

Governance Committee Meeting
July 10, 2014
Minutes

I. Call to Order

II. Determination of Quorum

A. Committee Members Present

1. Tom Argust (Chair)
 2. Karen Pryor
 3. Paul Battaglia
 4. Henry Smith
- Absent-Ed White

B. Others Attending

2. Bill Carpenter – CEO
3. Daniele Coll-Gonzalez – COO, and committee staff
4. David Van Varick- Chief Legal Counsel

III. Review of revised Code of Conduct Policy

The revisions included updates to the vision, mission, and values. In addition, the maximum gift value was revised to \$25.

Members discussed whether to maintain one single policy for Board and staff or whether to create two separate policies. One policy was the consensus. Members also discussed the annual sign off process. Commissioner Battaglia motioned to approve the policy as revised, Commissioner Smith seconded. Motion carried.

IV. Review the draft plan for the October 2, 2014 Annual Governance Retreat

Members discussed the presented draft outline. The following items were decided on:

- Use of an outside facilitator was agreed upon. It was further recommended that the facilitator be hired to conduct SWOT interviews with the Commissioners prior to the retreat.
- No small groups will be used in the Retreat
- All completed SWOT data will be included in the pre-materials
- The agenda will be adjusted to include a shorter lunch break and to include a 60 minute session for the Commissioners to discuss the variable pay plan.

Meeting Adjourned



CODE OF ETHICS AND CONDUCT

Version: 3	Next Review: No Review Date	Approved by: Bill Carpenter (Chief Executive Officer)
Effective: Not Approved Yet	<i>Find the most current version on Policy Manager.</i>	

Policy Statement

Rochester Genesee Regional Transportation Authority is committed to ensuring that its business is conducted in all respects according to rigorous ethical, professional and legal standards. The Rochester Genesee Regional Transportation Authority (RGRTA) Code of Ethics and Conduct establishes minimum standards of behavior that Commissioners, officers, management, and all employees are expected to follow in the performance of their duties with RGRTA and its subsidiaries.

Scope

This Code applies to, and shall be adhered to by, all officers, employees, agents, and Commissioners of Rochester Genesee Regional Transportation Authority and its subsidiaries (individually and collectively referred to hereinafter as “Covered Persons”). This Code also applies to, and shall be adhered to by, any member of a Covered Person's immediate family, his/her partner and any organization that employs, or is about to employ, the Covered Person or any of the above other individuals; and the applicable Covered Person is responsible for assuring such compliance.

Mission Statement

We are our community’s provider and partner for safe, reliable, and convenient public transportation that more and more people can build their lives around.

Vision Statement

The Preferred Transportation Choice.

Purpose

The purpose of this Code of Ethics and Conduct is to set out the standards that RGRTA will be guided by in the conduct of its business and in the conduct of Covered Persons. Being responsible requires that one accepts the obligation to conduct oneself in specific ways. Being accountable requires that one is willing to accept the consequences of his/her actions. Accepting responsibility and accountability are fundamental requirements of Commissioners, officers, management, and all employees of RGRTA in the performance of their duties. Doing the right thing often means making difficult choices in challenging situations. Supporting the standards of business and professional conduct set forth herein is important for RGRTA, which seeks to conduct its business in a responsible and proper manner. RGRTA's reputation is one of its most valuable assets. Maintaining high standards is of prime importance to the RGRTA, as it is central to continued public trust and confidence.

RGRTA Values

INTEGRITY

We do what we say we are going to do and take responsibility for our actions.

RESPECT

We value and appreciate the diversity and opinions of those we work with and those we serve.

SERVICE EXCELLENCE

We strive to meet the needs of our customers, every day, no exceptions.

PERFORMANCE FOCUS

We establish the outcomes that define our success and use data based decision making to achieve them.

ENGAGEMENT

We understand how our work impacts customers and we maintain an environment focused on teamwork, dedication, and fun.

FRESH THINKING

We take time to discover and develop ideas that create value for our company, our customers and our community.

Quality Statement

RGRTA is committed to providing exemplary service to our customers through the use of innovative practices, cutting-edge technologies and continuous improvement of our performance. RGRTA will accomplish this by strengthening our financial position, engaging in strategic planning, focusing our customers' feedback, engaging our employees, and utilizing a rigorous objective measurement process.

