

New York State Bridge Authority Governance Committee Meeting Minutes of January 19, 2012

The New York State Bridge Authority's Governance Committee met at the Authority's Headquarters in Highland, New York, at 4:00 p.m. on January 19, 2012.

In addition to Governance Committee Chairman Richard Gerentine and Committee members Vane Lashua and Roger Higgins, those in attendance included:

Roderick Dressel
Joseph Ruggiero
Brian Bushek
Carl G. Whitbeck, Jr., Esq.
John R. Bellucci

Upon a motion made by Chairman Gerentine and seconded by Mr. Lashua, the minutes of the September 19, 2011 meeting were approved unanimously.

Mr. Bellucci noted that the Governance Committee complied with the requirements of the Charter. Governance Committee members have reviewed the Annual Report on Committee activities and upon a motion made by Chairman Gerentine, seconded by Mr. Higgins, the Annual Report on the Committee activities below was approved unanimously.

2011 Annual Report of the Governance Committee to the Board of the New York State Bridge Authority

Overview

The following report details the Governance Committee responsibilities and the activities performed to meet those responsibilities. This summary will serve as the Governance Committee self-evaluation of its own activities for 2011 as well as a report to the full Board of Commissioners. Where cited, the NYSBA web site is at www.nysba.net. Specific Charter requirements are listed below with the Committee's response in *italics*.

General Responsibilities

The Governance Committee Charter was adopted by the Board of the New York State Bridge Authority on 6/21/09 and revised in accordance with amendments made to the Public Authorities Law by Chapter 506 of the Laws of 2009.

In addition to discretionary actions, the Governance Committee is required to:

- Keep the Board informed of current best practices in corporate governance and review corporate governance trends for their applicability to the Authority;

- Recommending updates to the Authority’s corporate governance principles and governance practices;
- Advise those responsible for appointing members of the Board on the skills, qualities and professional or educational experiences necessary to be effective Board members;
- Examine ethical and conflict of interest issues;
- Perform board self-evaluations; and
- Recommend by-laws which include rules and procedures for conduct of Board business.

The governance committee shall make the following reports:

- Report to the Authority Board, at least annually, regarding any proposed changes to the governance charter, the governance guidelines, or the Authority Board bylaws.
- Provide a self-evaluation of the governance committee’s functions on an annual basis.
- Provide an examination of ethical and conflict of interest issues.

As the responsibilities of the Governance committee expand under revisions to the Public Authorities Law and directives from the Authority Budget Office (ABO), the Committee monitors those responsibilities and keeps the Board informed of applicable laws, regulations and practices regarding corporate governance.

The Governance Committee Charter has been reviewed and no changes have been recommended to date and no by-laws changes were recommended in 2011.

The Committee reviewed and recommended action on the following Authority policies to the Board of Commissioners:

- ♦ *Requirements regarding the Public Officers Law and the Oath of Office for NYSBA Employees*
- ♦ *Amend the Harassment Prevention Policy*
- ♦ *Adopt a new Employee Hiring Policy*
- ♦ *Adopt a new Applicant Reference Policy*
- ♦ *Adopt a new Employee Introductory Period Policy*
- ♦ *Adopt a new Employee Behavior Policy*
- ♦ *Amend the Workplace Violence Prevention Policy*
- ♦ *Revise the Physical Qualifications of Certain Drivers Policy*

The Committee also reviewed and revised the Mission Statement of the Authority and recommended its adoption by the full Board of Commissioners.

There were no ethical or conflict of interest issues brought to the committee.

The Governance Committee notes that the Board functions in a responsible and transparent manner. As a small Authority, all Board members are apprised of and may participate in all Board activities.

The role of the Governance Committee is evolving into one where the committee insures that the Board continues to meet the highest standards of transparency and accountability for its procedures and practices. The Committee generally deals with matters not in the purview of the Audit or Finance Committees and insures that the multiple requirements placed upon the Board by the Authority Budget Office and other regulatory authorities are met to the best of the Board's abilities.

Committee Meetings

The governance committee will meet a minimum of twice a year, with the expectations that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter.

In 2012, the Governance Committee met on January 20, February 17, April 21, May 19 and September 19.

Relationship to the Authority's Board

The Board has delegated to the governance committee the responsibility to review, develop, draft, revise or oversee policies and practices for which the governance committee has specific expertise, as follows:

Develop the Authority's governance practices. These practices should address transparency, independence, accountability, fiduciary responsibilities, and management oversight.

