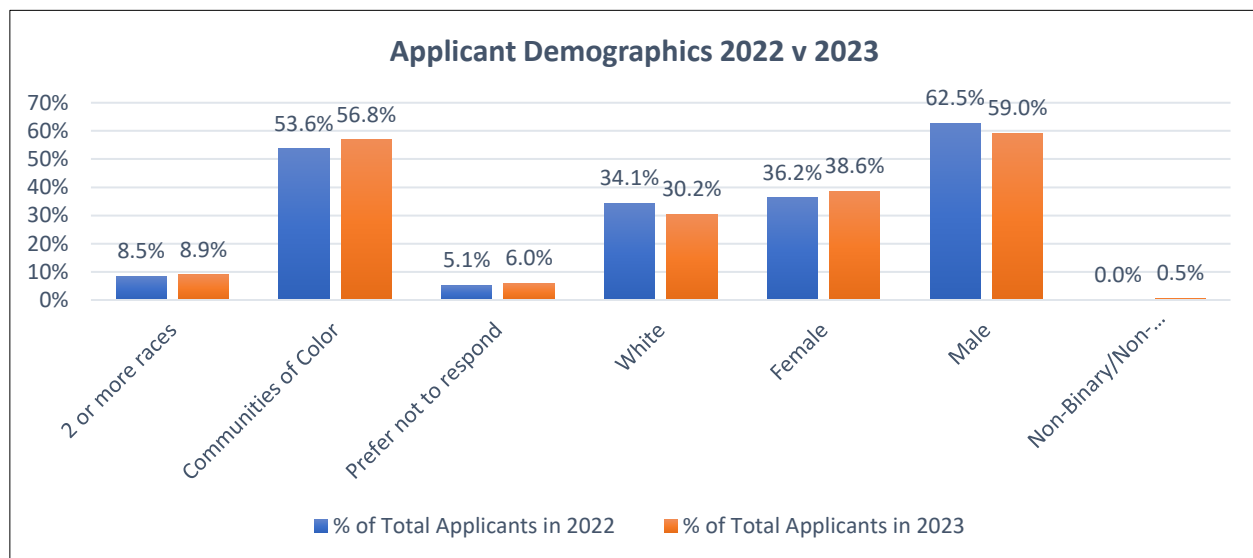
*It is recommended the Board accept the monitoring report for Strategic Direction 8.*

## Appendix

### Recruitment

The Talent Acquisition team tackled an unprecedented workload in 2023, managing 801 hiring requisitions and screening almost 30,000 applications. External applications more than doubled from just under 12,500 applicants in 2022 to just over 25,000 in 2023! While this increase can be attributed to several multi-year efforts across SMUD and the region, we suspect a large portion of this success is due to our recruiters' smart use of Circa - the third-party software solution we acquired in 2022.

In addition to traditional email blasts, job board postings, social media ads, and internal employee communication channels; we can now affordably and efficiently advertise jobs to partners, schools, and community organizations within a 150-mile radius via the Circa platform. We're already noticing impacts to the diversity of our applicant pools thanks to this strategic technological investment. A marked increase in communities of color and females can be seen in the chart below.



Recruiters conducted more than 400 consultations with SMUD's hiring managers last year to ensure a shared understanding of candidate qualifications. These interactions facilitated education to support transparency and consistency across the organization, mitigating potential for bias within the selection process.

Additionally, the Talent Acquisition team completed a series of efforts in 2023 to improve equitable access to job opportunities. These included:

- A "Brass Tacks" workshop to support internal career mobility at SMUD where employees learned about the gears that keep the hiring process moving (eligibility lists, job descriptions, the selection process, and more).
- A series of resume workshops to educate employees about screening requirements and stand-out application materials.
- Enhanced candidate support for job classifications that historically receive a high volume of applicants. Recruiters ensured improved access to these opportunities via timely and succinct social media announcements about resources, important dates, and capped application requirements.

- A collaboration with the Diversity, Equity, Inclusion, and Belonging (DEIB) Council and Subcommittees to establish Diverse Hiring Panel guidelines. These guidelines ensure interview panels at SMUD are both representative of, and educated in, the diversity of our organization and community.

### **Early Talent Programs**

Alongside Toyota, Paramount, Fox Corporation, and Intuit, SMUD was recognized by Interns2Pros in 2023 as a top 5 finalist for Internship Program of the Year. Here's a sampling of the accomplishments that made this possible:

- We touched 34 college and university events reaching nearly 3,000 students.
- We increased face-to-face interactions with diverse college populations like career centers, clubs, and student groups.
- We redesigned existing internship workshops and events to better meet the needs of our university partners. One example: the Talent Acquisition team designed and delivered a workshop titled "Through the Eyes of a Recruiter" to UC Davis, Sac State, Chico, Los Rios College District, UOP, and Sierra College to educate students on SMUD's selection processes. To complement the training, they also provided student coaching on resume building and behavior-based interviewing.
- We experienced a 50% increase in college applicants for the summer intern program. More than 1,400 students from diverse backgrounds competed for 25 coveted spots.
- Those accepted tackled a variety of important initiatives, including contributions to biological field surveys for endangered species in SMUD's Upper American River Project; cybersecurity tasks and help desk tickets; and support for SMUD Cares.
- We also increased our on-site programming for interns, hosting numerous financial wellness workshops, coffee with executives, two Habitat for Humanity volunteer events, and a tour of the Sacramento Power Academy.

The Early Talent Programs team also administers two annual community scholarships:

- Powering Futures  
21 scholarships were awarded in 2023, ranging from \$2,000 for community college students to \$4,000 for 4-year university students. Those with a demonstrated financial need pursuing majors related to careers at SMUD received preference.
- Powering Aggies and Powering Hornets  
These scholarship programs were established in 2018 to benefit 1 student each from UC Davis and Sac State. Eligible students who majored in a SMUD-related career field at UC Davis or electrical engineering at Sac State were selected by their respective universities. In 2023, the Powering Aggies winner was awarded \$1,800 and the Powering Hornets winner \$2,500.

### **Employee Onboarding**

New Employee Orientation (NEO) is SMUD's first opportunity to engage its employees. We refreshed this program in 2023 by returning to an in-person format and switching from a weekly to a bi-weekly cadence for improved class sizes and labor efficiencies. The money and time saved was reallocated to support additional program enhancements like sponsored cohort lunches, campus tours, and post-NEO check-ins. We recognize that continued communication with these employees is critical to making sure they feel supported and seen as newcomers to our workforce.

## Diversity, Equity, Inclusion & Belonging (DEIB)

The DEIB team drove improved structure and accountability in 2023, bolstering important work supporting trust, respect, and inclusion at SMUD. In January, they launched an official handbook to support the organization in creating, growing, and sustainably managing Employee Resource Groups (ERGs). The book includes templates and guidance on everything from budget and governance structures to cross-collaboration and metrics. ERGs are currently working to establish baseline data on topics such as representation, allyship, and participation. We're looking forward to gleaning additional insight about our workforce with the help of these measures.

SMUD's 8 ERGs include:

- Black Employee Resource Group (BERG)
- Asian Pacific Islander (GRAIN ERG)
- Latinos Unity Network for Action (LUNA)
- Military Employee Resource Group (MERG)
- People Reaffirming Inclusion Diversity and Equality (PRIDE)
- Women's Employee Resource Group (WERG)
- Young Professionals Employee Resource Group (YP)
- Parents ERG

Established in 2022, the DEIB Council is comprised of a group employees across the enterprise acting on behalf of the SMUD to support DEIB initiatives. The Council advises, advocates for, informs, assesses and/or monitors the DEIB strategic plan, as well as provides recommendations to the DEIB Department on behalf of SMUD.