Ethical and Conduct Requirements

Covered Persons shall:

1. Demonstrate the highest standards of personal integrity, truthfulness, honesty and fortitude in all activities;
2. Serve the public with integrity, respect, concern, courtesy, quality and responsiveness; accord a prompt and courteous reception to all who call on legitimate RGRTA business; and deal with complaints seriously and promptly;
3. Strive for personal professional excellence and encourage the professional development of others;
4. Approach organization and operational duties with a positive attitude and constructively support open communication, creativity, dedication and compassion;
5. Accept as a personal obligation the responsibility to keep up to date on job-related issues and to conduct RGRTA business with professional competence, fairness, impartiality, efficiency and effectiveness;
6. Support and promote merit employment to assure equal opportunity in the recruitment, selection and advancement of qualified persons from all elements of society;
7. Expend all reasonable efforts to eliminate all forms of illegal discrimination, fraud and mismanagement of public funds;
8. Protect RGRTA's electronic communication equipment (including email, internet, bulletin boards, fax machines, file storage) from unauthorized use or external access. RGRTA communication equipment shall never be used for sending or receiving illegal, offensive or obscene materials;
9. Comply fully with RGRTA's high standards in security, safety and occupational health. Any workplace hazards should immediately be brought to management's attention;
10. Follow the Procurement Guidelines established by the Board of Commissioners;
11. Except when acting within the authority granted to such Covered Person by the RGRTA Board of Commissioners, make no statements or promises of any kind that another party might construe as being binding on RGRTA and always make clear that the Covered Person has no individual authority to obligate or bind RGRTA;
12. Engage in no business with RGRTA, either directly or indirectly, which is inconsistent with the conscientious performance of the Covered Person's duties to RGRTA or in conflict with RGRTA's written policies;

13. Not engage in or permit the unauthorized use of RGRTA-owned property, including, but not limited, to facilities or equipment. RGRTA supplies, equipment, computers, personnel and other resources may not be utilized for non-Authority purposes, including for personal purposes or for outside activities of any kind. This prohibition includes but is not limited to the following:

(a) Authority stationery may not be used for non-Authority purposes, nor may Authority resources be used to mail personal correspondence. The designation "personal" on agency stationery means only that the contents are meant for the personal viewing of the addressee and not that the sender is acting unofficially. All letters and other written materials printed on such Authority stationery are considered official, and thus the designation "unofficial" has no meaning and may not be used.

(b) Under no circumstances may Authority mail, postage, internal office mail, or inter-city couriers be used for non-governmental purposes.

(c) Authority telephones may not be used for non-Authority long-distance calls, except for toll-free calls, collect calls, and calls billed to a personal telephone number. Authority telephones may be used for incidental and necessary personal calls that are of limited number and duration, do not conflict with the proper exercise of the duties of the employee as described in the Telephone Use and Recording Policy, and are either local calls, toll-free calls, collect calls, or calls billed to a personal telephone number.

(d) Authority computers may be used for incidental and necessary personal purposes, such as sending personal electronic mail messages, provided that such use is in a limited amount and duration and does not conflict with the proper exercise of the duties of the employee.

(e) Authority vehicles shall be used for official business or incidental use associated with official business away from an employee's official work station.

(i) Employees who are authorized to use a vehicle for personal purposes shall keep records of such use, and the value of such personal use shall be calculated and reported as personal income to such individual for tax purposes.

14. Both while a Covered Person and at all times thereafter, maintain the confidentiality of all information that pertains to RGRTA except to the extent specifically authorized by RGRTA to make the information public or required to do so by a statute, a court or a regulatory authority with jurisdiction;

15. To the extent doing so is within the Covered Person's authority, cause RGRTA to respect and comply with its contractual commitments: e.g. make payments within the timeframe agreed in the contract, comply with non-disclosure of information requirements, comply with terms of any license to use products such as the prohibition of unlicensed copying of computer software, etc.

16. Give all individuals and entities submitting bids or proposals in connection with RGRTA's acquisition of goods or services equal consideration and assurance of unbiased judgment; and

17. While a Covered Person and for a period of two (2) years following such tenure, not participate in or maintain, and assure that none of the Covered Person's immediate family members participates in or maintains, any interest, direct or indirect, in RGRTA work, or in the selection, award, or administration of RGRTA contracts, or the in proceeds thereof except to the extent such interest has been fully disclosed to and approved by the Board.

Avoiding Conflicts of Interest

1. No Covered Person shall have any personal interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, in material conflict with the proper discharge of his/her duties to RGRTA. In furtherance thereof:

(a) No Covered Person shall accept or engage in other employment except in strict compliance with the RGRTA Policy on Outside Income Generating Activities.

(b) No Covered Person who is subject to 19 NYCRR §932.3 shall accept or engage in employment by a business or other entity with which RGRTA does business or that is in competition with RGRTA.

(c) No Covered Person shall accept or engage in other employment which will impair his/her independence of judgment in the exercise of his/her duties to RGRTA.

