Board Finance & Audit Committee Meeting and Special SMUD Board of Directors Meeting

Date: Wednesday, August 19, 2020
Time: 5:30 p.m.
Location: Virtual Meeting (online)
AGENDA
BOARD FINANCE & AUDIT COMMITTEE MEETING
AND SPECIAL SMUD BOARD OF DIRECTORS MEETING

Wednesday, August 19, 2020
Scheduled to begin at 5:30 p.m.

Zoom Webinar Link: Join SMUD Finance & Audit Committee Meeting Here
Webinar ID: 161 913 2857
Password: 230638
Phone Dial-in Number: 1-669-254-5252

In accordance with the Governor's Executive Order N-29-20 and the Emergency Board Meeting Procedures adopted by the SMUD Board of Directors, the regular Board meeting and other public meetings are closed to the public to align with state, local, and federal guidelines and social distancing recommendations for the containment of the coronavirus.

Live video streams and indexed archives of meetings are available at:
http://smud.granicus.com/ViewPublisher.php?view_id=16

Members of the public may register to provide verbal comments at an upcoming Board or Committee meeting by emailing a request to speak to PublicComment@smud.org. Please include the date of the meeting, name, and topic or agenda item the requestor wishes to speak on. The request may also be submitted while the meeting is in progress during the standard time for the agenda item or topic. Pre-registration is strongly encouraged by no later than 3:00 p.m. on the day of the meeting.

Members of the public may provide written public comments on a specific agenda item or on items not on the agenda (general public comment) by submitting comments via e-mail. Comments may be submitted to PublicComment@smud.org and will be placed into the record of the meeting.

Members of the public that are listening to or watching the live stream of a Committee meeting and wish to comment on a specific agenda item as it is being heard may submit their comments, limited to 250 words or less, to PublicComment@smud.org, noting the agenda item number in the subject line. The Committee Chair may read comments for items on the agenda into the record, in her discretion, based upon such factors as the length of the agenda or the number of e-mail comments received. General public comment for items not on the agenda will not be read into the record but will be provided to the Board and placed into the record of the Board meeting if it is received within two hours after the meeting ends.

This Committee meeting is noticed as a joint meeting with the Board of Directors for 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 Finance and Audit Committee will review, discuss and provide the Committee’s recommendation on the following:
**DISCUSSION ITEMS**

1. **Mike Deis**  
   Approve Contract Change No. 4 to Contract No. 4500121595 with *Roebbelen Contracting, Inc.*, to increase the contract amount by $16,370,620 from $17,468,503 to $33,839,123 to construct the *Station G Substation*.  
   Presentation: 10 minutes  
   Discussion: 5 minutes

2. **Laurie Rodriguez**  
   Accept the monitoring report for *Strategic Direction SD-8, Employee Relations*.  
   Presentation: 20 minutes  
   Discussion: 15 minutes

3. **Laurie Rodriguez**  
   Accept the monitoring report for *Strategic Direction SD-12, Ethics*.  
   Presentation: 10 minutes  
   Discussion: 10 minutes

**INFORMATIONAL ITEMS**

4. **Public Comment**

5. **Rosanna Herber**  
   Summary of Committee Direction.  
   Discussion: 2 minutes

**ANNOUNCEMENT OF CLOSED SESSION AGENDA**

1. **Conference with Legal Counsel – Significant Exposure to Litigation**

   Pursuant to Section 54956.9(d)(2) of the Government Code:

   One employment complaint.

---

*Pursuant to Resolution No. 20-06-08 adopted on June 18, 2020, Emergency Board Meeting Procedures are in effect:*

*Members of the public may make either a general public comment or comment on a specific agenda item by submitting comments via email. Comments may be submitted to PublicComment@smud.org. Comments will be provided to the Board and placed into the record of the Committee meeting if it is received within two hours after the meeting ends.*
Members of the public that are listening or watching the live stream of a Board meeting and wish to comment on a specific agenda item as it is being heard, may submit their comments, limited to 250 words or less, to PublicComment@smud.org. The Board Chair may read the comments into the record, in her discretion, based upon such factors as the length of the agenda or the number of email comments received. Comments will be provided to the Board and placed into the record of the Committee meeting if it is received within two hours after the meeting ends.

Members of the public may register to provide verbal comments at an upcoming Board or Committee meeting by emailing a request to speak to PublicComment@smud.org. Please include the date of the meeting, name, and topic or agenda item the requestor wishes to speak on. The request may also be submitted while the meeting is in progress during the standard time for the agenda item or topic. Pre-registration is strongly encouraged by no later than 3:00 p.m. on the day of the meeting.

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 virtual meeting. If you need a reasonable auxiliary aid or service for effective communication to participate, please email Toni.Stelling@smud.org, or contact by phone at (916) 732-7143, no later than 48 hours before this virtual meeting.
BOARD AGENDA ITEM
STAFFING SUMMARY SHEET

TO
1. Alan Sparks
2. Robert Adams
3. Casey Fallon
4. Mike Deis
5. Frankie McDermott
6. Jennifer Davidson
7. Stephen Clemons
8. Gary King
9. Legal
10. CEO & General Manager

Consent Calendar | x | Yes | Budgeted | x | Yes | No (If no, explain in Cost/Budgeted section.)
FROM (IPR) | Jesse Mays | MAIL | STOP | EXT. | DATE | SENT
DEPARTMENT | Procurement | EA404 | 5744 | 7/31/20

NARRATIVE:

Requested Action:

Approve Contract Change No. 04 to Contract No. 4500121595 with Roebbelen Contracting, Inc. (Roebbelen) to increase the contract amount by $16,370,620 from $17,468,503 to $33,839,123. The contract change will add the adjoining Station G outdoor substation construction to the existing contract scope that includes the construction of the Station G control building.

