EXPENDITURE AUTHORIZATION PROCEDURES - ATTACHMENT A

APPROVAL LIMITS - REQUISITIONS FOR COMMITMENTS

NON-PERSONAL SERVICES, CONSTRUCTION, EQUIPMENT PURCHASES AND NON-PROCUREMENT CONTRACTS

	IF AWARDED TO: LOW BIDDER		IF AWARDED TO: NON-LOW BIDDER, SOLE or SINGLE SOURCE		CUMULATIVE CHANGE ORDER LIMIT *	
					* subject to 25% rule-see pg. 4	
FIRST LINE SUPERVISOR	TO	$5,000	TO	$5,000	TO	$5,000
RES. CONSTR. MGR., SR. CONSTR. ENG. or SR. ON-SITE NYPA EMPLOYEE	TO	$25,000	TO	$25,000	TO	$25,000
FACILITY MGR. - F&A, FACILITY SUPERINTENDENT, DEPARTMENT HEAD, DIRECTOR or MANAGER	TO	$100,000	TO	$50,000	TO	$50,000
PROJECT MGR. or SR. PROJECT MGR.♦	TO	$250,000	TO	$100,000	TO	$100,000
REGIONAL or GENERAL MANAGER, VICE PRESIDENT or DIVISION HEAD (HQ)	TO	$500,000	TO	$250,000	TO	$250,000
SENIOR VICE PRESIDENT (other than BU Head)	TO	$1,000,000	TO	$500,000	TO	$500,000
BUSINESS UNIT HEAD (HQ)	TO	$1,500,000	TO	$1,000,000	TO	$1,000,000
PRESIDENT, CHAIRMAN or CHIEF OPERATING OFFICER	TO	$3,000,000	TO	$3,000,000	TO	$3,000,000
TRUSTEES	OVER	$3,000,000	OVER	$3,000,000	OVER	$3,000,000

Trustees' approval is also required when:

1. **The term of a Non-Personal Services or Construction contract exceeds one year, including any extensions or options.**
2. **The initial term of less than 1 year for Non-Personal Services or Construction contracts extends beyond 1 year.**
3. **Cumulative Change Orders exceed the greater of $1 million or 25% of the original amount approved.**
4. **Any and all cumulative Change Orders exceed $3 million.**

♦ **Directors and Program Managers in Energy Efficiency have the same approval limits as Project Managers or Sr. Project Managers.**

EXPENDITURE AUTHORIZATION PROCEDURES - ATTACHMENT B

APPROVAL LIMITS - REQUISITIONS FOR PERSONAL SERVICES CONTRACTS

(Including Fuels-related Consulting and other Personal Services Contracts)

	IF LESS THAN 1 YEAR AND AWARDED TO:				CUMULATIVE CHANGE ORDER LIMIT *	
	LOW BIDDER		NON-LOW BID, SOLEor SINGLE SOURCE		* subject to 25% rule-see pg. 4	
FACILITY MGR. - F&A, FACILITY SUPERINTENDENT, DEPARTMENT HEAD, DIRECTOR or MANAGER	TO	$50,000	TO	$25,000	TO	$25,000
REGIONAL or GENERAL MGR.	TO	$100,000	TO	$50,000	TO	$50,000
PROJECT MGR., SR. PROJ. MGR.,♦ VICE PRESIDENT or DIVISION HEAD (HQ)	TO	$100,000	TO	$50,000	TO	$50,000
SENIOR VICE PRESIDENT (other than BU Head)	TO	$250,000	TO	$100,000	TO	$100,000
BUSINESS UNIT HEAD (HQ)	TO	$500,000	TO	$250,000	TO	$250,000
PRESIDENT, CHAIRMAN or CHIEF OPERATING OFFICER	TO	$1,000,000	TO	$500,000	TO	$500,000
TRUSTEES	OVER	$1,000,000	OVER	$500,000	OVER	$500,000

Trustees' approval is also required when:

1. **The term of a Personal Services Contract, including any extensions or options exceeds 1 year.**
2. **The initial term of less than 1 year for a Contract extends beyond 1 year.**
3. **Cumulative Change Orders exceed the greater of $500,000 or 25% of the original amount approved.**
4. **Any and all cumulative Change Orders exceed $500,000.**

♦ **Directors and Program Managers in Energy Efficiency have the same approval limits as Project Managers and Sr. Project Managers.**

EXPENDITURE AUTHORIZATION PROCEDURES - ATTACHMENT C

APPROVAL LIMITS FOR SIGNING
(Includes all Purchase Orders / Contracts and Change Orders)
*** FOR STOCK ITEMS ONLY, EXECUTION = FINAL APPROVAL ***

