

New York State Bridge Authority Governance Committee Meeting Minutes of December 18, 2014

The New York State Bridge Authority's Governance Committee met at the Authority's Headquarters in Highland, New York, at 3:11 p.m. on December 18, 2014.

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

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

Upon a motion made by Chairman Gerentine and seconded by Mr. Higgins, the minutes of the February 20, 2014 meeting were approved unanimously.

Mr. Bellucci reviewed the Authority Budget Office (ABO) requirement for an Annual Board of Commissioners Self-Evaluation. Mr. Bellucci noted that he will 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 was authorized to proceed with the Annual Board of Commissioners Self-Evaluation.

Mr. Bellucci noted that committee members have reviewed the requirements of the Committee Charter and the Authority's Mission Statement and Performance Measurements and no changes are recommended at this time.

Mr. Bellucci also said that the Governance Committee members have reviewed the Annual Report on Governance Committee activities. Upon a motion made by Chairman Gerentine, seconded by Mr. Lashua, the Annual Report on the Governance Committee activities was approved unanimously and sent to the Board of Commissioners.

Having no other business, the meeting adjourned at 3:13 pm.

2014 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 2014 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 last revised in accordance with amendments made to the Public Authorities Law by Chapter 506 of the Laws of 2009 on June 17, 2010.

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;
- Recommend 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 By-Laws.
- Provide a self-evaluation of the governance committee's functions on an annual basis.
- Provide an examination of ethical and conflict of interest issues.

The responsibilities of the Governance committee continue under 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 and the By-Laws of the Authority have been reviewed and no changes have been recommended.

In addition, the Committee reviewed and recommended action on the following Authority policies to the Board of Commissioners:

- 1. The Committee reviewed and recommended to the Board the adoption of regulations regarding Fiber Optic Leasing.*
- 2. The Committee referred to the Board for further discussion consideration of a suspended license policy*

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 Authority made updates to its web site to enhance transparency in the Board's operations (noted below).

The role of the Governance Committee continues to insure that the Board meets 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 2014, the Governance Committee met on January 16, February 20 and December 18.

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 of all meetings and maintains an archive of previously recorded meetings;*

- ♦ *posts all committee and board agendas and appropriate supporting documentation to the web site in advance of public 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 continues its evaluation of these guidelines.

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 2014.

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 notes all Board Members have received training either by personal attendance or via the ABO Webinar Training for Authority Board Members.

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 and the NYSBA Code of Conduct. 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 Authority's Whistleblower Policy is part of the NYSBA Code of Conduct.

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 continued an aggressive promotion of MWBE opportunities in 2014, revised procurement policies accordingly 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 as necessary. The Authority utilizes its website to list and promote procurement opportunities as well as the Contract Reporter when appropriate. 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 and have been incorporated into the Authority's Code of Conduct. The Authority follows the requirements of Project Sunlight and has incorporated these requirements into the Authority's Code of Conduct.

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 governance policies in 2014.

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 reviews a comprehensive Management-Confidential Compensation Plan annually as well as the compensation of the Executive Director and Deputy Executive Director.

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.