Summary:

The proposed Station G 115kV/12kV Substation located at 7th and G Streets will replace the existing Station A substation located at 6th and H Streets, which is at the end of its operational life. Station G consists of a two-story control building and an adjoining outdoor substation yard with electrical equipment and a perimeter screening wall. SMUD issued Request for Proposal (RFP) Number 190108.MJ in May, 2019 for the construction of the Station G Control Building.

When SMUD issued the RFP for the control building, the adjoining substation and perimeter wall plans and specifications were 60% complete with SMUD staff and Black and Veatch, the Engineer-Of-Record, working towards a final design. Staff planned to solicit the adjoining substation improvements separately since the plans and specification were not ready for procurement.

Due to Roebbelen’s RFP evaluation score and ranking, SMUD awarded a contract in April 2020 for a not-to-exceed amount of $54,760. The contract scope included the finalization of the Value Engineering for the building, building pre-construction activities and for the Value Engineering of the adjoining substation plans and specifications. The Value Engineering process for the control building resulted in a savings of $503,845. Therefore, based upon staff’s recommendations, the Board of Directors approved Contract Change No. 2 to the existing contract authorizing the addition of $17,305,972 for the construction of the Station G control building.

Staff then completed the same Value Engineering and bid proposal review process with Roebbelen and Black and Veatch for the adjoining substation as the adjoining substation design was completed during the timeframe SMUD initially contracted with Roebbelen. This approach would allow for the simultaneous construction of the control building and the adjoining substation. Construction cost savings and schedule improvements were now available if one contractor was selected to perform all of the work. Working with an initial proposal from Roebbelen, for the adjoining substation construction, the parties identified reductions to the proposal that include $621,911 from Value Engineering. The following is a list of proposed Value Engineering elements and...
cost savings:

<table>
<thead>
<tr>
<th>Value Engineering Element</th>
<th>Cost Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change sliding gate at North Perimeter Wall from manufactured by Basteel, to locally custom fabricated cantilevered gate.</td>
<td>&lt;$346,000&gt;</td>
</tr>
<tr>
<td>Modify Finish on Perimeter Site Wall</td>
<td>&lt;$275,911&gt;</td>
</tr>
<tr>
<td>Total</td>
<td>&lt;$621,911&gt;</td>
</tr>
</tbody>
</table>

Therefore, staff is requesting the Board approval for Contract Change No. 04 to Contract No. 4500121595 with Roebbelen Contracting, Inc. (Roebbelen) to perform the Station G adjoining substation construction and increase the contract amount by $16,370,620 from $17,468,503, to $33,839,123.

<table>
<thead>
<tr>
<th>Contract No. 4500121595 with Roebbelen Contracting, Inc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Actions</td>
</tr>
<tr>
<td>------------------</td>
</tr>
<tr>
<td>Original Contract</td>
</tr>
<tr>
<td>Change No. 01</td>
</tr>
<tr>
<td>Change No. 02</td>
</tr>
<tr>
<td>Change No. 03</td>
</tr>
<tr>
<td>Proposed Change No. 04</td>
</tr>
</tbody>
</table>

**Board Policy:**  BL-8; Delegation to the CEO and GM with respect to Procurement; SD-4; Reliability. SD-7; Environmental Leadership. SD-13; Economic Development.

**Benefits:** Provides SMUD with a qualified contractor to construct the adjoining Station G substation along with the associated control building.

**Cost/Budgeted:** $33,839,123; Budgeted through 2021 by Grid Assets

**Alternatives:** Rebid all revised plans and specification that incorporate the recent Value Engineering. This would significantly delay the completion of the Station G substation by at least one year. Based upon the current construction environment, we may not see additional prospective bidders meeting or exceeding the qualification and experience that is available with Roebbelen.

**Affected Parties:** Grid Assets, Supply Chain Services, and Contractor.

**Coordination:** Grid Assets – Ken Groves, and Supply Chain Services.

**Presenter:** Mike Deis

**Additional Links:**

SUBJECT: Approve Contract Change No. 04 for Station G Control Building Construction
### BOARD AGENDA ITEM

**STAFFING SUMMARY SHEET**

<table>
<thead>
<tr>
<th>TO</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Gary King</td>
</tr>
<tr>
<td>4.</td>
<td>Jennifer Davidson</td>
</tr>
<tr>
<td>5.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consent Calendar</th>
<th>Yes</th>
<th>No</th>
<th>Budgeted</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>From (IPR)</td>
<td>Laurie Rodriguez</td>
<td>Department</td>
<td>Human Resources, Diversity &amp; Inclusion</td>
<td>Mail</td>
<td>STOP</td>
</tr>
<tr>
<td></td>
<td></td>
<td>B251</td>
<td>5628</td>
<td>7/30/20</td>
<td></td>
</tr>
</tbody>
</table>

