

95.85 Conflict of Interest Policy for MTA Officials

MTA officials have a fiduciary obligation to act in the best interests of MTA. The purpose of this Conflict of Interest Policy for MTA Officials (“CI Policy”) is to provide guidance to MTA officials in complying with this fiduciary obligation.

I. DEFINITIONS

As used in the CI Policy, the following terms have the meanings indicated:

- A. The term “MTA official” means an MTA Executive Officer, a member of the MTA Executive Committee, a member of the MTA Board of Directors, a member of an MTA committee, and any other person designated by MTA governance to represent MTA. The term does not mean an employee of, or a consultant retained by, MTA;
- B. The term “immediate family” of an MTA official means his or her parent, spouse or spousal equivalent, child, grandparent, grandchild, sibling, mother-or father-in-law, sister-or brother-in-law, or daughter-or son-in-law;
- C. The term “directly or indirectly” means an action taken by an MTA official in his or her own name (directly), or through a member of the immediate family or a business associate of an MTA official (indirectly);
- D. The term “participate in an MTA decision” means the authority to approve, disapprove, recommend, or otherwise influence the position taken by MTA; and
- E. The term “Conflict of Interest Officer” means the person who is responsible for the implementation of the CI Policy.

II. STATEMENT OF PRINCIPLE

No MTA official shall, directly or indirectly, have any interest or relationship, take any action or engage in any transaction, or incur any obligation which is in conflict with, or gives the appearance of a conflict with, the proper and faithful performance of his or her MTA responsibilities.

III. PROHIBITED ACTIVITIES

The activities that are prohibited by the Statement of Principle set forth in Section II include, but are not limited to, the following:

- A. No MTA official shall, without the advance written approval of the CI Officer, have a direct or indirect financial or personal interest in or relationship with any business, firm, person, or entity that does or seeks to do business with MTA. This prohibition shall not apply to investments in a business, firm, or other entity through the purchase of securities that are traded on a registered national securities exchange, or utilizing any services that the business, firm, person, or entity makes available to the general public in the normal course of business.
- B. No MTA official shall, except in the performance of his or her MTA responsibilities, receive any compensation, gift, gratuity, loan or other thing of value from any business, firm, person, or other entity which does or seeks to do business with MTA, or which has financial or other interests that may be affected by the performance or nonperformance of the MTA official's MTA responsibilities. The term “business, firm, person or other entity” does not include MTA affiliates or subsidiary organizations (e.g., MTA Member Benefits Corporation), and the term

“compensation, gift, gratuity, loan, or any other thing of value” does not include an item that has a value of \$250 or less, or a loan that is available to the general public on similar terms.

- C. No MTA official shall, (1) except in the performance of his or her MTA responsibilities or in response to a legal mandate, disclose any information obtained by reason of his or her MTA position that is not otherwise available to the general membership of MTA, and that could be used to the detriment of MTA, or (2) use or permit others to use any information obtained by reason of his or her MTA position that is not otherwise available to the general membership of MTA to directly or indirectly further the MTA official’s financial or personal interest.
- D. No MTA official shall, without the advance written approval of the CI Officer, directly or indirectly sell goods or services to MTA. This prohibition shall not apply to the payment, in accordance with MTA policy, of compensation or a stipend to an MTA official for carrying out his or her MTA responsibilities.
- E. No MTA official shall accept any other position or assignment which would conflict with his or her fiduciary obligation to act in the best interests of MTA, or interfere with the MTA official’s ability to properly carry out his or her MTA responsibilities.
- F. No MTA official shall use or permit others to use his or her position with MTA to create the impression that MTA endorses or has endorsed a product, service or program when that is not in fact the case, or to otherwise directly or indirectly further the MTA official’s financial or personal interest.