Additional structural enhancements were made to SMUD's DEIB Council, whose role is to advise, advocate for, inform, assess and/or monitor the DEIB strategic process. Through the establishment of its four subcommittees in 2023, (Diverse Workforce, Inclusive Culture, Community Impact, and Equity), the council is now equipped to provide resources and recommendations to the Workforce, Diversity & Enterprise Partnerships group and DEIB team.

## Workforce Culture

SMUD's most recent organizational commitments to a culture of inclusion were documented in our 2023 Inclusive Culture Implementation Plan. The first of two goals was to foster the norms and values of an inclusive culture within our core competencies. Last updated in 2017, we worked with executives and senior leaders to identify refreshed competencies reflecting the skills and behaviors needed to execute on our 2030 Clean Energy Vision. We added the competencies Values Differences and Instills Trust—both key components of inclusion.



The second goal in the 2023 Inclusive Culture Implementation Plan was to prioritize employee growth and development. We focused on a 5% increase in utilization of four key learning programs last year, and the numbers in the table on Page 4 of this report show the extent to which we exceeded this goal for all programs.

Our 2021 engagement results showed “My work gives me opportunities to learn and grow” is one of four questions that are strong drivers of engagement based on statistical analysis. While our last survey indicated that 73% of employees agree with this question, that score is 7% below the global average for our vendor. We look forward to revisiting this question with our workforce when we next survey them in fall of 2024.

### Corporate Learning

There are several indicators that SMUD employees are deepening their relationship to learning.

- Employee mandatory training accounted for an average of 25 hours per person in 2023, but employees also averaged 45 hours of *non*-mandatory training.
- 1,044 employees leveraged the LinkedIn Learning platform and completed courses totaling more than 2,917 hours. Unique users increased by 39%!
- We also saw increased participation across several learning and development programs:

Program	2022	2023	% Increase
<b>Learning at SMUD</b> Annual program of employee-led learning	2,458 participants	3,236 participants	32%
<b>Mentoring Program</b> Relationship building for continued career success	32 mentor/mentee pairs	58 mentor/mentee pairs	81%
<b>Field Employee Learning</b> In-person training offered by Sacramento Power Academy	100 participants	146 participants	46%

### Leadership Development

To provide experiential learning opportunities that develop leadership, and support collaboration and philanthropy in the community, SMUD currently supports 9 different leadership programs: Nehemiah Emerging Leaders, WEI Business Acumen for Emerging Leaders, Asian Pacific Chamber Catalyst program, Leadership Rancho Cordova program, Leadership Elk Grove, Leadership Sacramento, Creciente Leadership Program (formerly Nueva Epoca), Leadership Folsom, and SMUD’s Building Leadership Talent program. A selection process is conducted annually to match applicants with a program that effectively meets their development needs and SMUD’s business objectives, and individuals that sit on selection panels are required to complete unconscious bias training.

## Wellness

Our goal at SMUD is to create an environment where wellness is seamlessly integrated into our corporate culture, contributing to the overall success of our organization and the satisfaction of our employees. Health and wellness program participation increased by 4%, with 365 participants in 2023 compared to 351 in 2022. We continue to enhance our strategy with flexible programs supporting several aspects of social, mental, physical, and financial wellness.

- We implemented One SMUD Stroll – a scheduled walking event with SMUD’s Chief Diversity Officer where colleagues can casually convene, connect and converse with peers and members of SMUD’s leadership team at Headquarters and the East Campus Operations Center.
- ERGs sponsored 7 health and wellness-themed events throughout the year, including:
  - o “Mental Health Awareness: Take care of you first so you can help take care of others”, a workshop hosted by the Parents ERG; and
  - o “Stress Management through Bhagavad-Gita”, a South Asian Heritage Month event sponsored by the GRAIN ERG to share how spiritual teachings can help reduce stress.
- We re-introduced the employee vanpool program and on-site fitness centers, which were both suspended post-pandemic. Championing the needs of our hybrid workforce and commitment to financial prudence, we updated the operating models for both:
  - o For \$130/month via pre-tax payroll deduction, employees can join SMUD’s new vanpool program in partnership with Enterprise, which provides transportation to and from designated stops; participation in the Commute with Enterprise Guaranteed Ride Home Program; insurance through Commute with Enterprise; and roadside assistance.
  - o Fitness Centers at both the Customer Service Center and East Campus Operations Center are now open with non-supervised, full access to equipment. Employees were previously charged a membership fee to offset the cost of staffing, but centers are now free for all full-time, part-time, limited-term and casual employees to use after completing a 10-minute orientation video and a release of liability waiver.

## Benefits

Our transition to a post-pandemic hybrid work culture ramped up in 2023 with enhanced policy and decision making. The Enterprise Culture & Change team conducted extensive research on remote work best practices, analysis of employee location data, outreach to over 40 Western Energy Institute members, and focus groups with SMUD’s directors to understand how remote work was functioning. SMUD executive leadership ultimately arrived at the decision that all employees would spend a minimum of 1 day per pay period onsite beginning in Q1 of 2024.

To make this possible, we updated SMUD’s remote work policy, planned for the space needs of approximately 400 previously fully remote employees, and sponsored brown bag lunches and training to communicate changes and expectations about the remote work benefit. As a hybrid organization, our goal is to intentionally promote in-person connections that build relationships and trust while continuing to enable employees to work remotely for part of their schedule. This hybrid approach provides flexibility that can be an important part of work-life balance.



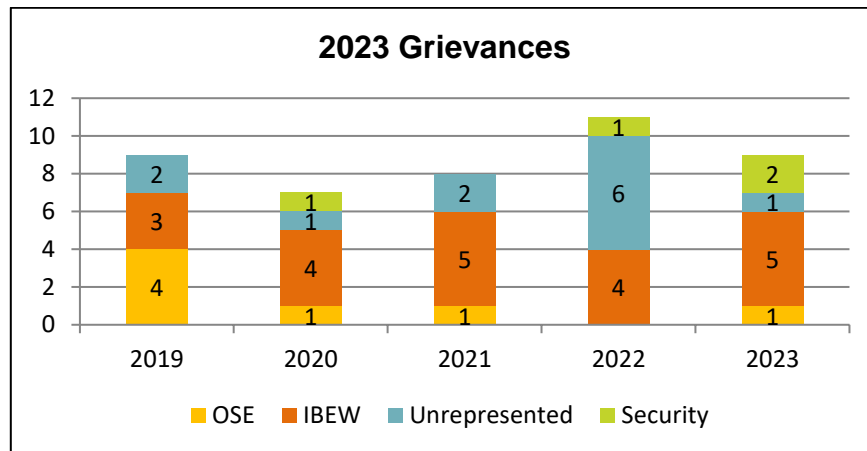
Other post-pandemic considerations in 2023 included a full return to office for in-person open enrollment – the first since the COVID-19 pandemic in 2020. Employees and retirees had the option to meet with the Benefits teams in-person or virtually, or to continue using the Virtual Benefit Fair platform featuring guidebooks, plan summary documents, and the ability to send questions to our benefit providers. Staff also arranged for vendors to present on coverage options for each of their plans.

Two additional noteworthy accomplishments:

- We conducted 2 pre-retirement seminars to packed rooms in 2023. Pre-COVID attendance hovered around 30-40 people. We saw close to 90 attendees at both pre-retirement seminars last year, helping to reengage those who were previously unable to leverage technology.
- For another consecutive year, we negotiated an impressive medical renewal under 5% compared to the industry standard of 7%. Our staff remains committed to addressing the rising cost of health care.

### Conduct & Grievances

In addition to SMUD’s Code of Business Ethics and Employee Conduct, the Employee and Labor Relations teams provide daily guidance and counsel to ensure all employees (represented and unrepresented) understand SMUD policies and procedures, and their responsibilities with respect to the Code of Ethics. The teams resolved a total of 9 grievances in 2023, down from 11 in 2022.