**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 in compliance.

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

**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:** N/A

**Alternatives:** N/A

**Affected Parties:** All SMUD employees

**Coordination:** Human Resources, Diversity & Inclusion

**Presenter:** Laurie Rodriguez, Human Resources, Diversity & Inclusion Director

**Additional Links:**
SACRAMENTO MUNICIPAL UTILITY DISTRICT
OFFICE MEMORANDUM

TO: Board of Directors
FROM: Claire Rogers

DATE: August 12, 2020

SUBJECT: Audit Report No. 28007204
Board Monitoring Report; SD-08: Employee Relations

Audit and Quality Services (AQS) reviewed the SD-08 Employee Relations 2019
Annual Board Monitoring Report and performed the following:

- Reviewed the information presented in the report to determine the possible
  existence of material misstatements;
- Interviewed report contributors and verified the methodology used to prepare
  the monitoring report; and
- Validated the reasonableness of a selection of the report’s statements and
  assertions.

During the course of the review, nothing came to AQS’ attention that would
suggest the report did not fairly represent the source data available at the time of
the review.

CC:

Arlen Orchard
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**

*In February 2020, SMUD formally added specific diversity and inclusion (D&I) components into SD-8, Employee Relations. The SD-8 additions further illustrate SMUD’s commitment to diversity and inclusion as we continue the evolution of SMUD’s culture, support an engaged workforce, and attract and retain high-quality talent.*

*The SD-8 additions also speak to the need for SMUD to continue to promote inclusion and diversity activities internally and use a mix of communication and outreach channels to ensure new employee recruitment activities reflect the diversity of our larger community. The updated SD-8 (stated below) will be used for the 2019 monitoring report.*
SMUD is in full compliance with SD-8, Employee Relations.

In 2019, as outlined in this report, we demonstrated a targeted focus on growing a quality, diverse talent pipeline along with executing strategies for empowering our current talent through mentoring, training and development.

<table>
<thead>
<tr>
<th>SD Requirement</th>
<th>SD Support (Program, Policy, Procedure or Initiative)</th>
<th>Purpose</th>
<th>Outcome</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Career Ambassador Program</td>
<td>Early outreach &amp; connection with future pipeline (youth) to increase future workforce talent while simultaneously engaging employees</td>
<td>Reached 35,422 students and community members</td>
<td>Increased focus on diverse and underserved communities</td>
</tr>
<tr>
<td>b)</td>
<td>Employee Resource Groups</td>
<td>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.</td>
<td>69 ERG events supported business initiatives Be Safe. Always (1) Treasure Our EE’s (37) Value Our Customers &amp; Community (29) Financially Fit (1) Sustainable Future (1)</td>
<td>35% increase in the number of activities &amp; events from 2018</td>
</tr>
<tr>
<td>c)</td>
<td>Corporate Learning &amp; Development Curriculum</td>
<td>Develop skills and leadership competencies that will support SMUD’s current and future business strategy</td>
<td>2,487 active employees averaged 38 hours of training</td>
<td>Average hours up from 33 hrs in 2018 Expected to continue increasing in 2020 with increase in remote work &amp; the rollout of LinkedIn Learning</td>
</tr>
<tr>
<td></td>
<td>Internal &amp; External Leadership Programs</td>
<td>Provide experiential learning opportunities to develop leadership, and support collaboration and philanthropy in the community</td>
<td>20 employees participated in local and regional development programs</td>
<td>Enhanced candidate screening to now include development potential and focused consideration to succession plans</td>
</tr>
<tr>
<td></td>
<td>Education Assistance</td>
<td>Support employee continued education to attract &amp; retain a highly qualified workforce</td>
<td>150 employees utilized the program. 60 employees completed one or more classes with Ashford University.</td>
<td>10% increase over 2018 Ashford University enrollment increased 82% over 2018</td>
</tr>
<tr>
<td>d)</td>
<td>Engagement Index Pulse Survey</td>
<td>Understand the employee level of engagement and support leaders in sustaining high levels of engagement while identifying continuous improvement opportunities</td>
<td>Overall employee engagement is <strong>87% engaged</strong>, which also placed SMUD in the 85th percentile (all companies) Pulse survey with limited # of questions in 2019</td>
<td>Focus is on increasing trust as a foundation for improving collaboration and communication</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>e)</td>
<td>Workforce Outreach &amp; Partnerships</td>
<td>Promote job opportunities, grow diversity of talent pipeline and talent pool, raise awareness of SMUD’s employer brand</td>
<td>Participated in <strong>female</strong> (5), <strong>LGBTQ</strong> (2), <strong>culture &amp; ethnic</strong> focused (86), <strong>low income</strong> (25), <strong>veteran</strong> (3) and <strong>disabled</strong> (2) employment-related events</td>
<td>Increased focus in 2019 on workforce outreach to broader community (2018 was primarily with education partners)</td>
</tr>
<tr>
<td></td>
<td>Internships</td>
<td>Strengthen talent pipeline by immersing students of varied backgrounds in SMUD’s culture and careers</td>
<td>1,695 college intern applicants, <strong>76 interns hired</strong>; 25 high summer school interns; 5 high school students during the school year</td>
<td>There was an increase of intern applicants. There was the same number of college interns.</td>
</tr>
<tr>
<td></td>
<td>Powering Futures Scholarships</td>
<td>Support diverse talent pipeline in community and STEM disciplines</td>
<td><strong>21 scholarships</strong> awarded</td>
<td>The scholarships ranged from $1,5000 (for Community College students) to $5,000 for 4-year University students).</td>
</tr>
<tr>
<td></td>
<td>CSUS Powering Hornets and UCD Powering Aggies Scholarships</td>
<td>Support talent pipeline and STEM disciplines in community</td>
<td><strong>1 scholarship</strong> awarded to each university</td>
<td>These contributions are in the form of endowments managed by each university.</td>
</tr>
<tr>
<td></td>
<td>Hornet Leadership Program - SMUD cohort</td>
<td>Support talent pipeline and STEM disciplines in community</td>
<td>Funded <strong>10 students</strong> from diverse backgrounds majoring in critical IT majors</td>
<td>SMUD donated to this program at the $25,000 sponsorship level, used to fund scholarships and assist with program administration</td>
</tr>
<tr>
<td>f)</td>
<td>Code of Business Ethics and Employee Conduct</td>
<td>Provide an easy-to-read explanation of SMUD’s values and expectations for employee behavior</td>
<td><strong>100% compliance</strong></td>
<td>Code supplements SMUD’s state law-mandated Conflict of Interest Code</td>
</tr>
<tr>
<td>g)</td>
<td>Workforce Demographics Reporting</td>
<td>Provide informational update on workforce demographics</td>
<td>Identify and report on trends and ongoing efforts for a high quality, diverse and inclusive workforce</td>
<td>See SD-8 appendix for detailed reporting</td>
</tr>
</tbody>
</table>