IV. IMPLEMENTATION PROCEDURE

- A. The MTA Vice President shall serve as the Conflict of Interest Officer (“CI Officer”), and shall in that capacity be responsible for the implementation of the CI Policy. The CI Officer shall monitor the implementation of the CI Policy, and make periodic reports regarding its implementation to the MTA Executive Committee. The MTA Executive Committee shall recommend to the MTA Board of Directors such modifications in the Policy as it may from time to time deem appropriate.
- B. (1) If an MTA official believes that he or she may be engaged or about to become engaged in an activity that is prohibited by the CI Policy, he or she shall consult with the CI Officer. The MTA official and the CI Officer shall attempt to deal with the matter informally. If they are unable to do so, the CI Officer shall submit to the MTA official a written opinion indicating whether the activity in question is prohibited by the CI Policy, and, if so, what should be done to correct the situation.
(2) If the MTA official disagrees, in whole or in part, with the conclusions of the CI Officer, he or she may appeal to the MTA Executive Committee by filing a written notice of appeal with the MTA President within ten (10) calendar days after receiving the opinion of the CI Officer. The MTA Executive Committee shall decide the appeal as expeditiously as possible, and the decision of the MTA Executive Committee shall be final and binding. The MTA official shall comply with the opinion of the CI Officer pending the outcome of the appeal.
- C. (1) If an MTA member or employee believes that an MTA official had engaged following the date of the adoption of this policy, is engaged or is about to become engaged in an activity that is prohibited by the CI Policy, the member or employee may file a written complaint with the CI Officer. The complainant shall identify himself or herself to the CI Officer, but the CI Officer shall, if requested to do so by the complainant, treat the complaint as anonymous and not reveal the complainant’s name.
(2) Upon receiving a complaint, the CI Officer shall consult with the complainant and the MTA official in question. Based upon the information received from the complainant and the MTA official, and/or other relevant information, the CI Officer shall decide whether the MTA official is engaged or is about to become engaged in an activity that is prohibited by the CI Policy, and, if so, what should be done to correct the situation. The CI Officer shall submit to the MTA official and the complainant a written opinion setting forth his or her conclusions.
(3) If the MTA official disagrees, in whole or in part, with the conclusions of the CI Officer, he or

she may appeal to the MTA Executive Committee by filing a written notice of appeal with the MTA President within ten (10) calendar days after receiving the opinion of the CI Officer. The MTA Executive Committee shall decide the appeal as expeditiously as possible, and the decision of the MTA Executive Committee shall be final and binding. The MTA official shall comply with the opinion of the CI Officer pending the outcome of the appeal.

- D. In implementing the CI Policy, the CI Officer and the MTA Executive Committee shall consider all relevant factors, including the specific MTA responsibilities of the MTA official and the nature of the allegedly prohibited activity, and shall interpret and apply the CI Policy in a manner that furthers its intended purpose.

V. MISCELLANEOUS

- A. Nothing in the CI Policy shall be interpreted or applied to deprive an MTA official of any right that he or she may have under the MTA governing documents, a contract with MTA, or a statute. To the extent that the CI Policy is inconsistent with any such right, the right in the MTA governing document, contract with MTA, or statute shall take precedence.
- B. If a question arises as to whether the CI Officer or another member of the MTA Executive Committee may be engaged or about to become engaged in an activity that is prohibited by the CI Policy, the matter shall be dealt with by other members of the MTA Executive Committee.
- C. All information and documents involved in the implementation of the CI Policy shall be treated as confidential, and the CI Officer shall make such information and documents available to others only on an "as needed" basis.

VI. EFFECTIVE DATE AND AMENDMENT; DISTRIBUTION

- A. The CI Policy shall become effective on the date that it is adopted by the MTA Board of Directors, and shall supersede all prior MTA policies dealing with the same subject. The Board of Directors may amend the CI Policy from time to time as it deems appropriate.
- B. The CI Policy shall be posted on the MTA Website, and a copy of the Policy shall be distributed to all MTA officials, all candidates for MTA office, and all persons who become members of MTA committees or are otherwise designated to represent MTA.

Board of Directors: August 1996

Amended (re-write): August 2007