

Executive Summary of the Delegation of Authority

Section 1: Introduction

The Board delegates authority to the Chief Executive Officer (CEO) for certain activities and transactions to facilitate the business activities of Water.org ("Water.org" or the "Organization"). The CEO will not undertake actions that will jeopardize the financial stability and/or 501(c)(3) tax exempt status of the Organization or make decisions that do not reflect the prudent use of financial resources or risk management.

Through this document, we summarize the authority the CEO is conveying in the Delegation of Authority to other positions in the Organization, with separately designated limits, in order to facilitate the smooth operations of the Organization. The Delegation of Authority applies to the entire organization including all subsidiaries, affiliates, or ventures that are controlled by it.

The Delegation of Authority better aligns with organization hierarchy, process mapping and role definitions specifying functional approval, scopes, and limits as well as the required prior interfaces with other areas of the organization. Additionally, it brings clarity between the internal authority to approve specific operational actions and the legal approval to act as an authorized signatory.

For the avoidance of doubt, this Delegation of Authority establishes the process for approving transactions within the organization. If a transaction approved according to this Delegation of Authority requires a signature from Water.org or any of its branches and/or affiliated entities, such signature shall be performed by the authorized signatory of each respective entity.

In no case should any section of this document take precedence over incremental Administrative or Departmental procedure that may require a higher approval or transaction action or follow more specific management instructions.

All staff and management of Water.org must be aware of and acknowledge the Delegation of Authority.

Section 2: Scope

The purpose of the Delegation of Authority Policy is to establish the formal means of communicating the authority limits necessary for the approval of the daily business transactions throughout the Organization. If a transaction approved according to this Delegation of Authority requires a signature from Water.org or any of its branches and/or affiliated entities, such signature shall be performed by the authorized signatory of each respective entity.

Every effort is made to maintain a clear and consistent delegation throughout the Organization to expedite operations. All authority for Organization action is derived from powers delegated by the Board of Directors to the CEO. In turn, the CEO delegates some of those powers deemed necessary to the President & COO and the Executive Committee (EX Committee).

Individuals authorized for approval limits should understand that the authority carries reasonable accountability, and it is their responsibility to manage and control spending and operations within their approval limits. An authorization to spend the organization's money is not an authorization to exceed approved annual budgets.

It is also understood that in no case shall transactions be fragmented in order to circumvent the designated limits, and if a person is unwilling to accept full responsibility the items should be passed to a higher level for approval.

Section 3: Non-Capitalized/Operating Expenses

All operating expenditures are budgeted on an annual basis through the Annual Budget process, and through this process are approved by the CEO and the Board of Directors. If a Non-Capital Expenditure approved according to this Delegation of Authority requires a signature from Water.org or any of its branches and/or affiliated entities, such signature shall be performed by the authorized signatory of each respective entity.

The Delegation of Authority further specifies the limits within each of the functional and operational areas of the organization allowing for better management and accountability of expenses.

Section 3: Non-Capitalized / Operating Expenses Authority Limits for Approving an Operating Expense Purchase						
Title/Grade	Senior Manager (Grade 18)	Associate Director / Director (Grade 19/20)	Senior Director including Regional Director (Grade 21)	C-Level (Grade 22)	President & COO (Grade 23)	CEO (Grade 25)
Budgeted Operating Expenses	\$1- \$10,000	\$10,001- \$25,000	\$25,001 - \$150,000	\$150,001 - \$300,000	\$300,001 - \$400,000	\$400,001 - \$500,000
Exceeding Approved Budget Amount or An Unbudgeted Item	<ul style="list-style-type: none">• Non-Capitalized / Operating Expenses exceeding the total requestor's approved budget must be presented for the approval of the CFO, in alignment with the President & COO and/or CEO.• An expense over \$500,000 will go to the Board of Directors for approval.• See Exceeding Approved Budget Amount Procedure for detailed steps to submit a request.					

Section 4: Capital Expenditures

All capital expenditures are budgeted on an annual basis through the Annual Budget process, and through this process are approved by the CEO and the Board of Directors. If a Capital Expenditure approved according to this Delegation of Authority requires a signature from Water.org or any of its branches and/or affiliated entities, such signature shall be performed by the authorized signatory of each respective entity.

Any capital expenditures exceeding either the dollar or temporal limit outlined in this policy must be approved by either an Executive Committee of the Board or the Board of Directors.

The Delegation of Authority specifies that each area of the organization, and its respective Executives (Managers, Directors, and C-Level) and relevant Finance Partners shall only have the power to authorize Capital Expenditures according to the limits below related to their own area, allowing for better management and control of the operating expenses.