The Committee notes the following practices of the Authority:

- ♦ *the Authority meets the requirements for the "Posting and Maintaining Reports on Public Authority Web Sites";*
- ♦ *has implemented the suggestions of the NYS Office of Technology for web site content of public bodies and, in fact, has a well-developed and informative public web site;*
- ♦ *provides live webcasts all meetings, posts its annual schedule of web casts on the central NYS data base for public body web casts and maintains an archive of previously recorded meetings;*
- ♦ *keeps a log of Freedom of Information Requests (FOIL) that indicates 100% compliance with prompt and appropriate action;*
- ♦ *annually reviews the Authority's Mission Statement and Performance Measures;*
- ♦ *receives regular reports of management activities and provides appropriate guidance; and,*
- ♦ *approves all budgets, reports and fiscal actions in accordance with the policies and procedures of the Finance and Audit committees.*

Develop the competencies and personal attributes required of members of the Authority Board to assist those authorized to appoint such members in identifying qualified individuals.

The Committee plans to consider these guidelines in 2012.

Develop and recommend to the Authority Board an oath of office whereby members acknowledge that they understand their roles and fiduciary duties as Board members.

Board Members have received, reviewed and signed the “Acknowledgement of Fiduciary Duties and Responsibilities”.

Develop and recommend to the Authority Board the number and structure of committees to be created by the Board.

The Committee recommended no changes in 2011.

Develop and provide recommendations to the Authority Board regarding Board member education, including new member orientation and regularly scheduled Board member training to be obtained from state-approved trainers.

The Committee has provided Board Members with the ABO Webinar Training for Authority Board Members schedule.

Develop and provide recommendations to the Authority Board on performance evaluations, including coordination and oversight of such evaluations of the Board, its committees and senior management in the Authority’s governance process.

The Board executed the confidential Evaluation of Board Performance and reported the results to the ABO. The Board also annually reviews the Authority’s Mission Statement and Performance Measures to insure that the Authority meets the goals it has established.

Evaluation of the Authority’s Policies

The governance committee shall:

Develop, review on a regular basis, and update as necessary the Authority’s code of ethics, Board member code of ethics and written policies regarding conflicts of interest. Such codes of ethics and policies shall be at least as stringent as the laws, rules, regulations and policies applicable to state officers and employees.

The Authority Code of Ethics applies to all employees of the Authority, is posted on its website and is part of the policies and procedures of the Authority. Board Members are apprised of the NYS Ethics Commission “Ethics Guide for Unpaid State Officers” and file appropriate financial disclosures.

Develop and recommend to the Authority Board any required revisions to the Authority’s written policies regarding the protection of whistleblowers from retaliation.

The Committee made no recommendations in 2011.

Develop and recommend to the Authority Board any required revisions to the Authority’s equal opportunity and affirmative action policies.

The Committee notes that the Authority initiated an aggressive promotion of MWBE opportunities in 2011 and actively supports the Administration’s targets for MWBE procurement.

Develop and recommend to the Authority Board any required updates of the Authority's written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the Authority's procurement process.

Procurement guidelines have been reviewed and revised in 2011. The Authority utilizes its website to list and promote procurement opportunities. The Authority maintains full compliance with applicable parts of State Finance Law Section 139. Policies regarding procurement process disclosure and lobbying contact are in place.

Develop and recommend to the Authority Board any required updates on the Authority's written policies regarding the disposition of real and personal property.

The Authority's policy is posted on its web site. No changes were recommended.

Develop and recommend to the Authority Board any other policies or documents relating to the governance of the Authority, including rules and procedures for conducting business of the Board, such as the Authority's by-laws. The governance committee will oversee the implementation and effectiveness of the by-laws and other governance documents and recommend modifications as needed.

The Committee recommended no changes to the Authority By-Laws or policies other than those noted above.

Other Responsibilities

The governance committee shall:

Review on an annual basis the compensation and benefits for the Executive Director and other senior management.

The Board has reviewed a comprehensive Management Compensation Plan.

Annually review, assess and make necessary changes to the governance committee charter and provide a self-evaluation of the governance committee.

The Committee makes no recommendations for changes at this time and submits the annual report of the Committee to the Board as a self-review.

After noting the Annual Report, Mr. Bellucci reviewed the Authority Budget Office (ABO) Annual Board of Commissioners Self-Evaluation. Mr. Bellucci noted that he will follow the same procedure as last year to distribute and compile the confidential results. He will advise the Board prior to the information being sent to the ABO.

Upon a motion made by Chairman Gerentine and seconded by Mr. Higgins, Mr. Bellucci authorized to proceed with the Annual Board of Commissioners Self-Evaluation.

Having no other business, the meeting adjourned at 4:05 pm.