

Board Policy:	Oversight
Policy Type:	Operating
Monitored by:	Oversight Committee
Board Resolution:	Resolution #1409, approved March 29, 2018



Board Policy on Oversight

It is the policy of the Long Island Power Authority to conduct oversight of its service providers in a systematic manner that meets the needs and protects the interests of the Authority's customer-owners by:

- **Executing a proactive oversight process:**
 - Maintaining multi-year oversight work plans that encompass all the principal areas of providing service to customer-owners;
 - Prioritizing oversight activities, including the frequency and degree of oversight, by risk, materiality, and other measures of importance;
 - Reviewing the oversight work plans annually to address changing circumstances and redirect resources, as needed;
 - Referring oversight findings, if any, to service providers to promptly resolve issues; and
 - Referring oversight findings to Internal Audit and/or Enterprise Risk Management, if such issues require further attention or monitoring.
- **Delivering value to customer-owners:**
 - Reviewing proposed plans and programs to ensure sufficient benefits for the cost; and
 - Reviewing the practices of the Authority's service providers to foster continuous improvement, innovation, benchmarking, and industry best practice, to minimize cost and improve service quality.
- **Providing sufficient oversight staffing and resources:**
 - Comparing staffing needs to available resources; and
 - Identifying gaps and authorizing internal or external resources, as appropriate, to execute oversight plans.
- **The Chief Executive Officer will report annually to the Board on:**
 - Work plans for Authority staff for each year;
 - Accomplishments versus the work plan for the prior year;
 - Oversight findings that involve material deviations from contract standards or that represent a significant risk to the Authority or its customers;
 - Activities that foster continuous improvement; and
 - Sufficiency of Authority staff and resources to achieve oversight goals.