



MEMO

**To : EXECUTIVE COMMITTEE
GLENN E. STEVENS, CHAIR
VICTORIA RUSNAK, MEMBER**

Date: May 7, 2014,

**From : WILLIAM G. BRENNAN
ROBIN PARKER**

Subject: REVIEW AND CONSIDERATION OF BOARD DELEGATIONS IN COMPLIANCE WITH THE 1996 PERFORMANCE AUDIT CONDUCTED BY BUSINESS, TRANSPORTATION & HOUSING AGENCY

The 1996 Performance Audit conducted by Business, Transportation & Housing Agency¹ recommended that “Delegation authorities should be formally adopted by the Board. Delegations which include signature authority should specify transaction type or dollar limits where applicable and should distinguish between the granting of powers reserved to the Board and duties arising from existing statutory provisions already reserved to individuals”.

In November 1996, the Budget and Finance Committee (Joe Drew and Lucille Mazeika) prepared an analysis of the duties of the Board members and staff that was adopted by the Board at its March 18, 1997, General Meeting. The Committee considered all of the duties of the Board and staff, and recognized those which, by statute or regulation, are retained by the Board or are already delegated to designated individuals. At its November 20, 2008, General Meeting, the members adopted revised delegations with updated statutory language and formal Board delegations of duties that occurred at noticed meetings. From 2008 through 2011, the Board delegations were reviewed by the Board. At the May 26, 2011, General Meeting, the members made this an exception report. The legal staff continues to review these delegations each year. Since Senate Bill 155 (chaptered October 3, 2013 and effective January 1, 2014), made a number of non-substantive and substantive changes this matter is being agendized for Board consideration at the July 15, 2014, General meeting.

The proposed changes to the delegations (see attached) are in ~~strikeout~~ and **bold/underline** font, and summarized as follows:

- Sections 3006, 3008, 3050, 3050.7, 3052, 3056, 3057, 3062, 3063, 3064, 3066, and 3067 were minimally revised to reflect changes as the result of Senate Bill 155.
- Sections 3065 and 3065.1 were completely revised to reflect the new protests that are available for warranty claims and franchisor incentive program claims.

¹ Effective July 1, 2013, California State Transportation Agency superseded Business, Transportation & Housing Agency.

- The following paragraph was added to clarify the role of the staff and the Board members in Sections 3064, 3065, 3065.1, 3074, 3075, and 3076:

The staff is responsible for the administration of protests filed under this section, including the proceedings up to and including the evidentiary hearing and preparation of the proposed decision. The members of the Board have the duty to render the final decision on the merits of the protest.

- Minor changes were made to the Board delegation of administrative duties.

If you have any questions or require additional information, please contact me at (916) 324-6197 or Robin at (916) 323-1536.

Attachment