

Community Giving Program Policy

Pedernales Electric Cooperative, Inc.

Board Adopted October 18, 2010

Summary

This Community Giving Program Policy (CGP Policy) incorporates changes to the current Pedernales Electric Cooperative (PEC or Cooperative) Community Giving Program (CGP) to create a more efficient, transparent, and accountable contribution process. The CGP Policy consolidates giving programs, currently spread across multiple departments, and outlines process modifications, including:

- Creation of clear guidelines
- Development of an open and competitive application process, with transparency and accountability to members
- Initiation of a predictable, consistent, and transparent giving cycle

The PEC Board of Directors (PEC Board or Board) will continue to act as decision makers on community giving matters.

Notwithstanding any prior policy, this CGP Policy requires that the PEC Board review and approve (in advance) corporate sponsorships or community group support proposed by the General Manager.

The Community Relations Department will formulate recommendations to the PEC Board concerning CGP. This Department will develop a fair and equitable selection and distribution process, formulate an annual budget request, review and revise CGP guidelines as needed, and institute a transparent, regulated, and structured giving process.

Funding Categories and Eligibility Guidelines

The CGP will initially include three categories of community support, designed to preserve and improve upon previous efforts by PEC in this area. These guidelines and criteria provide program definitions and outline the types of organizations eligible for a PEC CGP contribution, as recommended by staff and approved by the PEC Board. Organization eligibility and program criteria will be reviewed annually and revised as necessary. Funds will be distributed through three categories:

Historical Support - This category maintains giving through the following current programs: Light the Way, Partners in Learning, Project Graduation, the PEC Scholarship program, and Youth Live Stock programs.

Application Support - Any group that does not receive funding through the Historical Support category can apply for funds through Application Support. Under this category, staff will collect grant applications (annually), score (based

on an approved scoring matrix), and submit them to the PEC Board for final approval.

Community Partnerships/General Manager Requests - Upon reviewing grant applications, The Community Relations Department will identify potential Community Partnerships. Staff will review these grant applications and submit them to the PEC Board for final approval.

Funding and Budget Request

The Community Relations Department will work with the Financial Services Department to recommend a dollar amount to the Board for its approval for funding the CGP. This recommendation shall take into consideration anticipated revenue of PEC, total membership, and alternative funding sources. Metrics for budgeting shall include percent of overall PEC revenue and dollar amount contributed per member.

Staff is instructed to ensure that the PEC LINKS software upgrade includes the capacity for Operation Roundup, a program where members' bills are rounded up to the next whole dollar. This option, when initiated by the Board, will provide an alternative funding source to the current appropriation of PEC funds to the CGP.

Education and Communications

Education and communications will increase awareness of the CGP to PEC members, the Board, and employees by creating a uniformed educational campaign message using the following:

- Employee training
- Communications tools (intranet, web site, share point, etc.)
- Informative publications for members
- Reporting to PEC Board