(d) No Covered Person shall accept or engage in other employment or in any business or professional activity which will require him/her to disclose confidential information which he/she has gained by reason of his/her association with RGRTA.

(e) No Covered Person shall use confidential information acquired by him/her in the course of his/her duties on behalf of RGRTA to further his/her personal interests.

(f) No Covered Person shall use or attempt to use his/her position at RGRTA to secure unwarranted privileges or exemptions for himself/herself or others, including but not limited to, the misappropriation to himself, herself or to others of the property, services or other resources of the state for private business or other compensated non-governmental purposes.

(g) No Covered Person shall engage in any transaction as a representative or agent of RGRTA with any business entity in which he/she has a direct

or indirect financial interest except to the extent such situation has been fully disclosed to and approved by the Board and is not prohibited by law or regulation.

(h) No Covered Person shall by his/her conduct give reasonable basis for the impression that any person can improperly influence him/her or unduly enjoy his/her favor in the performance of his/her duties to RGRTA, or that he/she is affected by the kinship, rank, position or influence of any person.

(i) No Covered Person shall make personal investments in enterprises which he/she has reason to believe may be directly involved in decisions to be made by him/her in connection with his/her duties on behalf of RGRTA or which will otherwise create conflict between his/her duty to RGRTA and his/her private interest unless such investments are fully disclosed to and approved by the Board.

2. Commissioners shall annually disclose in writing to the Board Chair and to the Chief Executive Officer the names of entities other than RGRTA with which they are affiliated, such as in an employment or volunteer status.

3. Covered Persons shall conduct themselves in such a way that will not raise suspicion among the public that he/she is likely to be engaged in acts that are in violation of his/her trust.

4. Covered Persons shall avoid situations in which financial or other personal interests or dealings are or may be in conflict with the interests of RGRTA. When such conflicts cannot be avoided, the Covered Person shall assure that such conflict is clearly disclosed to the Board in a timely fashion.

5. Covered Persons shall seek advice from appropriate parties in cases where a potential conflict of interest might occur, such as, for example, any business or financial arrangements with a family member, an associate, a friend or close acquaintance who conducts business with RGRTA. In connection with any actual or possible conflict of interest, a Covered Person must disclose the existence of the situation and all material facts to the Board. The remaining Board members shall decide if a conflict of interest exists and, if so, the best way to address it.

6. The minutes of the Board and all committees with Board-delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed and, if so, how it was addressed;

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including

any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

7. Covered Persons may not accept gifts or gratuities of more than nominal value under circumstances that would permit the inference that:

(a) The gift was intended to influence the individual in the performance of official business;

(b) The gift constituted a tip, reward or sign of appreciation for any official act.

8. Covered Persons may not solicit, accept, or receive from contractors, potential contractors, parties to sub-agreements, or anyone else doing business with or potentially doing business with RGRTA any gift, gratuity, favor or other thing of value, whether in the form of money, services, loans, travel, entertainment, hospitality, thing, promise, or in any other form having a wholesale monetary value:

(a) Greater than \$25; or

(b) Equal to or less than \$25 unless permitted under the next subsection (i.e. subparagraph 7(c) or under paragraph 8 below).

(c) The foregoing notwithstanding, Covered Persons may receive:

(i) Payment of bona fide salary, wages, fees or other compensation paid or reimbursed in the usual course of business;

(ii) Loans from financial institutions on customary terms to finance ordinary and proper activities;

(d) Gifts based on obvious family or personal relationship existing independent of any RGRTA business.

9. Gift valued at \$25 or less may be accepted if it is not given under circumstances that would permit the inference that: (i) the gift was intended to influence individual in the performance of official business; or (ii) the gift constituted a tip, reward or sign of appreciation for any official act **AND** the item of value that is given or accepted either is:

(a) A benefit that is available to the general public under the same conditions as it is made available to the Covered Person;

(b) A benefit which would be paid for by RGRTA as a reasonable business expense if not paid for by the other party;

(c) A benefit consisting of promotional materials that are of nominal value (such as pens, calendars, stationery, etc.);

(d) An award accepted by the Covered Person in recognition of his/her service and/or accomplishment;

(e) An award or gift received on RGRTA's behalf, provided, however, the person accepting the gift shall promptly report receipt of the gift to the Audit Committee and to the Chief Financial Officer, who shall add it to the inventory of RGRTA property.

Public Statements

It is important that RGRTA provide the public with accurate, up-to-date, and consistent information regarding our initiatives and operations. Commissioners, officers, management, and all employees of RGRTA must not make public statements about issues unless specifically authorized to be the RGRTA spokesperson for that purpose. All requests for information or statements by the media or public should be referred to the Chief People and Brand Officer and/or the CEO.