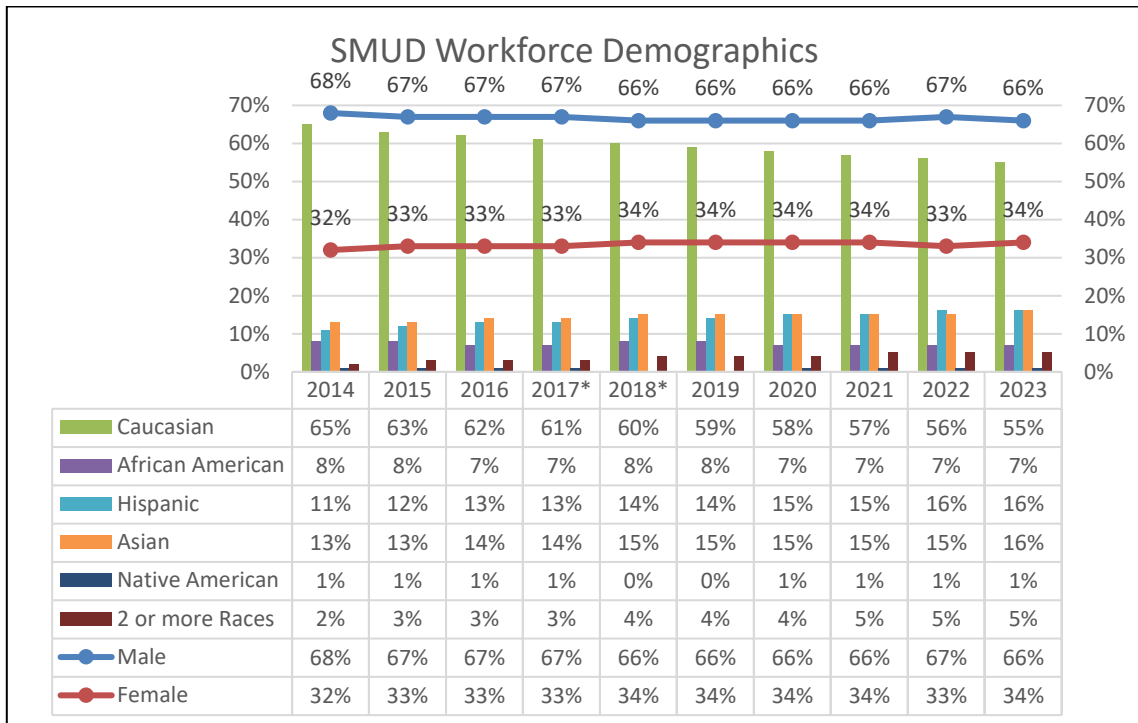


### SMUD Workforce Demographics

The following chart provides demographic information about SMUD’s workforce (excluding “casual” positions and members of the Board of Directors). A thorough analysis of this data resulted in the following findings for 2023:

- A 0.6% increase in Hispanic employees
- A 0.4% increase in Asian employees
- A continued downward trend in the percentage of Caucasian employees

The cumulative impact of enhancements to our employee programs and organic turnover are the likely drivers for this change as SMUD continues to develop its talent pipeline and build a workforce that reflects the diversity of the communities we serve.



Percentages may not add up to 100% due to rounding.

### Regional Workforce Demographics

The “Civilian” labor force referenced in the following chart represents residents aged 16 and older. These numbers exclude houseworkers, unpaid volunteers, institutionalized individuals, and U.S. Armed Forces Active Duty.

	Sacramento, El Dorado & Placer Co. (Civilian) *	Sacramento Co. (Civilian) *	Sacramento Co. (Total Population)**
<b>Caucasian</b>	55%	48%	41%
<b>African American</b>	7%	9%	9%
<b>Hispanic</b>	20%	22%	24%
<b>Asian</b>	14%	17%	19%
<b>Native American</b>	0%	0%	0%
<b>2 or more Races</b>	4%	4%	7%
<b>Male</b>	52%	52%	49%
<b>Female</b>	48%	48%	51%

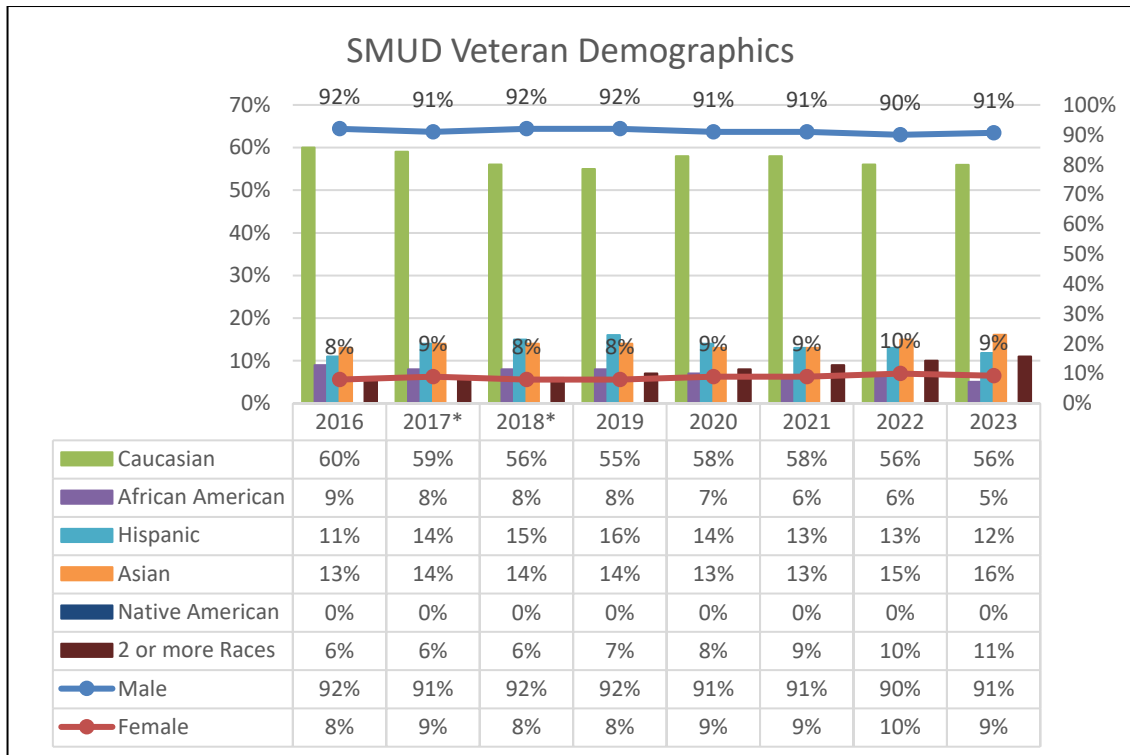
\*2018 American Community Survey, 5-Year Estimates EEO

\*\*2020 United States Census (April 1, 2020)

### SMUD’s Veteran Workforce

Veterans are a small but important part of SMUD’s workforce, and in 2023, we attended 11 vet-specific events to help with tools to enter civilian careers. This included California Employment Development Department’s VetNet Series, Sacramento Veteran Employee Resource Groups, and Volunteers of America, where we assisted with mock interviews, resume workshops, hiring process questions, and information about SMUD programs.

We leveraged the Circa platform to complete outreach to 563 veteran organizations last year, sending more than 6,000 email announcements about SMUD jobs, and saw a 20% increase in veteran applicants (540 in 2023 compared to 434 in 2022). We ultimately hired 12 veterans, and SMUD’s vet population increased from 4.5% in 2022 to 5.2% in 2023. Per the Biddle Consulting Group, 6.7% is the national percentage of veterans in the civilian labor force.



\*Percentages may not add up to 100% due to rounding

Source: va.gov/vetdata(09/30/23)

### SMUD Workforce Demographics by Employee Level

When compared to 2022 data, we saw an increase in female directors, supervisors, and staff at SMUD last year. This trend, combined with the increase in female applicants reported on page 6, indicate our targeted efforts to improve female representation are working.

