

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA *

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION NO. T-13006
Telecommunications Branch September 28, 1988
(amended from 7/22/88)

RESOLUTION REQUESTING APPROVAL OF CONTRACTS PROPOSED
BY THE RATEPAYER EDUCATION TRUST
(Amended on September 13th, 1988)

SUMMARY

The Disbursements Committee (DC) of Telecommunication Ratepayer Education Trust has identified the need for outside legal assistance to properly protect the assets of the Fund and to assist the DC in preparing specific legal documents. The Legal Division concurs with this request. This resolution would approve the agreement to employ the firm of Silk, Adler and Colvin.

The DC has also identified the need to hire an Administrator to conduct the administrative duties of the Trust. The DC recommends that the Commission approve the contract with the California Community Foundation. The contract is being review by the Legal Division.

BACKGROUND

D. 87-12-067 established a Trust to educate ratepayers about telecommunication issues. The DC of the Trust has met several times and has voted to recommend that the Commission approve this amended resolution.

DISCUSSION

Virtually every foundation contacted by the DC recommended this firm as the best experts in charitable activities and non-profit law. The principal work to be done by this firm is to review the RFP and the contracts with successful applicants and to advise the Trust on awards which might jeopardize the tax exempt status of the Trust. Their fee schedule and the resume' of the principal, Tom Silk, are attached.

The DC seeks authorization to expend up to \$20,000, however they anticipate that they will only need to spend between \$10,000 - \$15,000.

The DC sent out a letter which details the responsibilities of the Administrator (a copy is attached). They received proposals, interviewed 7 potential Administrators, and have checked their references. The DC voted to recommend the Los Angeles based California Community Foundation because of its proven expertise with grantmaking, its unique proposal to involve the statewide network of community foundations to promote the goals of the Trust, and its excellent staff and reputation. The annual contract for \$142,254 is renewable by agreement of the parties.

FINDINGS


1. The Disbursements Committee (DC) of the Ratepayers Education Trust has recommended hiring outside counsel to protect the Trust.
2. The firm recommended today (Silk, Adler & Colvin) specializes in charitable foundation and non-profit law.
3. The DC has recommended that the Trust hire an Administrator to ensure the Trust is administered efficiently and effectively.
4. The DC recommends that the Commission approve the contract with the California Community Foundation to serve as Trust Administrator.

THEREFORE, IT IS ORDERED that:

- 1) The firm of Silk, Adler & Colvin shall be retained by the DC to advise it on the specified Trust activities.
- 2) The Executive Director is authorized to sign the contract with the California Community Foundation.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 28th, 1988. The following Commissioners approved it:

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners



Executive Director