Section 4: Authority Limits for Approving Capital Expenditures

Title/Grade	Senior Manager (Grade 18)	Associate Director / Director (Grade 19/20)	Senior Director including Regional Director (Grade 21)	C Level (Grade 22)	President & COO (Grade 23)	CEO (Grade 25)
Budgeted Capital Expenditures: an investment in equipment or facilities	\$1- \$10,000	\$10,001- \$25,000	\$25,001 - \$150,000	\$150,001 - \$300,000	\$300,001 - \$400,000	\$400,001 - \$500,000
Capital Exceeding Approved Budget Amount or an Unbudgeted Item	<ul style="list-style-type: none"> Capital Expenses requestor's approved budget must be presented for the approval of the CFO, in alignment with the President & COO and/or CEO. An expense over \$500,000 will go to the Board of Directors for approval. See Exceeding Approved Budget Amount Procedure for detailed steps to submit a request. 					

Section 5: Business Contracts + Agreements

The Delegation of Authority specifies further the limits within each area of the organization allowing for better management and control of the Business Contracts + Agreements (including Non-Disclosure Agreements) required by the respective area. If a Business Contract/Agreement approved according to this Delegation of Authority requires a signature from Water.org or any of its branches and/or affiliated entities, such signature shall be performed by the authorized signatory of each respective entity.

See Section 10: Compliance Documentation once a contract or agreement has been approved.

Approval Authority Limits for Approving Business Contracts + Agreements

All Contracts and their respective duly fulfilled Cover Sheets must first be reviewed by Contracts/Legal and submitted to contracts@water.org prior to being approved.

Title/Grade	Senior Manager (Grade 18)	Associate Director / Director (Grade 19/20)	Senior Director including - Regional Director - (Grade 21)	C Level (Grade 22)	President & COO (Grade 23)	CEO (Grade 25)
Budgeted Contracts + Agreements	\$1- \$10,000	\$10,001 - \$25,000	\$25,001 - \$150,000	\$150,001 - \$300,000	\$300,001 - \$400,000	\$400,001 - \$500,000
Temporal Limits (years)	1	1	2	3	4	5
Exceeding Approved Budget Amount or Approving an Unbudgeted Item	<ul style="list-style-type: none"> Contracts or Agreements exceeding the total requestor's approved budget must be approved by the CFO, in alignment with the President & COO and include the Coversheet form with the contract or agreement in its entirety attached. See Exceeding Approved Budget Amount Procedure for detailed steps to submit a request. 					

Section 6: Donor Agreements

The term donor agreement applies to all incoming revenue agreements including grants, strategic partnerships, and cause marketing agreements.

If a Donor Agreement is approved according to this Delegation of Authority, it requires a signature from Water.org or any of its branches and/or affiliated entities. Such signature shall be performed by the authorized signatory of each respective entity.

The Chief Revenue Officer (CRO) has been authorized by the CEO to approve Donor Agreements upon completion of defined internal reviews and documented concurrence. Furthermore, the CRO is authorized to approve agreements without going to internal Finance and Legal revision and sign off, unless otherwise formally requested. Cover sheets need to be included with all formal requests to Legal.

See Section 10: Compliance Documentation once a contract or agreement has been approved.

Authority Limits for Approving a Donor Agreement				
	CRO	President & COO	CEO	Board Approval
Restricted Agreements	\$0 - \$1,000,000	\$1,000,001 - \$3,500,000	\$3,500,001 - \$7,000,000	\$7,000,001 +
Unrestricted Agreements	\$0 - \$1,000,000	\$1,000,001 - \$3,500,000	\$3,500,001 - \$7,000,000	\$7,000,001 +
Temporal Limits (years)	3	4	5	5 +
	• Any Donor Agreement that exceeds \$7,000,000 will go to the Board of Directors for approval.			

Section 7: GI - Outgoing Programmatic Grants to Partner Organizations

For any outgoing grant or award (service and/or funds) to a partner organization, the proper documentation must be submitted directly to Finance and submitted to wiretransfer@water.org before the first payment is distributed. If a Grant to Partner Organization approved according to this Delegation of Authority requires a signature from Water.org or any of its branches and/or affiliated entities, such signature shall be performed by the authorized signatory of each respective entity.

See Section 9: Routine Administrative Approval Authorization applies to the processing of the outgoing partner payments once the initial contract or agreement has been signed.

See Section 10: Compliance Documentation once a contract or agreement has been approved.