Employee Level	Male		Female	
	2022	2023	2022	2023
Executives	60%	60%	40%	40%
Directors	59%	57%	41%	43%
Managers	62%	64%	38%	36%
Supervisors	66%	62%	34%	38%
Staff	67%	66%	33%	34%

Additional shifts in demographics by employee level for 2023 include increases in:

- African American executives, directors, managers, and supervisors
- Hispanic directors, managers, and supervisors
- Asian directors and supervisors
- Directors and supervisors of two or more races

As a note, this reporting remains dynamic in the sense that all demographics are self-reported and, while uncommon, employees can change their gender identity or ethnicity at any time.

Employee Level	Caucasian		African American		Hispanic		Asian		Native American		2 or more Races	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
<b>Executives</b>	50%	50%	10%	20%	0%	0%	30%	30%	0%	0%	10%	0%
<b>Directors*</b>	69%	67%	9%	10%	6%	7%	9%	10%	0%	0%	6%	7%
<b>Managers*</b>	69%	70%	3%	4%	7%	8%	13%	13%	1%	1%	6%	5%
<b>Supervisors</b>	62%	56%	7%	8%	10%	12%	16%	18%	0%	0%	5%	6%
<b>Staff*</b>	54%	54%	7%	7%	17%	17%	15%	15%	1%	1%	5%	5%

\* Percentages may not add up to 100% due to rounding.

### Workforce Turnover

SMUD's turnover decreased in 2023 from 7.0% in 2022 to 6.4%, which we believe to be in large part due to fewer retirements. Retirements decreased from 78 in 2022 to 63 retirements last year. Our turnover continues to rank below the industry benchmark of 11.1%. While SMUD's Baby Boomer workforce is entering retirement eligibility, economic influences are also extending the average length of time a person may choose to stay in the workforce.

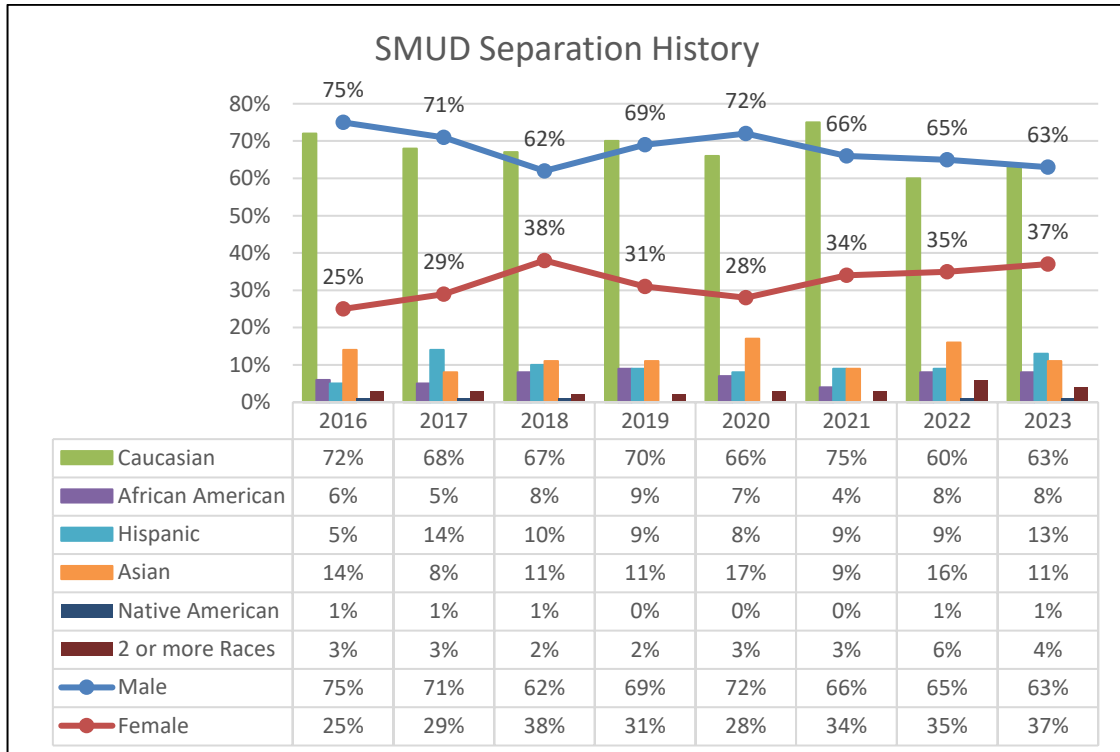
### Completing the Employee Lifecycle

To help identify strengths and opportunities across the organization, we introduced voluntary voice-to-voice exit interviews for departing employees in 2023. In the first year of the program, 88 employees elected to share feedback on their experiences at SMUD.

- 94% of all exiting employees would recommend SMUD to a friend or colleague.
- 90% of exiting employees would consider returning to SMUD if the conditions were right.
- Less than half of employees specified that they were leaving because they were dissatisfied with some part of their job - either promotional opportunities, remote work limitations, or work/life balance in their specific job.
- Most employees view the people they worked with at SMUD as the best part of their job and listed a substantial number of positive descriptors for them.
- Employees felt recognized and appreciated for the contributions they made to SMUD. There were many more positive reactions when asked this question than critical commentary.

There is a strong correlation with the information discovered through the exit interview process and SMUD's engagement survey data, which senior leaders have been actively addressing since developing engagement action plans in 2022.

The 2023 separation data tells us that Caucasian employees represented 63% of departing employees, up from 60% in 2022. This shift was offset by an increase of 4% for Hispanic employees, a 5% decrease for Asian employees, and a 2% decrease for employees of two or more races. While we did see fewer employees leave SMUD in 2023 overall, we're continuing to conduct a deeper analysis of this data to learn if correlations exist between specific populations and exit interview feedback.





SSS No. PSS 24-003

# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting Date Policy – 05/08/24
Board Meeting Date May 16, 2024

TO		TO	
1.	Claire Rogers	6.	
2.	Jose Bodipo-Memba	7.	
3.	Suresh Kotha	8.	
4.	Brandy Bolden	9.	<b>Legal</b>
5.	Farres Everly	10.	<b>CEO &amp; General Manager</b>

<b>Consent Calendar</b>	<input checked="" type="checkbox"/>	<b>Yes</b>		<b>No</b> <i>If no, schedule a dry run presentation.</i>	<b>Budgeted</b>	<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR)	DEPARTMENT			MAIL STOP	EXT.	DATE SENT		
Laurie Rodriguez	People Services & Strategies			B251	5628	04/10/24		

**NARRATIVE:**

**Requested Action:** Accept the monitoring report for Strategic Direction SD-12, Ethics.

**Summary:** This presentation provides the Board with the annual monitoring of SD-12, Ethics and confirms that SMUD is maintaining the public trust and confidence in the integrity and ethical conduct of the Board and SMUD employees.

**Board Policy:** Strategic Direction SD-12, Ethics  
*(Number & Title)*

**Benefits:** Provide the Directors and Executive Staff with an overview of the Board Policy and give them an opportunity to ask questions, make corrections, additions or changes, if necessary.

**Cost/Budgeted:** Costs contained in internal labor budget.

**Alternatives:** Provide via written report through the Chief Executive Officer and General Manager.

**Affected Parties:** All SMUD employees and Contractors

**Coordination:** People Services & Strategies

**Presenter:** Laurie Rodriguez, Director, People Services & Strategies

**Additional Links:**

<b>SUBJECT</b>	<b>ITEM NO. (FOR LEGAL USE ONLY)</b>
<b>SD-12, Ethics Board Monitoring Report</b>	

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

# SACRAMENTO MUNICIPAL UTILITY DISTRICT

## OFFICE MEMORANDUM

**TO:** Board of Directors

**DATE:** April 24, 2024

**FROM:** Claire Rogers *CR 4/24/24*

**SUBJECT: Audit Report No. 28007744  
Board Monitoring Report; SD-12: Ethics**

Internal Audit Services (IAS) received the SD-12 *Ethics* 2023 Annual Board Monitoring Report and performed the following:

- Selected a sample of statements and assertions in the report for review.
- Interviewed report contributors and verified the methodology used to prepare the statements in our sample.
- Validated the reasonableness of the statements in our sample based on the data or other support provided to us.