OPERATING PROJECTS:

FACILITY PURCHASING STAFF or FLEET CLERK	Purchases[1]/Contracts[2]	TO	$5,000
ASST MGR - PURCHASING/WHSE or FLEET BUYER	"	TO	$25,000
MANAGER - PURCHASING/WAREHOUSE	"	TO	$100,000
DIRECTOR - SITE PURCH./MAT. MGMT/REAL EST.	"	TO	$500,000
REGIONAL or CEC GENERAL MGR. or Designee[3]	"	TO	$500,000

HEADQUARTERS:

PROCUREMENT SPECIALIST or ANALYST	Purchases[1]/Contracts[2]	TO	$25,000
SR. PROCUREMENT SPECIALIST	"	TO	$100,000
LEAD PROCUREMENT AGENT	"	TO	$250,000
DIRECTOR or MANAGER OF PROCUREMENT	"	TO	$500,000
VP – PROCUREMENT or Equivalent	"	TO	$10,000,000
VP – PROC. or Equivalent or SVP - CSS	Real Estate Transactions	TO	$10,000,000
SVP – CORPORATE SUPPORT SERVICES[4]	Fleet Disposal Transactions	TO	$10,000,000
PRESIDENT, CHAIRMAN or CHIEF OPERATING OFFICER	Purchases[1]/ Contracts[2]	OVER	$10,000,000

Notes:

1. **The term "Purchases" refers to Commitments for Equipment or Materials only, and includes Change Orders of same dollar value.**
2. **The term "Contracts" refers to Commitments for Non-Personal Services, Personal Services, Equipment or Construction Work, as well as Non-Procurement Contracts, and includes Change Orders of same dollar value.**
3. **Designees may include Facility Manager – Finance & Administration, MRM Superintendent or Operations Superintendent, in the absence of the Regional or CEC General Manager. All designations shall be in writing.**
4. **The Senior Vice President – Corporate Support Services is also authorized to sign commitments for Purchases / Contracts up to the Vice President - Procurement's level in the latter's absence.**

* "25 % RULE" for CHANGE ORDER APPROVALS AND REBIDDING THRESHOLDS

1. A) For contracts with initially approved amounts of **$100,000 or less,** rebidding will occur when the total cumulative value of Change Orders exceeds $25,000.

   B) **If rebidding is not feasible,** any request to increase funding for such contracts must be supported by a detailed memorandum explaining the need for additional funding in excess of the $25,000 threshold. The memorandum shall be approved by the initiating Business Unit Head and forwarded to the VP Procurement for review and final approval.

2. A) For contracts with initially approved amounts **exceeding $100,000,** rebidding will occur when the total cumulative value of Change Orders exceeds 25% of the original amount approved, not-to-exceed $1 million♦, for Non-Personal Services, Equipment, Construction and Non-Procurement Contracts• or exceeds 25%, not-to-exceed $500,000, for Personal Services Contracts•.

   B) **If rebidding is not feasible,** any request to increase funding for such Contracts must be supported by a detailed memorandum explaining the need for additional funding in excess of the 25% threshold. The memorandum shall be signed by the initiating Business Unit Head and forwarded to the VP Procurement for review prior to transmittal to the President, Chairman or Chief Operating Officer for final approval. Also, Change Orders for non-personal services, construction, equipment, or non-procurement contracts with a cumulative value exceeding $3 million require the Trustees' approval, as well as any cumulative Change Orders for personal services over $500,000, or when the cumulative Change Order value exceeds the President's, Chairman's or COO's approval limits.

3. Rebidding should commence as soon as it is recognized that the contract value will exceed these thresholds, even if the term of the contract is not complete.

4. Once the approval of funding in excess of the 25% threshold is received, any subsequent increase in funding requires an additional memorandum for the President's, Chairman's or Chief Operating Officer's approval, until either the Trustees' approval is obtained or the contract is rebid.

5. Typical bases for additional funding in excess of the 25% threshold include an "emergency condition" (as defined in the Authority's Guidelines for Procurement Contracts) which necessitates the additional funding; a situation where it is impractical to rebid (e.g., a construction project where it would not be reasonable to change contractors or other reasons as provided for in the Procurement Guidelines).

6. Underestimating the scope of a contract or failure to rebid in a timely fashion are not acceptable reasons for extending a contract or increasing its value by more than 25%.

- The term "Contracts" as used in above policy refers to any and all Commitments for the purchase of goods or services made by NYPA.
- ♦ For contracts where the original amount approved is up to $4 million. For contracts > $4 M and ≤ $12 M, the not-to-exceed C/O limit is > $1 M, up to $3 M max.