Authority Limits for Approving Outgoing Grants to Partner Organizations (Regional Hubs) All Contracts and their respective duly fulfilled Cover Sheets must first be reviewed by Contracts/Legal and submitted to contracts@water.org prior to being approved.						
	Regional Business Line Lead	Executive Director	GI Regional Director	CGIO	President & COO	CEO
Outgoing awards to partner organizations	\$1 - \$10,000	\$10,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$750,000	\$750,001 - \$2,000,000	\$2,000,001 - \$3,000,000
Exceeding Approved Grant Budget	<ul style="list-style-type: none"> If the cumulative amount of all the partner payments exceeds the approved grant budget by \$100,000 or is 15% over the approved grant budget, Finance will provide an analysis to the President & COO on the best course of action for proceeding. Any Grant Agreement that exceeds \$3,000,000 will go to the Board of Directors for approval. 					
Temporal Limits (years)	1	2	3	4	5	5+

Authority Limits for Approving Outgoing Grants to Partner Organizations (US Hub) All Contracts and their respective duly fulfilled Cover Sheets must first be reviewed by Contracts/Legal and submitted to contracts@water.org prior to being approved.						
		Associate Director Global Operations	Regional Director	CGIO	President & COO	CEO
Outgoing awards to partner organizations		\$1 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$750,000	\$750,001 - \$2,000,000	\$2,000,001 - \$3,000,000
Exceeding Approved Grant Budget	<ul style="list-style-type: none"> If the cumulative amount of all the partner payments exceeds the approved grant budget by \$100,000 or is 15% over the approved grant budget, Finance will provide an analysis to the President & COO on the best course of action for proceeding. Any Grant Agreement that exceeds \$3,000,000 will go to the Board of Directors for approval. 					
Temporal Limits (years)		2	3	4	5	5+

Section 8: AOA (Asset Origination Alliance) Partner Agreements

For any outgoing grant, award and/or Infrastructure Agreement to/with a partner organization, the proper documentation must be submitted directly to Finance and submitted to wiretransfer@water.org before the first payment will be distributed. In kind grants do not need to be submitted to Finance for approval. If a Grant and/or Infrastructure to/with a Partner Organization Agreement approved according to this Delegation of Authority requires a signature from Water.org or any of its branches and/or affiliated entities, such signature shall be performed by the authorized signatory of each respective entity.

See Section 9: Routine Administrative Approval Authorization applies to the processing of the outgoing partner payments once the initial contract or agreement has been signed.

See Section 10: Compliance Documentation once a contract or agreement has been approved.

Authority Limits for Approving Outgoing Grants to Partner Organizations (grant of service and/or funds) All Contracts and their respective duly fulfilled Cover Sheets must first be reviewed by Contracts/Legal and submitted to contracts@water.org prior to being approved.			
	AOA Directors	President & COO	CEO
Outgoing awards to partner organizations	\$1 - \$500,000	\$500,001 - \$2,000,000	\$2,000,001 - \$3,000,000
Exceeding Approved Grant Budget	<ul style="list-style-type: none">If the cumulative amount of all the partner payments exceeds the approved grant budget by \$100,000 or is 15% over the approved grant budget, Finance will provide an analysis to the President & COO on the best course of action for proceeding.Any Grant Agreement that exceeds \$3,000,000 will go to the Board of Directors for approval.		
Temporal Limits (years)	3	5	5+

Authority Limits for Approving Outgoing Grants to Partner Organizations and Infrastructure Agreements (Non-Revenue Generating Agreements) All Contracts and their respective duly fulfilled Cover Sheets must first be reviewed by Contracts/Legal and submitted to contracts@water.org prior to being approved.			
	AOA Regional Director	President & COO	CEO
Outgoing awards to partner organizations and Development Agreements	\$1 - \$500,000	\$500,001 - \$2,000,000	\$2,000,001 - \$3,000,000
Exceeding Approved Grant Budget	<ul style="list-style-type: none">If the cumulative amount of all the partner payments exceeds the approved grant budget by \$100,000 or is 15% over the approved grant budget, Finance will provide an analysis to the President & COO on the best course of action for proceeding.Any Grant/Infrastructure Agreement that exceeds \$3,000,000 will go to the Board of Directors for approval.		
Temporal Limits (years)	3	5	5+

Section 9: Routine Administrative Approval Authorization

Certain payments which result from specific contract, lease and governmental obligations are routinely authorized by staff personnel who are responsible for calculating or verifying the accuracy of such payments according to the respective contract, lease, and governmental obligation clauses. It is reasoned that approval to pay was given at the time of execution of the contractual obligation. The possibility of personal benefit is considered to be remote, therefore, staff personnel are considered to be merely verifying the amount due through the accounts' payable approval process.