Employment of and Contracting with Closely Related Persons

RGRTA wants to ensure that favoritism, or the mere perception of favoritism, is absent from the work environment. Closely related persons of, or persons with a romantic relationship with, Commissioners, officers, management, and/or employees of RGRTA will be considered for employment solely based upon their qualifications. Closely related persons and persons with a romantic relationship will not be considered for employment, re-assignment, transfer, or promotion if doing so would:

- ◆ Create a supervisor/subordinate relationship with a closely related person or a person with whom the applicant has a romantic relationship;
- ◆ Create the potential of an adverse impact on work performance because of the relationship of the applicant with a closely related person or a person with whom the applicant has a romantic relationship; or
- ◆ Create a conflict of interest or the appearance of a conflict of interest.

Commissioners, officers, management, and employees of RGRTA who become closely related to or establish romantic relationships with others at RGRTA will not be asked to leave RGRTA on that basis as long as none of the above conditions arises. Should any of the above conditions arise, the Chief People and Brand Officer will make a reasonable effort to adjust the duties and/or reassign one or both of the individuals to resolve the situation and, if unable to do so, will request that one or both of the individuals resign to resolve the concern (the individual who is to resign being determined by the individuals involved).

No Covered Person may take part in any hiring or employment decision relating to a family member or person with whom the Covered Person has a romantic relationship. If a hiring or employment matter arises relating to such a person, then the Covered Person

must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

No Covered Person may take part in any contracting decision: (i) relating to a family member or person with whom the Covered Person has a romantic relationship; or (ii) relating to any entity in which such person is an officer, director or partner, or in which such person owns or controls 10% or more of the voting rights of such entity. If a contracting matter arises relating to such a person, then the Covered Person must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter. For the purposes of this paragraph, the term “family member” means any person living in the same household as the Covered Person, and any person related to the employee within the third degree of consanguinity or affinity.

Equal Employment Opportunity

1. RGRTA affirms its commitment to treat all applicants for employment and employees equally without regard to race, religion, creed, color, national origin, sex, sexual orientation, age disability, veteran status, marital status, citizenship status, or other class protected by local, state or federal law. RGRTA is an Equal Employment Opportunity employer.

2. RGRTA supports affirmative action consistent with federal laws, court decisions, Executive Orders, regulations including goals and timetables in order to close any identified gaps in underutilization of minorities and women.

3. All RGRTA (including all subsidiary) employees in supervisory positions, including without limitation all Executives, Vice Presidents, Directors, Managers and first line supervisors and all Covered Persons share in the responsibility of ensuring compliance with the Authority Equal Employment Opportunity program through understanding and communicating as well as demonstrating support for this program on a day-to-day basis and in the deployment of manpower to fulfill the Authority’s commitment to the public for safe and efficient public transportation.

4. All applicants and employees have the right to file complaints alleging discrimination with the Equal Employment Opportunity (“EEO”) Officer. In addition to the EEO Officer or company officials, employees and applicants also have the right to file complaints with the Federal Equal Employment Opportunity Commission, and/or the New York State Division of Human Rights.

5. All Covered Persons shall conduct themselves in conformity with this equal employment opportunity policy.

No Harassment Policy

1. RGRTA does not tolerate harassment of any of its officers, commissioners, employees, applicants or customers. Any form of harassment by any Covered Person related to an individual’s race, color, sex/gender, sexual orientation,

religion, national origin, citizenship status, age, disability, marital status, veteran status or the fact that the person is a domestic violence victim is a violation of this policy and will be treated as a disciplinary matter. For these purposes, the “harassment” can be in verbal, visual, or physical forms and includes, without limitation:

- (a) Unwelcome sexual advances and requests for sexual favors;
- (b) Threatening reprisals for an employee’s refusal to respond to requests for sexual favors;
- (c) Offensive physical or verbal conduct, including touching;
- (d) Display of offensive pictures, drawings or photographs; and/or
- (e) Offensive remarks, comments, jokes or slurs pertaining to an individual’s race, sex/ gender, religion, age, disability, etc.

2. No Covered Person has the authority to suggest to any employee or applicant that that individual’s employment, continued employment or future advancement will be affected in any way by the individual’s entering into (or refusing to enter into) any form of personal relationship with a Covered Person.

3. Harassment of employees in connection with their work by non-employees is also a violation of this policy. Any employee who experiences or observes any harassment of an employee by a non-employee should report such harassment to his or her supervisor.