3. **Additional Supporting Information**

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

4. **Challenges**

In 2019, there were incremental changes in some areas of SMUD’s workforce demographics. Low employee turnover inhibits the speed at which there can be substantial change, however, we anticipate that an increase in focused outreach, continued assessment, and updates to our talent processes will help with 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. In 2019, we increased talent outreach and our focus on the diversification of our talent pool and underserved communities. We worked to educate leaders education on workforce demographics, and also improved talent acquisition processes to address bias in hiring practices. Since 2013, SMUD has achieved increasing high levels of engagement, yet we know that as our industry becomes much more complex, we need to increase our capabilities in how we collaborate and communicate to have a culture that supports our strategic plan. We began complementing engagement work with deep work on a culture of trust in 2019-2020. We are focused on building higher levels of trust, diversity and inclusiveness as a foundation for realizing our desired culture in the 2020-2024 Strategic Plan goal to “foster a culture of collaboration, inclusion, accountability and trust, and recognize and value employees’ ideas.”

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

a) SMUD shall attract and retain a highly qualified workforce.

Attracting and Retaining our Workforce
In 2019, we implemented a variety of procedural changes to address the potential for inequity within the talent acquisition process, including incorporating unconscious bias training for interviewing panels, developing guidelines for hiring managers to improve the diversity of interview panels, and pay equity analysis for all new hires and promotions. Additionally, our succession planning efforts now feature increased visibility of demographics pertaining to leadership diversity, women, and minorities.

A variety of activities and events throughout the year also delivered on SMUD’s commitment to improve cultural understanding across the organization. In addition to educational, social, and celebratory events sponsored by our Employee Resource Groups, we also hosted events such as: the Touch of Understanding workshop to improve disability awareness among our internship cohorts; an Authentic Voices workshop highlighting current social issues; and a Multiracial Voices keynote from the Robertson Center for Intercultural Leadership during Employee Learning Week, which highlighted a multifaceted approach to embracing diversity in the workplace to include diversity of thought and conflict. Additionally, a member of our GRAIN ERG arranged for the on-site screening of a documentary titled “Angst: Raising Awareness Around Anxiety” at each of the East Campus and Customer Service Center locations. Through interviews with teens, educators, experts, parents, and Olympic gold medalist Michael Phelps, the film addressed ways to identify symptoms of anxiety and seek help with mental wellness. It was followed by an employee-led discussion including personal testimony, associated stigma, and resources available to employees and their families.

Retention
Despite an increase from 6.9% in 2018 to 8.5% in 2019, SMUD’s turnover continues to rank below the industry benchmark of 11.1%. This increase can be attributed to an uptick in retirements – from 78 in 2018 to 103 in 2019. In addition to the fact SMUD’s Baby Boomer workforce is entering retirement eligibility, this data also aligns with the cyclical pattern we’ve seen in retirements over time. Historically, we see these numbers rise in small waves that crest every three to four years.

Career Ambassadors – Talent Pipeline
SMUD Career Ambassadors participate in a wide range of workforce-related events in the community. These events include career fairs, career exploration, mock interviews, resume reviews, competition judging and student mentoring. In 2019, 295 SMUD employees were listed as Career Ambassadors. They participated in 147 career events, invested 397 hours, and reached over 34,000 members of the community.