During the review, nothing came to IAS' attention that would suggest the items sampled within the SD Board Monitoring report did not fairly represent the source data available at the time of the review.

**CC:**

Paul Lau



# **Board Monitoring Report 2023 SD-12, Ethics**



## **1. Background**

Strategic Direction 12 states that:

Maintaining the public trust and confidence in the integrity and ethical conduct of the Board and SMUD employees is a core value. Therefore, to ensure the public interest is paramount in all official conduct, the Board shall adopt and update, as necessary: a Conflict of Interest Code as required by State law. SMUD shall also maintain and enforce a code of conduct applicable to all employees.

Among other things the code of conduct shall:

- a) Require high ethical standards in all aspects of official conduct;
- b) Establish clear guidelines for ethical standards and conduct by setting forth those acts that may be incompatible with the best interests of SMUD and the public;
- c) Require disclosure and reporting of potential conflicts of interest; and
- d) Provide a process for (i) reporting suspected violations of the code of conduct and policies through multiple channels, including an anonymous hotline, and (ii) investigating suspected violations.

## **2. Executive Summary**

### **SMUD is in compliance with the requirements of SD-12.**

Strategic Direction 12 requires SMUD to have a process to report potential conflicts of interest and a process for reporting and investigating suspected violations of the Code of Conduct. Compliance is foundational for acting in the best interests of our customers and community. Several SMUD policies and procedures support the requirement of high ethical standards in all aspects of official conduct.

<b>SD Requirement</b>	<b>Supporting Process/Procedure</b>
a) Require high ethical standards	SMUD's Ethics policy (AP 05.02.03) sets the requirements and expectations for ethical behavior, including communication, training and other resources.

b) Establish clear guidelines for ethical standards and conduct	SMUD's Code of Business Ethics and Employee Conduct were updated and approved by the CEO & General Manager in 2020. SMUD's Ethics procedure (MP 05.02.03.100) was adopted in 2008 and updated in January 2021. SMUD's Conflict of Interest policy (AP 05.02.02) was adopted in 1998 and approved by the FPPC (Fair Political Practices Commission) in 2023.
c) Require disclosure and reporting potential conflicts of interest statements	Notice of filing requirements were sent to employees as early as January and through March. 97.7% of the annual conflict of interest statements were received by the time this report was finalized.
d) Provide a process for reporting and investigating suspected violations of the code of ethics	SMUD's Whistleblower Anti-Retaliation policy (AP 05.01.03) was approved in 2014. SMUD's Complaint Process Policy (AP 05.01.04) was adopted in 2006 and updated in August 2022. SMUD's Ethics and Compliance Hotline has been in place since 2008.

**3. Additional Supporting Information**

**Ethics Policy**

In accordance with Board Policy SD-12 Ethics, SMUD developed the Code of Business Ethics and Employee Conduct, approved by the CEO & General Manager in 2020. This document supplements SMUD's State-law mandated Conflict of Interest Code and provides an easy-to-read explanation of SMUD's values and expectations for employee behavior. It also identifies various staff resources to obtain further guidance, as well as alternative methods to report suspected violations of SMUD's Code of Business Ethics. The Code provides a framework for how employees should act toward customers, vendors and each other. It also emphasizes that as a publicly-owned utility, SMUD and its employees must adhere to the highest ethical standards.

All new employees receive a copy of SMUD's Code of Business Ethics prior to or during new employee orientation and are required to review and submit a signed acknowledgement to People, Services & Strategies within 30 days of orientation. In addition, all contractors with unescorted access receive a copy of the Code when their background check is conducted. PS&S verifies Code acknowledgements on a quarterly basis to ensure signed acknowledgments are received from all new employees and contractors.

## **Ethics Training**

Ethics training is a mandatory requirement for all SMUD employees. They are required to complete the training every 2 years on a fixed rotating schedule. New and returning employees have one year for completion while newly promoted leaders are required to take Ethics training within 90 days of promotion into their role. Course completion is tracked using SMUD's Learning Management System (LMS) and reported as part of SMUD's mandatory training statistics. The 2023 completion rate for employees with 2023 due dates is 99.61%.

## **Disclosure and Reporting of Potential Conflicts of Interest**

The Political Reform Act (Cal. Gov. Code §§ 81000, et seq.) requires certain government officials and employees to publicly disclose certain financial information relevant to the scope of decision-making for their positions with SMUD.

To maintain compliance, all employees in positions designated by the SMUD Board must complete and submit an annual Statement of Economic Interests, FPPC Form 700 (Conflict of Interest Statement). Incumbents of designated positions shall file an Assuming Office Statement within 30 days of starting their employment or beginning the new position. Employees in designated positions who leave SMUD shall file Leaving Office Statements within 30 days of their final dates of employment.

The annual Conflict of Interest Statements are public documents filed with Corporate Records or in the designated record repository. PS&S sent financial disclosure materials electronically to designated employees as early as January and through March to successfully meet the FPPC filing deadline of April 2. At the time of this report, 97.7% percent of the annual Conflict of Interest Statements from SMUD officials and designated employees were received. PS&S staff follows up to ensure total compliance. In the rare event that full compliance is not achieved, SMUD is obligated to report violations to the FPPC for enforcement. This has occurred only two times in the last decade.

## **Process for Reporting and Investigating Suspected Violations**

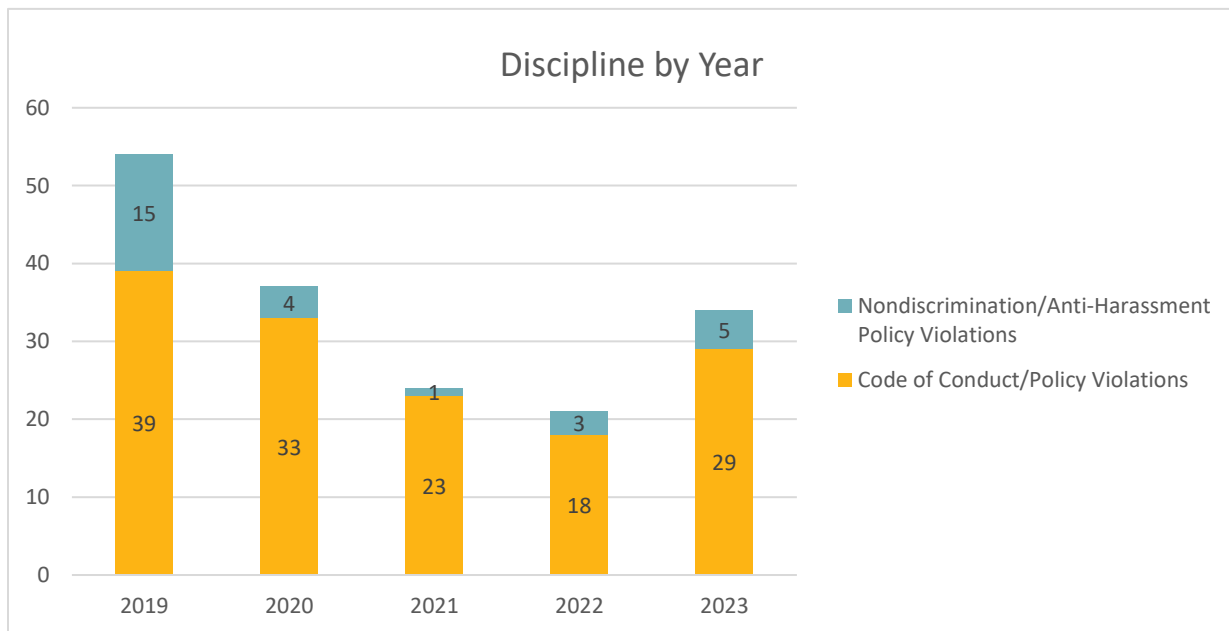
SMUD holds its employees to a higher standard than that required by law and is committed to providing a work environment in which all individuals are treated with dignity and respect. SMUD encourages employees to bring concerns about potential legal violations or violations of SMUD policies to the attention of a SMUD leader. All SMUD leaders are required to immediately report all complaints they receive regarding suspected policy violations to the Fair Employment Office. An employee who believes that they are unable to make a complaint through their management reporting line may report complaints directly to the Fair Employment Office, Labor Relations, Internal Auditor's or General Counsel's Office.