4. Anyone who believes that he/she is being harassed by another employee or by anyone else should notify his/her supervisor immediately. If the problem involves his/her supervisor or if he/she does not feel that the matter can be discussed with the supervisor, the person should contact the People Department and arrange for a meeting to discuss the situation. All such matters will be kept as confidential as possible and the individual will not be penalized in any way for reporting a harassment concern.

5. RGRTA cannot help resolve a harassment problem unless we know about it. Therefore, it is each individual's responsibility to bring any such problems to our attention so that we can take whatever steps are necessary to correct the problem.

6. Retaliation against any employee for complaining about harassment is strictly prohibited and will result in disciplinary action, up to and including termination.

7. Any questions about what constitutes harassing behavior or what conduct is prohibited by this policy should be directed to your supervisor or to Human Resources.

8. **VIOLATION OF THIS POLICY WILL SUBJECT A COVERED PERSON TO DISCIPLINARY ACTION, UP TO AND INCLUDING IMMEDIATE DISCHARGE.**

Political Activities

1. No Covered Person who is subject to the provisions of the Hatch Act (5 U.S.C Sections 1501-1508) either during or after working hours, shall do any of the following in violation of the Hatch Act:

(a) use his/her official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for office;

(b) directly or indirectly coerce, attempt to coerce, command, or advise a State or local officer or employee (including, without limitation, RGRTA employees) to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for political purposes; or

(c) be a candidate for elective office.

2. Without limiting the generality of the foregoing prohibitions, No Covered Person who is subject to the provisions of the Hatch Act may do any of the following in violation of the Hatch Act:

(a) raise money for a partisan political campaign;

(b) run for political office (even if the person reports "No Party Affiliation");

(c) allow his/her name to be used in any fundraising appeal on behalf of a partisan political campaign;

(d) participate in a phone bank that is engaged in fundraising for a partisan campaign

(e) knowingly solicit or discourage the political activity of any person who has business before RGRTA;

(f) engage in political activity while on duty;

(g) engage in political activity when wearing an RGRTA uniform;

(h) engage in political activity while using an RGRTA vehicle;

(i) solicit political contributions from the general public; or

(j) wear political buttons on duty.

3. Nothing herein shall be interpreted to prohibit any RGRTA officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for

Presidential elector received votes in the last preceding election at which Presidential electors were selected (called a "nonpartisan election").

4. All Covered Persons ***may***
 - (a) run for public office in nonpartisan elections;
 - (b) campaign for and hold office in political clubs and organizations;
 - (c) actively campaign for candidates for public office in partisan and nonpartisan elections, so long as such campaigning does not conflict with the provisions of Section 2., above;
 - (d) register and vote as they choose;
 - (e) assist in voter registration drives;
 - (f) express opinions about candidates and issues;
 - (g) attend fundraisers and contribute money to political organizations and campaigns;
 - (h) sign nominating petitions;
 - (i) campaign for or against referendum questions, constitutional amendments, and municipal ordinances;
 - (j) make campaign speeches for candidates in partisan elections;
 - (k) distribute campaign literature in partisan elections;
 - (l) recruit volunteers for a political campaign;
 - (m) participate in activities such as phone banking and precinct walking so long as doing so does not involve fundraising;
 - (n) display bumper stickers, lawn signs, and other campaign paraphernalia; and
 - (o) volunteer, run for, and hold an office in a local or state political party.

Violations: In addition to any penalty contained in any other provision of law any Covered Person who knowingly and intentionally violate any of the provisions of this Code of Ethics and Conduct may be subject to disciplinary action, suspended, or removed from office or employment in the manner provided by contract, law, or established employment policies or practices, as applicable.

Getting Advice: All questions, inquiries, or need for interpretation of the Code of Ethics and Conduct should be directed to the Chief Legal Counsel.

Annual Statements

Each officer, employee, agent, and Commissioner of Rochester-Genesee Regional Transportation Authority and its subsidiaries shall annually sign a statement which affirms that such person:

1. Has received a copy of this Code of Ethics and Conduct,
2. Has read and understands the requirements of the Code,
3. Has agreed to comply with the Code.

The failure or refusal to sign such a statement shall not relieve any officer, employee, agent, or Commissioner from the obligation to comply with this Code of Ethics and Conduct in all respects.

Change Summary

New Version

ANNUAL CODE OF ETHICS AND CONDUCT CERTIFICATION

I have received a copy of the effective Rochester Genesee Regional Transportation Authority Code of Ethics and Conduct, version 3, effective Not Approved Yet and have read and understand its requirements. I will comply with that Code.

Signature

Print Name

Date