Career Ambassadors led information sessions in all the Los Rios Community Colleges, CSU Sacramento and Chico, UC Davis, University of the Pacific, and William Jessup University; promoted SMUD’s College Internship Program, Powering Futures Scholarship, and provided students with resume writing tips. In addition to promoting
careers to students, Career Ambassadors also promoted SMUD career opportunities at event such as the LGBTQ community at the Sol Collective’s Transgender Job Fair, the UC Davis Veteran Networking Fair, the Honor a Hero Hire a Vet Job & Resource Fair, and Travis Air Force Base’s Career Summit.

b) SMUD shall promote inclusion and diversity and engage its workforce in activities that demonstrate and support inclusion and diversity across the organization.

D&I Strategy
Our diversity and inclusion strategy is a comprehensive approach and attention is ongoing. In 2019, we continued to align our strategy with Global Diversity & Inclusion Benchmarks, which focuses on four key pillars: Foundational, Internal, External and Bridging (data, culture & communications). While we have grown our D&I strategy execution team to include all areas of HRD&I, Corporate Communications, Business Unit Members and expanded Employee Resource Groups, we look forward to creating more opportunity for stakeholder input on the strategy in 2020. This approach will ensure our strategy accounts for the many diverse perspectives and experiences throughout SMUD, thereby increasing our ability to effect meaningful change for our employees and surrounding community. Specifically, we see areas of opportunity in our review and analysis of current systems with an equity lens, as well as the pace with which we’ve historically made progress in these areas.

Employee Resource Groups
The below-listed Employee Resource Groups (ERGs) provide mentoring, professional development, diverse workforce recruiting and volunteer hours at SMUD and in the community.

- 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 ERG)

We continue to increase the opportunities for our ERGs to contribute to SMUD’s business practices. In 2019, they provided valuable resources and insight for diverse workforce recruiting and volunteerism, wellness and dependent care, SMUD’s Sustainable Communities Initiative, and internships.

c) SMUD shall engage its workforce in personal and professional development.

Learning and development teams across SMUD design and deliver training courses and programs that support employees’ on-the-job and professional development needs. Learning goals are connected to SMUD’s Strategic Directions, and course offerings are
reviewed at least quarterly to ensure alignment to business strategy and include a mix of classroom, online and self-directed learning.

**Leadership Development**
SMUD conducts an annual selection process for external leadership development offerings to match candidates with a program that effectively meets their development needs and SMUD’s business objectives. We sent 20 employees to several local and regional leadership development programs including Nehemiah Emerging Leaders, WEI Business Acumen for Emerging Leaders, Asian Pacific Chamber Catalyst program, Leadership Rancho Cordova program, Leadership Elk Grove, Leadership Sacramento, Leaders United, Sacramento Entrepreneurship Academy, and SMUD’s (internal) Building Leadership Talent program.

**Education Assistance**
The education assistance benefit supports employees who are pursuing college degrees and developing their SMUD careers by completing certificates or taking individual classes that support our business. We offer up to $5,000 per calendar year for qualified, regular full-time employees to partake in eligible programs, and up to $2,500 for part-time employees. Many employees use the program to pursue an Associate’s, Bachelor’s or Master’s degree in areas as wide-ranging as accounting, law, finance, human resource management, information technology, project management and energy efficiency.

d) **SMUD’s percentage of engaged employees as measured through the Engagement Index shall exceed 80%.

**Engagement Pulse Survey**
Employee engagement is a measure of the psychological commitment (hearts & minds) employees feel toward their work. Research shows engagement is strongly correlated with higher productivity, fewer accidents, and lower turnover, so high engagement is like a human capital bonus for the organization.

In 2019, we conducted a twelve-question “pulse survey” to measure engagement and take a pulse on some of our persistent challenges – like collaboration and communication-- and to ensure baseline or trendline data on critical priorities – like building trust and diversity and inclusion.

The response rate was 86% or 2,015 of 2,335 employees participating, and it was consistently high across all business units. Higher rates of participation, such as the pulse survey participation, generally point to a stronger sense of involvement. Key takeaways from the Pulse Survey include:

i. **Positive Findings:**
• 87% of Employees are engaged, which is statistically unchanged from the 2017 survey where 88% of employees were engaged, and is above the survey norm
• Employees have high favorability towards 1) sharing safety practices, 2) finding enjoyment in their jobs, and 3) overall satisfaction with their job, leading them to recommend SMUD as a great place to work
• Employees see that senior leaders are encouraging interdepartmental collaboration and sharing of information

ii. Opportunities:

• Continue to strengthen communication, particularly improving the cascade between the executives and directors
• Continue to build trust and improve cross-functional collaboration across the organization.

After validating these results with facilitated discussion groups comprised of a broad mix of employees throughout SMUD, we used the qualitative and quantitative findings to explore, and ultimately launch, our official FranklinCovey Speed of Trust campaign in 2019. Starting with the executive team, senior leaders completed 360 reviews centered on trust, participated in workshops, and developed self and team commitments to model trust behaviors and language with a goal to have all directors complete this initial trust work in 2020. We look forward to continuing this top-down, multi-year effort as we work to educate and empower employees with the Speed of Trust framework.