Additionally, SMUD has contracted with Navex Global Compliance since November 2008 to operate an anonymous Ethics and Compliance Hotline. This hotline can be used by employees to file complaints anonymously should they so choose, either online or by calling Navex Global Compliance directly.

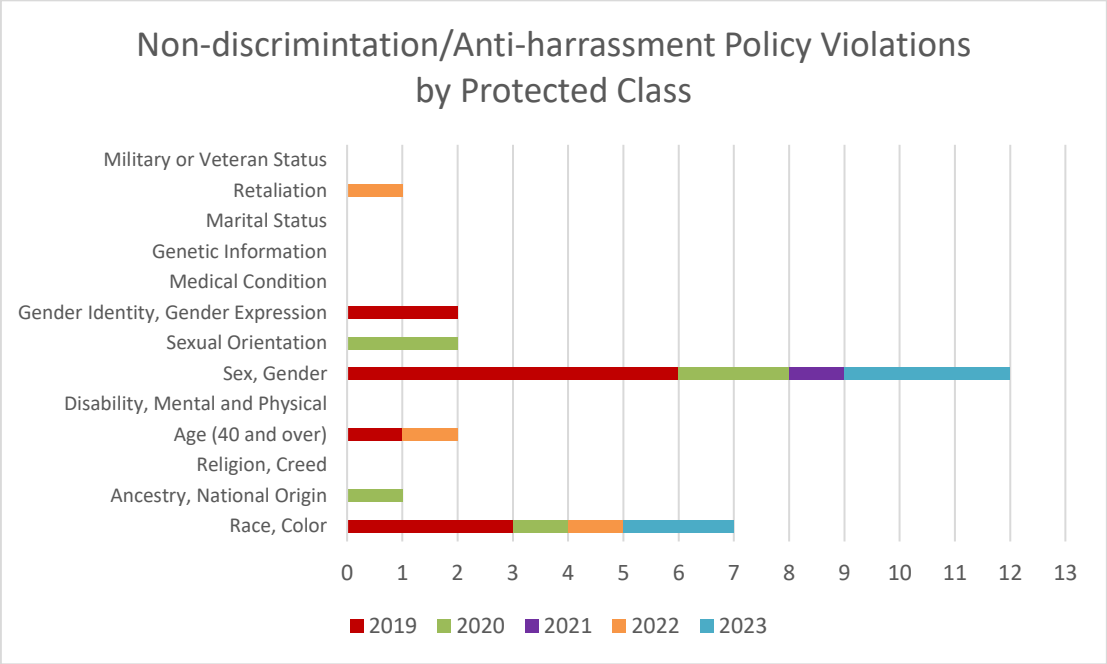
As part of SMUD's Complaint Process and Whistleblower Anti-Retaliation policies, a Whistleblower Committee was established to review and act, when appropriate, on hotline/whistleblower complaints. The committee is comprised of representatives from the General Counsel's office, Internal Audit Services and PS&S, including members of our Fair Employment Office and Labor Relations team.

In addition to investigating potential violations of SMUD’s Nondiscrimination, Anti-Harassment and Non-Retaliation Policy (AP 05.01.01) and Code of Ethics, Labor Relations and Fair Employment analysts also advise, consult with and support leaders on recommended action and coaching to address problematic behaviors and attitudes among the workforce that are not necessarily prohibited by law. This includes working with a leaders’ leader or senior leadership when improved leadership skills would benefit relationships. These proactive measures play a critical role in a culture where all employees are respected and valued.

The following chart illustrates discipline issued to employees between 2019-2023. Summarized below are the disciplines issued for violations of SMUD’s Nondiscrimination, Anti-Harassment and Non-Retaliation Policy (AP 05.01.01) as well as discipline for misconduct/policy violations under SMUD’s Positive Discipline Policy (AP 05.02.09) including dishonesty, bullying, discourteous behavior, unprofessional conduct, driving policy violations, insubordination, conflicts of interest and unethical behavior. The below reporting does *not* include discipline related to safety incidents (e.g. preventable vehicle accidents), attendance (tardiness and/or absences) or work performance unless there was a conduct component covered by SMUD’s Code of Business Ethics & Employee Conduct, such as willful negligence or dishonesty.



The chart shown next indicates violations of SMUD’s Nondiscrimination, Anti-Harassment and Non-Retaliation Policy (AP 05.01.01) as they relate to protected categories for FEO investigations that occurred in the past five years.



**4. Challenges**

Completing training and obtaining necessary documents can be a challenge for employees on any type of extended leave. Broad or anonymous complaints are sometimes filed without supporting and/or contact information to allow for follow-up and further investigation.

**5. Recommendations**

As reflected in this report, SMUD has achieved the goals set forth in SD-12 for maintaining the public trust and confidence in the integrity and ethical conduct of the Board and SMUD employees. The policies, guidelines, staff training and monitoring and reporting components have played a part in ensuring high ethical standards in all areas of conduct and in operations.

*It is recommended the Board accept the monitoring report for Strategic Direction 12.*

**6. Appendices**  
N/A



SSS No. LEG 2024-0068

# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting &amp; Date

Policy – 05/08/24

Board Meeting Date

May 16, 2024

TO				TO			
1.	Ellias van Ekelenburg			6.			
2.	Frankie McDermott			7.			
3.	Farres Everly			8.			
4.	Brandy Bolden			9.	<b>Legal</b>		
5.	Suresh Kotha			10.	<b>CEO &amp; General Manager</b>		
<b>Consent Calendar</b>	<input checked="" type="checkbox"/>	<b>Yes</b>		<b>No</b>	<i>If no, schedule a dry run presentation.</i>		
<b>Budgeted</b>	<input checked="" type="checkbox"/>	<b>Yes</b>		<b>No</b>	<i>(If no, explain in Cost/Budgeted section.)</i>		
FROM (IPR)	DEPARTMENT			MAIL STOP	EXT.	DATE SENT	
Joe Schofield	Office of the General Counsel/Legal			B406	5446	04/24/24	

**NARRATIVE:**

**Requested Action:** Approve proposed revisions to **Board-Staff Linkage BL-10, Delegation to the CEO with Respect to Real and Personal Property.**

**Summary:** Board members will be provided with an overview of staff recommendations to revise Board-Staff Linkage BL-10, Delegation to the CEO with Respect to Real and Personal Property (BL-10) to grant staff authority to purchase real property when the purchase price is no more than \$150,000 over 115% of the appraised value of the real property and to grant SMUD staff the ability to execute options agreements for the purchase of real property with the per-acre option price not to exceed \$1,000 as long as options are exercised only with Board approval or consistent with Section b)i) of BL-10.

Redlined and clean (redlines accepted) copies of the proposed revisions are attached.