Section 10: Compliance Documentation

Employees and management executing contracts or agreements, and approving transactions, are required to ensure that they have proceeded within all appropriate processes and procedures. If a specific item is not referenced in this document, it is the individual's responsibility to look in additional Organizational Policies or documentation to determine the appropriate process or procedure.

Appropriate documentation for authorizing a transaction can take various forms, including the initialing of final contracts, approval forms, memorandums, email, or other electronic communications. All contracts shall be maintained with documentation of the appropriate approvals and the final executed version sent to the Contracts/Legal Department (contracts@water.org).

When using a scanned image of another employee's signature, the person applying the signature to any document on behalf of the organization must have documented consent from all appropriate parties.

If a document must be digitally signed, the organization recommends signature through an authorized Digital Signature Platform valid in the respective jurisdiction and approved by the organization.

Section 11: Combining Transactions

This policy shall be interpreted broadly so that a series of reasonably related transactions shall be considered as a single transaction for the purpose of determining approval and authority levels required by this policy. Dividing a commitment or transaction into two or more parts to evade a limit of authority is prohibited and is a violation of this policy.

Section 12: Legal Statutory Corporate Documents

Legal and statutory matters or entity related activities must be revised by the Legal Department prior to its formalization. The Legal Department must receive through contracts@water.org and archive the original documents.

Section 13: Policy Interpretations + Amendments

As unanticipated facts and circumstances occur that are not specifically addressed in this policy, the Organization will issue interpretations of this policy. Such interpretations shall be submitted in writing to Legal and subsequently approved by the President & COO.

The Organization may choose to amend the Delegation of Authority policy and change specific delegations of authority and/or monetary amounts to reflect changes in the Organization. The Board of Directors shall approve such policy amendments.

Section 14: CEO Will Only Take the Following Action with Approval as Outlined:

Executive Committee of the Board approval may be obtained between regularly scheduled Board meetings and will then be reported to the full Board at the next scheduled Board meeting.

- Engage in purchasing items costing \$150,000 or more where there has not been an assessment of the quality and price offered by at least three (3) different vendors.
- Allow any one individual complete authority over a financial transaction. There must be two signatures on every check over \$10,000.
- Commit to an annual salary of more than \$200,000 or a compensation increase of more than 50% in any 12-month period for any period for any single employee.
- Purchase or enter into a contract in situations where they or the contracting party has a material conflict of interest.

Board of Directors approval may be obtained via e-mail or in person meeting.

- Make single unbudgeted operating or capital expenditures of more than \$500,000 including full life value of leases.
- Commit to any contract for services in excess of 5 years in duration, excluding commitment to NGO partners, implementing partners, or for other services where the Organization has a compensating funding commitment.
- Enter into a new financial arrangement which results in the Organization taking on debt or other balance sheet liabilities.
- Form or dissolve new legal entities, change legal structure, or adopt any brand identity requiring a new trademark filing.
- Accept gifts greater than \$7 million or grants or cause marketing agreements of any size with real potential to incur material institutional risk including currency risk, unfunded obligations and/or risk to the reputation of the Organization (e.g., commitment to evangelize for religious purposes or risk of adverse publicity from mainstream news sources).

Section 15: Delegation of Authority to Subordinates

To delegate authority to a subordinate, documentation of the delegation must be submitted to Finance 7 days prior to the effective date. This may be put into effect:

- When an employee is to be absent for a period not exceeding ten working days, his/her Authorization may be temporarily delegated to another employee within the Organization. Except as previously authorized by the President & COO, the authority should be delegated to the next-most-senior person on the respective team. The temporary authorization is to be in writing and specify the effective length of time and must be approved by the supervisor of the individual who is delegating authority. This documentation is to be submitted to Contracts/Legal (contract@water.org) and kept on record.
- Every approval made by delegatee, must be recorded, and reported to the primary approver's absence by the delegatee.
- For an absence exceeding ten business days, all documents requiring approval will be referred to the next higher level for approval. See Temporary Delegation Form for further details and instructions.
- When a supervisor concludes that delegating authority for a specific project or task will streamline business operations and maximize efficiency, his /her Authorization may be delegated to another employee in the Organization. If the authorization is to be permanent, or for an undetermined time, the authorization is to be in writing and specify the project or task. This authority is to be approved by the supervisor of the individual who is delegating authority. This documentation is to be submitted to Contracts/Legal (contracts@water.org) and kept on record.

Section 16: Non-Operational and Functional Delegations of Authority

This Executive Summary is intended to identify or represent the core operational processes of the organization. Detailed delegated authorities by function can be found in the matrix delegation of authority these functional authorities must be adhered to as part of the overall approved areas of the organization.