SMUD leaders made concentrated efforts to improve the flow of information throughout the organization with the help of a few logistical components. In example, an enterprise-wide RACI matrix (used to assign roles and responsibilities for project tasks, milestones, and decisions) was established to serve as a repository for all critical efforts and improve executive line of sight into the people responsible for driving progress in these areas. Senior leaders also increased the frequency with which all SMUD executives and directors congregated -- from every other month to monthly. Additionally, the decision was made to reboot the Leadership Summit in 2020 to provide clarity for all leaders at SMUD on enterprise priorities, financial outlook, and the important role they play in ensuring our future success.

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.

Employment Outreach and Partnerships
In 2019 we expanded our outreach working with a wide variety of organizations to build greater awareness of SMUD as a top employer, and to help build our talent pipeline. The organizations we work with include the Greater Sacramento Urban League, California Department of Veterans Affairs, American Society of Engineering Education: Minorities Engineering Division, Tech Latino, Women Who Code, Goodwill Industries, The Rainbow Chamber, Association of Women in Water, Energy & Environment, Improve Your Tomorrow, and California Indian Manpower Consortium, Inc. We continue
to conduct employment outreach with educational institutions and consistently partner and collaborate with SMUD’s Sustainable Communities and Community Engagement.

**Internships**
To help our interns make the most of their opportunity at SMUD, we developed a program titled Passport to a Great Internship Experience in 2019. The concept of a passport encouraged students to immerse themselves in SMUD’s culture and network with other employees while completing tasks like conducting informational interviews; attending events hosted by our Employee Resource Groups; participating in volunteer projects; and attending workshops hosted by the Learning & Development team.

Our interns worked on a variety of projects including:

- Improving efficiencies in department by using technology to write Python scripts and creating a case comparison script that can parse, filter, and convert .epc files to Excel and compare them to find differences and developing effective tracking methods for inventory/equipment throughout locations and vehicles
- Assisted with routine air quality monitoring, water testing and soil removal for the Rancho Seco II solar project
- Managed project status for 40+ pilot partnerships for the Sustainable Communities Team
- Assisted environmental team with biological resource surveys to ensure SMUD is compliant with state and federal environmental regulations

**Powering Futures scholarships**
Recipients were awarded up to $5,000 each and included local students registered in a degree program. Those with a demonstrated financial need pursuing majors related to careers in SMUD received preference. Along with the scholarships, students were also presented with an opportunity to receive a paid internship.

**Powering Aggies and Powering Hornets Scholarship Programs**
The Powering Aggies and Powering Hornets Scholarship programs were set up in 2018 to provide a scholarship for 1 student each from UC Davis and Sac State. Eligible students who majored in a SMUD-related career field (UC Davis) or Electrical Engineering (Sac State) were selected by their respective universities. In 2019, SMUD fully funded these scholarships to create endowments that will provide a more sustainable source of funding with the goal being to provide $2,500 for each student each year.

**Hornet Leadership Program (HLP)**
This two-year, extra-curricular program, launched in Fall 2018, introduces students to an array of vital training. Students completing the program will have demonstrated leadership skills commensurate with industry requirements. Of the 300 students participating in the entire HLP program during the year, the SMUD cohort consists of 10 IT students from diverse backgrounds.
f) SMUD shall maintain and communicate written policies that define procedures and expectations for staff and provide for effective handling of grievances.

In addition to SMUD’s Code of Business Ethics and Employee Conduct, its Employee and Labor Relations teams provided daily advice, guidance and counsel to employees on employee relations issues. Staff worked to ensure all employees (represented and unrepresented) understand SMUD policies and procedures, and that employees know and understand what their responsibilities are with respect to the Code of Ethics.

A total of 9 grievances were filed and closed in 2019, down from 16 grievances in 2018.

![2019 Grievances](image)

```
2019 Grievances
```

![Graph](image)

```
OSE  IBEW  Unrepresented  Security
```

g) Annually, and consistent with State and Federal law, the Board shall receive a report detailing the demographics 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.

The chart below provides the demographic information about SMUD’s workforce (excluding “casual” positions and members of the Board of Directors), compared to two external benchmarks: the U.S. Labor Force and select county census data in California.

```
Workforce Demographics
```

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Male</th>
<th>Female</th>
<th>Caucasian</th>
<th>African American</th>
<th>Hispanic</th>
<th>Asian</th>
<th>Native American</th>
<th>2 or more Races</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>66%</td>
<td>34%</td>
<td>59%</td>
<td>8%</td>
<td>14%</td>
<td>15%</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>2018*</td>
<td>66%</td>
<td>34%</td>
<td>60%</td>
<td>8%</td>
<td>14%</td>
<td>15%</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>2017*</td>
<td>67%</td>
<td>33%</td>
<td>61%</td>
<td>7%</td>
<td>13%</td>
<td>14%</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>2016</td>
<td>67%</td>
<td>33%</td>
<td>62%</td>
<td>7%</td>
<td>13%</td>
<td>14%</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>2015</td>
<td>67%</td>
<td>33%</td>
<td>63%</td>
<td>8%</td>
<td>12%</td>
<td>13%</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>2014</td>
<td>68%</td>
<td>32%</td>
<td>65%</td>
<td>8%</td>
<td>11%</td>
<td>13%</td>
<td>1%</td>
<td>2%</td>
</tr>
</tbody>
</table>

EEO Tabulation 2006-2010 (5-year American Community Survey data)*
In 2019, SMUD’s workforce continued to change with Caucasian employees representing 59% of the workforce, down from 60% in 2018. This shift occurred, as the representation of Hispanic employees increased by 0.6%, and Asian employees increased by 0.5% in 2019. (Note: the percentages may not add up to 100% due to rounding.) The primary drivers behind this shift are employee turnover rates, which create opportunities to hire, and the demographic makeup of qualified applicants. In 2019, SMUD extended its outreach to build greater awareness of SMUD as a top employer, and develop its talent pipeline, to ensure its recruitment activities as we work to reflect the diversity of the communities we serve.