**Board Policy:** Board Job Description GP-3(a) – Produce and maintain written policies that ensure high quality of governance and clear roles in decision-making between Board and staff.  
*(Number & Title)*

**Benefits:** Enables Board members to review policy in light of present-day factors and update delegation limits to reflect increased costs due to inflation and to enable business efficiency.

**Cost/Budgeted:** No costs are associated with this action.

**Alternatives:** Do not make the proposed revisions or make other changes.

**Affected Parties:** Board Office, Executive Office, Real Estate Services, Legal

**Coordination:** Board Office, Executive Office, Real Estate Services, Legal

**Presenter:** Ellias van Ekelenburg, Director, Environmental, Safety & Real Estate Services

**Additional Links:**

SUBJECT

**Proposed Revisions to Board-Staff Linkage BL-10,  
Delegation to the CEO with Respect to Real and Personal Property**

ITEM NO. (FOR LEGAL USE ONLY)

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

# SMUD BOARD POLICY



**Category:** Board-Staff Linkage  
**Policy No.:** BL-10  
**Title:** Delegation to the CEO with Respect to Real and Personal Property

Normal business operations require SMUD to engage in: (i) the acquisition, disposition, and lease of interests in real property; and (ii) the disposition and lease of surplus personal property.

- a) **Delegation of Authority:** The Chief Executive Officer and General Manager (CEO) is delegated decision making and approval authority within the parameters that follow.
- b) **Real Property:**
  - i) Purchase, Sale or Exchange of Real Property. The purchase price does not exceed \$5 million and is with no more than \$150,000 over 115% of the appraised value of the property. The sale of real property shall be at fair market value and offered in accordance with California Government Code section 54220 et seq. and other applicable law. In an exchange of real property, SMUD shall remain financially whole or benefit from the transaction.
  - ii) Lease of SMUD Real Property. Leases shall be for fair market value and shall not adversely impact SMUD's current or anticipated future operations.
  - iii) Option for Purchase of Real Property. The option price shall be commercially reasonable and not to exceed \$1,000/acre, with the option to be exercised only by the Board or consistent with Section b)i) of this policy.
  - iii)iv) Easements, Rights of Way, Licenses or Quitclaim Deeds. Easements, rights of way, licenses and quitclaim deeds may be granted to third parties where SMUD's current or anticipated future operations are not adversely impacted. Lease, easements, licenses and rights-of-way from third parties may be obtained within 125% of fair market value.
  - iv)v) Special Assessments, Governmental Fees and Property Taxes. Cast all ballots, negotiate, pay taxes, assessments, fees, levies or charges arising from or related to SMUD's ownership or other interests in real property.
- c) **Personal Property:**
  - i) Disposal of Surplus, Scrap or Obsolete Personal Property. The disposal of surplus, scrap, or obsolete personal property shall be done in accordance with applicable law.



- ii) Lease of SMUD Personal Property. Leases shall be for fair market value and shall not adversely impact SMUD’s current or anticipated future operations.

**Monitoring Method: CEO Report**

**Frequency: Annual**

**Versioning:**

September 21, 2006	Resolution No. 06-09-11	Date of Adoption.
December 7, 2006	Resolution No. 06-12-03	Date of Revision.
December 18, 2008	Resolution No. 08-12-11	Date of Revision.
August 4, 2011	Resolution No. 11-08-04	Date of Revision.
August 21, 2014	Resolution No. 14-08-03	Date of Revision.
September 21, 2023	Resolution No. 23-09-02	Date of Revision. <del>[Current Policy]</del>
<u>May 16, 2024</u>	<u>Resolution No. 24-##-##</u>	<u>Date of Revision. [Current Policy]</u>

# SMUD BOARD POLICY



**Category:** Board-Staff Linkage  
**Policy No.:** BL-10  
**Title:** Delegation to the CEO with Respect to Real and Personal Property

Normal business operations require SMUD to engage in: (i) the acquisition, disposition, and lease of interests in real property; and (ii) the disposition and lease of surplus personal property.

- a) **Delegation of Authority:** The Chief Executive Officer and General Manager (CEO) is delegated decision making and approval authority within the parameters that follow.
- b) **Real Property:**
  - i) Purchase, Sale or Exchange of Real Property. The purchase price does not exceed \$5 million and is no more than 115% of the appraised value of the property. The sale of real property shall be at fair market value and offered in accordance with California Government Code section 54220 et seq. and other applicable law. In an exchange of real property, SMUD shall remain financially whole or benefit from the transaction.
  - ii) Lease of SMUD Real Property. Leases shall be for fair market value and shall not adversely impact SMUD's current or anticipated future operations.
  - iii) Option for Purchase of Real Property. The option price shall be commercially reasonable and not to exceed \$1,000/acre, with the option to be exercised only by the Board or consistent with Section b)i) of this policy.
  - iv) Easements, Rights of Way, Licenses or Quitclaim Deeds. Easements, rights of way, licenses and quitclaim deeds may be granted to third parties where SMUD's current or anticipated future operations are not adversely impacted. Lease, easements, licenses and rights-of-way from third parties may be obtained within 125% of fair market value.
  - v) Special Assessments, Governmental Fees and Property Taxes. Cast all ballots, negotiate, pay taxes, assessments, fees, levies or charges arising from or related to SMUD's ownership or other interests in real property.
- c) **Personal Property:**
  - i) Disposal of Surplus, Scrap or Obsolete Personal Property. The disposal of surplus, scrap, or obsolete personal property shall be done in accordance with applicable law.

- ii) Lease of SMUD Personal Property. Leases shall be for fair market value and shall not adversely impact SMUD's current or anticipated future operations.

**Monitoring Method: CEO Report**

**Frequency: Annual**

**Versioning:**

September 21, 2006	Resolution No. 06-09-11	Date of Adoption.
December 7, 2006	Resolution No. 06-12-03	Date of Revision.
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August 4, 2011	Resolution No. 11-08-04	Date of Revision.
August 21, 2014	Resolution No. 14-08-03	Date of Revision.
September 21, 2023	Resolution No. 23-09-02	Date of Revision.
May 16, 2024	Resolution No. 24-##-##	Date of Revision. [Current Policy]



SSS No. BOD 2024-010
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# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting & Date Policy – 05/08/24
Board Meeting Date N/A

TO				TO							
1.	Scott Martin	6.									
2.	Suresh Kotha	7.									
3.	Brandy Bolden	8.									
4.	Farres Everly	9.	<b>Legal</b>								
5.		10.	<b>CEO &amp; General Manager</b>								
<b>Consent Calendar</b>		<b>Yes</b>	<input checked="" type="checkbox"/>	<b>No</b> <i>If no, schedule a dry run presentation.</i>		<b>Budgeted</b>	<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>(If no, explain in Cost/Budgeted section.)</i>		
FROM (IPR) Dave Tamayo / Crystal Henderson				DEPARTMENT Board Office				MAIL STOP B307	EXT. 6155	DATE SENT 4/9/24	

**NARRATIVE:**

**Requested Action:** Allow the Board of Directors an opportunity to monitor existing policies: Governance Process GP-11 Board Review of Internal Records; Governance Process GP-14 External Auditor Relationship; and Board-Staff Linkage BL-5, Unity of Control as part of the Board policy monitoring process.

**Summary:** A schedule to monitor Board policies was agreed upon by the Policy Monitoring Ad Hoc Committee. Monitoring established policies creates a better understanding of the policies and gives the Board an opportunity to make corrections, additions, or changes, if necessary.

**Board Policy:** *(Number & Title)* This monitoring supports GP-2 Governance Focus which states that the Board will direct, evaluate, and inspire the organization through the establishment of written policies which reflect the Board’s values.

**Benefits:** Monitoring policies helps ensure the policies are current and in keeping with the current will of the Board.