**Military Veterans in SMUD’s Workforce**
Veterans are a small but important part of SMUD’s workforce. According to our records, Veterans comprised 3.4% of SMUD’s workforce in 2019, down from 3.7% in 2018 and 4.0% in 2017. This decline is the result of our retiring Veteran workforce but may also be a result of the decline we’ve seen in Veteran self-reporting. We are evaluating methods for improving the integrity of this data, including a partnership with the Military Employee Resource Group data steward and tactics for surveying SMUD’s workforce.

<table>
<thead>
<tr>
<th>Veteran Demographics</th>
<th>Male</th>
<th>Female</th>
<th>Caucasian</th>
<th>African American</th>
<th>Hispanic</th>
<th>Asian</th>
<th>Native American</th>
<th>2 or more Races</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMUD Veterans 2019</td>
<td>92%</td>
<td>8%</td>
<td>55%</td>
<td>8%</td>
<td>16%</td>
<td>14%</td>
<td>0%</td>
<td>7%</td>
</tr>
<tr>
<td>SMUD Veterans 2018*</td>
<td>92%</td>
<td>8%</td>
<td>56%</td>
<td>8%</td>
<td>15%</td>
<td>14%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>SMUD Veterans 2017*</td>
<td>91%</td>
<td>9%</td>
<td>59%</td>
<td>8%</td>
<td>14%</td>
<td>14%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>SMUD Veterans 2016</td>
<td>92%</td>
<td>8%</td>
<td>60%</td>
<td>9%</td>
<td>11%</td>
<td>13%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>SMUD Veterans 2015</td>
<td>93%</td>
<td>7%</td>
<td>61%</td>
<td>9%</td>
<td>11%</td>
<td>13%</td>
<td>0%</td>
<td>6%</td>
</tr>
</tbody>
</table>

* Percentages may not add up to 100% due to rounding.
** The tri-county demographics are based on a civilian labor force and represent residents aged 16 and older. These numbers exclude houseworkers, unpaid volunteers, institutionalized individuals, and U.S. Armed Forces active duty.
<table>
<thead>
<tr>
<th></th>
<th>94%</th>
<th>6%</th>
<th>61%</th>
<th>11%</th>
<th>12%</th>
<th>11%</th>
<th>0%</th>
<th>6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMUD Veterans 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CA Veterans</td>
<td>91%</td>
<td>9%</td>
<td>63%</td>
<td>9%</td>
<td>17%</td>
<td>7%</td>
<td>1%</td>
<td>3%</td>
</tr>
</tbody>
</table>

*Percentages may not add up to 100% due to rounding*  
*Source: va.gov/vetdata(09/30/17)*
## BOARD AGENDA ITEM
### STAFFING SUMMARY SHEET

<table>
<thead>
<tr>
<th>TO</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Gary King</td>
</tr>
<tr>
<td>4.</td>
<td>Jennifer Davidson</td>
</tr>
<tr>
<td>5.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consent Calendar</th>
<th>Yes</th>
<th>No</th>
<th>Budgeted</th>
<th>Yes</th>
<th>No (If no, explain in Cost/Budgeted section.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FROM (IPR)</td>
<td>Laurie Rodriguez</td>
<td>DEPARTMENT</td>
<td>Human Resources, Diversity &amp; Inclusion</td>
<td>MAIL STOP</td>
<td>EXT.</td>
</tr>
<tr>
<td></td>
<td>B251</td>
<td>5628</td>
<td>7/30/20</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 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 in compliance.

**Board Policy:** SD-12, Ethics

**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:** N/A

**Alternatives:** N/A

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

**Coordination:** Human Resources, Diversity & Inclusion

**Presenter:** Laurie Rodriguez, Human Resources, Diversity & Inclusion Director

### Additional Links:

---

**SUBJECT:** SD-12, Ethics Board Monitoring Report

---

**ITEM NO. (FOR LEGAL USE ONLY):**
TO: Board of Directors

FROM: Claire Rogers

SUBJECT: Audit Report No. 28007205
Board Monitoring Report; SD-12: Ethics

Audit and Quality Services (AQS) reviewed the SD-12 Ethics 2019 Annual Board Monitoring Report and performed the following:

- Reviewed the information presented in the report to determine the possible existence of material misstatements;
- Interviewed report contributors and verified the methodology used to prepare the monitoring report; and
- Validated the reasonableness of a selection of the report’s statements and assertions.

During the course of the review, nothing came to AQS’ attention that would suggest the report did not fairly represent the source data available at the time of the review.

CC:
Arlen Orchard
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.

<table>
<thead>
<tr>
<th>SD Requirement</th>
<th>Supporting Process/Procedure</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Require high ethical standards</td>
<td>SMUD’s Ethics policy (AP 05.02.03) sets the requirements and expectations for ethical behavior, including communication, training and other resources.</td>
</tr>
<tr>
<td>b) Establish clear guidelines for ethical standards and conduct</td>
<td>SMUD’s Code of Business Ethics and Employee Conduct were approved by the CEO &amp; General Manager in 2013. SMUD’s Ethics procedure (MP 05.02.03.100) was adopted in 2008 and updated in January 2019. SMUD’s Conflict of Interest policy (AP 05.02.02) includes Board revisions adopted in 2018 and was approved by the FPPC (Fair Political Practices Commission) in 2018.</td>
</tr>
<tr>
<td>c) Require disclosure and reporting potential conflicts of interest statements</td>
<td>Notice of filing requirements was sent to employees in February. The deadline for the 2019 calendar year filing was extended through June 1 due to the COVID-19 pandemic. 100% of the annual conflict of interest statements were received by the time this report was finalized.</td>
</tr>
<tr>
<td>d) Provide a process for reporting and investigating suspected violations of the code of ethics</td>
<td>SMUD’s Whistleblower Anti-Retaliation policy (AP 05.01.03) was approved in 2014. SMUD’s Complaint Process Policy (AP 05.01.04) was approved in 2006 and updated in October 2018 (administrative update only). SMUD’s Ethics and Compliance Hotline has been in place since 2008.</td>
</tr>
</tbody>
</table>

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 2013. 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 Human Resources, Diversity & Inclusion (HRD&I) within 30 days of orientation. In addition, all contractors with unescorted access receive a copy of the Code when their background check is conducted. HRD&I 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, who are required to complete the training every 2 years on a fixed rotating schedule. New or returning employees and newly promoted leaders are required to take Ethics training within 1 year of coming to their role. Course completion is tracked using SMUD’s Learning Management System (LMS) and reported as part of SMUD’s mandatory training statistics. For the 2019-2020 course cycle, a total of 2,172 active employees were expected to complete this training within this 2-year time frame. Results show that 2,167 employees completed it in 2019, resulting in a 99.7% completion rate. Five employees did not complete due to military leave, separations and retirements. Those required to do so will complete in 2020 (along with all 2020 new hires).

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.

HRD&I sent financial disclosure materials to designated employees in February 2019 and had successfully met the FPPC filing deadline of June 1. The annual Conflict of Interest Statements are public documents filed with Corporate Files. 100 percent of the annual Conflict of Interest Statements from SMUD officials and designated employees have been received. In conjunction with SMUD’s Ethics Officer, HRD&I 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, Audit & Quality
Services and HRD&I, 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 charts illustrate complaints including those filed through SMUD’s Ethics and Compliance Hotline.

### 2015-19 Complaint Summary

![2015-19 Complaint Summary Chart]

### 2019 Complaint Outcomes

<table>
<thead>
<tr>
<th></th>
<th>Discrimination/Harassment</th>
<th>Retaliation</th>
<th>EE Behavior</th>
<th>Ethics/COI</th>
<th>Policy Violation</th>
<th>Regulation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Violation</td>
<td>11</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>No Violation</td>
<td>6</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td>Other</td>
<td>47</td>
<td>7</td>
<td>21</td>
<td>4</td>
<td>6</td>
<td>0</td>
<td>85</td>
</tr>
<tr>
<td>Total</td>
<td>64</td>
<td>8</td>
<td>21</td>
<td>4</td>
<td>7</td>
<td>0</td>
<td>104</td>
</tr>
</tbody>
</table>
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. We recognize there are opportunities to increase awareness of the integrity of the process and are looking at various ways to engage with employees to explore their concerns in this area.

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
### BOARD AGENDA ITEM

**STAFFING SUMMARY SHEET**

<table>
<thead>
<tr>
<th>TO</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td>9.</td>
</tr>
<tr>
<td>5.</td>
<td>10.</td>
</tr>
</tbody>
</table>

#### Consent

<table>
<thead>
<tr>
<th>Calendar</th>
<th>Yes</th>
<th>No if no, schedule a dry run presentation.</th>
<th>Budgeted</th>
<th>Yes</th>
<th>No (If no, explain in Cost/Budgeted section.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FROM (IPR)</td>
<td>Rosanna Herber / Donna Lofton</td>
<td>Board Office</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DEPARTMENT</td>
<td>MAIL STOP</td>
<td>EXT.</td>
<td>DATE SENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>B307</td>
<td>5079</td>
<td>12/23/19</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NARRATIVE:**

**Requested Action:** Provide a summary of committee direction from the Board to Staff.

**Summary:** During a Board discussion at the January 2017 Policy Committee, the Board requested having an on-going 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 in an effort to make clear the will of the Board. The Committee Chair will summarize Board member requests that come out of the committee presentations for this meeting.

**Board Policy:**

*GP-4 Agenda Planning states the Board will focus 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 what the will of the Board.

**Cost/Budgeted:** N/A

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

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

**Coordination:** Donna Lofton, Special Assistant to the Board

**Presenter:** Rosanna Herber, Finance & Audit Committee Chair

**Additional Links:**

**SUBJECT**

Summary of Committee Direction