**Cost/Budgeted:** Included in budget

**Alternatives:** Not review these policies at this time.

**Affected Parties:** Board of Directors

**Coordination:** Crystal Henderson, Special Assistant to the Board of Directors

**Presenter:** Dave Tamayo, Policy Chair

**Additional Links:**

SUBJECT <b>Board Monitoring of GP-11, GP-14, and BL-5</b>	ITEM NO. <i>(FOR LEGAL USE ONLY)</i>
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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

# SMUD BOARD POLICY



**Category:** Governance Process  
**Policy No.:** GP-11  
**Title:** Board Review of Internal Records

Board members may review any record of SMUD at any time, so long as confidentiality requirements are followed.

Specifically:

- a) Board member requests to inspect SMUD records shall be forwarded to the CEO, who will provide the requested files for review on SMUD premises.
- b) No confidential or original documents shall be taken from SMUD premises except with the authorization of the CEO.
- c) Board members shall follow the same confidentiality requirements applicable to SMUD employees dealing with such files. SMUD employee personnel files will not be subject to Board review except as permitted by law.
- d) The Board Office shall maintain a log of all copies of documents requested by Board members. The log will be available for inspection by members of the public during working hours.

**Monitoring Method:** Board Report

**Frequency:** Annual

**Versioning:**

December 19, 2002	Resolution No. 02-12-14	Date of Adoption.
October 16, 2003	Resolution No. 03-10-14	Date of Revision.
September 21, 2023	Resolution No. 23-09-02	Date of Revision. [Current Policy]

# SMUD BOARD POLICY



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**Category:** Governance Process  
**Policy No.:** GP-14  
**Title:** External Auditor Relationship

The Board is responsible for hiring SMUD’s external auditor to perform the annual independent audit.

Specifically:

- a) The Board will make the choice of external auditor, based on input from staff and others it deems necessary to exercise prudent, independent judgment.
- b) After consulting with Board members, the Chair of the Finance and Audit Committee shall meet with the external auditor after the audit is complete. The meeting will be independent of staff. The Board member(s) will report their findings to the Board on a timely basis.

**Monitoring Method:** Board Report

**Frequency:** Annual

**Versioning:**

August 21, 2008	Resolution No. 08-08-14	Date of Adoption.
March 17, 2020	Resolution No. 20-03-04	Date of Revision.
September 21, 2023	Resolution No. 23-09-02	Date of Revision. [Current Policy]

# SMUD BOARD POLICY



**Category:** Board-Staff Linkage  
**Policy No.:** BL-5  
**Title:** Unity of Control

Only decisions of the Board acting as a body are binding on the Chief Executive Officer and General Manager (CEO), the Chief Legal Officer and General Counsel, and the Internal Auditor.

Specifically, in or out of the Board meeting:

- a) Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO, Chief Legal Officer and General Counsel or Internal Auditor except in instances when the Board has specifically authorized such exercise of authority.
- b) In the case of Board members or committees requesting information or assistance without Board authorization, the CEO, Chief Legal Officer and General Counsel or Internal Auditor must refuse such requests that require, in their opinion, a material amount of staff time, or funds, or are disruptive.
- c) Board members may communicate directly with SMUD employees or contractors. However, the Board as a body and the Board members will never give direction to persons who report directly or indirectly to the CEO, with the exception of the Chief Legal Officer and General Counsel, Internal Auditor and Special Assistant. If individual Board members are dissatisfied with the response they receive, they may seek a resolution by the Board.
- d) Board Members will refrain from evaluating, either formally or informally, any staff. The Board as a body will refrain from evaluating, either formally or informally, any staff other than the CEO, the Chief Legal Officer and General Counsel, the Internal Auditor, and the Special Assistant.

**Monitoring Method:** Board Report

**Frequency:** Annual

**Versioning:**

December 19, 2002	Resolution No. 02-12-14	Date of Adoption.
October 16, 2003	Resolution No. 03-10-14	Date of Revision.
June 15, 2006	Resolution No. 06-06-05	Date of Revision.
September 21, 2023	Resolution No. 23-09-02	Date of Revision. [Current Policy]





SSS No. BOD 2024-05
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# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting & Date POLICY – 2024
Board Meeting Date N/A

TO				TO					
1.	Suresh Kotha			6.					
2.	Brandy Bolden			7.					
3.	Farres Everly			8.					
4.				9.	<b>Legal</b>				
5.				10.	<b>CEO &amp; General Manager</b>				
<b>Consent Calendar</b>		<input type="checkbox"/>	<b>Yes</b>	<input checked="" type="checkbox"/>	<b>No</b>	<i>If no, schedule a dry run presentation.</i>			
<b>Budgeted</b>		<input type="checkbox"/>	<b>Budgeted</b>	<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>(If no, explain in Cost/Budgeted section.)</i>			
FROM (IPR) Rosanna Herber / Crystal Henderson				DEPARTMENT Board Office			MAIL STOP B307	EXT. 5424	DATE SENT 12/21/23

**NARRATIVE:**

**Requested Action:** Enable the Board of Directors and Executive Staff an opportunity to review the Board Work Plan.

**Summary:** The Board President reviews the Board Work Plan at the Policy Committee meeting to ensure agenda items support the work of the Board.

**Board Policy:** *(Number & Title)* This review of the work plan supports Governance Process GP-6, Role of the Board President, which states, in part, that the Board President “shall ensure that the Board’s agendas meet the goals of the annual work plan.”

**Benefits:** Reviewing the Work Plan allows the Board members and Executive staff to make changes to the Work Plan and Parking Lot items as necessary.

**Cost/Budgeted:** Included in budget

**Alternatives:** Not review the Work Plan at this time.

**Affected Parties:** Board of Directors and Executive staff

**Coordination:** Crystal Henderson, Special Assistant to the Board

**Presenter:** Rosanna Herber, Board President

<b>Additional Links:</b>
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SUBJECT <b>Board Work Plan</b>	ITEM NO. <i>(FOR LEGAL USE ONLY)</i>
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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.





SSS No. BOD 2024-03
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# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting & Date POLICY - 2024
Board Meeting Date N/A

TO				TO							
1.	Suresh Kotha	6.									
2.	Brandy Bolden	7.									
3.	Farres Everly	8.									
4.		9.	<b>Legal</b>								
5.		10.	<b>CEO &amp; General Manager</b>								
<b>Consent Calendar</b>		<b>Yes</b>	<input checked="" type="checkbox"/>	<b>No</b> <i>If no, schedule a dry run presentation.</i>		<b>Budgeted</b>	<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>(If no, explain in Cost/Budgeted section.)</i>		
FROM (IPR) Dave Tamayo / Crystal Henderson				DEPARTMENT Board Office				MAIL STOP B304	EXT. 5424	DATE SENT 12/21/23	

**NARRATIVE:**

**Requested Action:** A summary of directives is provided to staff during the committee meeting.

**Summary:** The Board requested an ongoing opportunity to do a wrap up period at the end of each committee meeting to summarize various Board member suggestions and requests that were made at the meeting to make clear the will of the Board. The Policy Committee Chair will summarize Board member requests that come out of the committee presentations for this meeting.

**Board Policy:** *(Number & Title)* Governance Process GP-4, Board/Committee Work Plan and Agenda Planning, states, among other things, “the Board will develop and follow an annual work plan that ensures the Board...focuses on the results the Board wants the organization to achieve....”

**Benefits:** Having an agendized opportunity to summarize the Board’s requests and suggestions that arise during the committee meeting will help clarify the will of the Board.

**Cost/Budgeted:** Included in budget.

**Alternatives:** Not to summarize the Board’s requests at this meeting.

**Affected Parties:** Board of Directors and Executive Staff

**Coordination:** Crystal Henderson, Special Assistant to the Board of Directors

**Presenter:** Dave Tamayo, Policy Chair

**Additional Links:**

SUBJECT <b>Summary of Committee Direction - Policy</b>	ITEM NO. <i>(FOR LEGAL USE ONLY)</i>
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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.