



POLICY TITLE	Board Policy on Conflicts of Interest and Related Procedures
No. 201903-xx	
Effective Date	March 21, 2019

1. STATEMENT OF POLICY

Each member of the board of directors of the Regional Transportation Authority of Central Oklahoma (Authority) has a fiduciary obligation to act at all times in the best interests of the Authority. Directors should ensure that they do not use or be perceived as using their position with the Authority for private gain or to secure special privileges or exceptions for themselves or others. Directors should not knowingly receive, accept, take, seek, or solicit, directly or indirectly, any gift or loan for themselves or others if the gift or loan would tend to influence them in the discharge of their duties. Directors have a duty to identify and disclose any conflicts of interest that have or may arise, and to take steps to minimize the impact of such conflicts upon the Authority.

2. DEFINITIONS

- A. Conflict of Interest – An actual, potential, or apparent conflict of interest may exist in any circumstance that may compromise, or give the appearance that it may compromise, the ability of a director to make unbiased and impartial decisions on behalf of the Authority. Such circumstances may involve family relationships, business transactions, professional activities, or personal affiliations.
- B. Conflicting Interest Transaction – A conflicting interest transaction means a contract, transaction, or other financial relationship between the Authority and:
- A director of the Authority;
 - A family member of a director of the Authority; or
 - An entity in which the director is an officer, director, or has a financial interest.
- C. Business Relationship – A relationship in which a director or member of his or her family serves as an officer, director, employee, partner, trustee, or controlling shareholder of an organization that does substantial business with the Authority.

- D. Family Member – A spouse, children (including stepchildren), mother, father, sister, or brother.
- E. Material Financial Interest – When a director or member of his or her family (1) has an ownership interest in a private business for which the director or his or her family member is an officer, director, owner, manager, employee, or agent or any private business in which the director or his or her family member owns or has owned stock, another form of equity interest, stock options, debt instruments, or has received dividends or income worth Twenty Thousand Dollars (\$20,000.00) or more at any point during the preceding calendar year; or (2) is the actual or beneficial owner of five percent (5%) or more of the voting stock or controlling interest in a publicly traded corporation that does substantial business with the Authority; (3) an ownership interest in a publicly traded corporation or other business entity from which dividends or income, not to include salary, of Fifty Thousand Dollars (\$50,000.00) or more were derived during the preceding calendar year by the director or his or her family member; or (4) an interest that arises as a result of the director's or his or her family member's service as an officer or director of a publicly traded corporation or other business entity at any time during the preceding calendar year; or (5) any sources of income derived from employment, other than compensation pertaining to the office for which the director or his or her family member holds, in the amount of Twenty Thousand Dollars (\$20,000.00) or more by the director or his or her family member.

3. APPLICABLE PROCEDURES UNDER THE POLICY

A. Disclosure

The board of directors requires directors to fully disclosure all actual or potential conflicts of interest. All directors are required to file an annual Conflict of Interest Disclosure Form disclosing the substantive relationships that they or members of their families maintain with organizations that do business with the Authority or that could be construed to potentially affect their independent, unbiased judgment. Directors must continuously update during the year any actual or potential conflicts of interest that may arise.

B. Process of Identification

The secretary of the board will collect Conflict of Interest Disclosure Forms from all directors each year at the first director meeting of the fiscal year and from all new directors at the time of their appointment. The secretary will review each disclosure form for actual or potential conflicts of interest, including, but not limited to, the following factors:

- 1) A conflicting interest transaction that is likely to have a direct and predictable effect on the material financial interests of the director or of his or her family member.
- 2) A conflicting interest transaction involving a person with whom the director or his or her family member has a business relationship and the business organization is a party to or represents a party in a matter before the Authority.

- 3) A conflicting interest transaction where a director, or a member of his or her family, or an entity in which the director is an officer, director, or has a financial interest receives, accepts, takes, seeks, or solicits, directly or indirectly any gift or loan from the Authority for themselves or others.
- 4) A loan made directly or indirectly by the Authority to a director, or a member of his or her family, or an entity in which a director or family member has any ownership, management right, or financial interest.
- 5) Solicitation or acceptance of gifts, gratuities, free travel, or other items of value by a director or a member of his or her family that could create the appearance of a conflict or an expectation of special treatment in the Authority matters. Notwithstanding the foregoing, a director or member of his or her family may accept meals having a nominal value defined as an aggregate market value of Twenty Dollars (\$20.00) or less per occasion, provided that the aggregate market value of individual gifts received from any individual or other entity does not exceed Fifty Dollars (\$50.00) during any calendar year.
- 6) Situations where a director may be divided between personal interests or the interests of another organization and the best interests of the Authority.
- 7) Engagement in business, professional conduct, or other activities that may be directly or indirectly adverse to the interests of the Authority.
- 8) Any arrangements in which a director provides goods or services to the Authority as a paid vendor or outside service-provider.
- 9) Any other circumstance that would cause a reasonable person with knowledge of the relevant facts to question the director's impartiality in a matter before the Authority.

The secretary may request additional information from any director at any time. While an individual's relationships or activities are under review, the individual may not deliberate, debate, or vote on any matter under consideration at a board or committee meeting about which the director may have a conflict of interest.

C. Resolution of Conflict of Interest

When the secretary or board of directors identifies an actual, potential, or apparent conflict of interest, it must take one of the following actions to resolve such conflict:

- *Waive* the conflict of interest as unlikely to affect the director's ability to act in the best interests of the Authority; or
- *Recuse* the individual director from deliberation or decision-making related to the specific matter giving rise to the conflict and require the director to leave at the time of the discussion and vote.

The board of directors has final authority over the resolution of all conflicts of interest involving a director and may overrule any decision of the secretary. The conflict and the resolution thereof must be reflected in the minutes of the board or committee proceeding.

D. Authorizing Prohibited Transactions

A transaction otherwise prohibited by this policy may be permitted if the material facts as to the director's relationship or interest as to the conflicting transaction, gift, or loan are disclosed to the board of directors and the board in good faith authorizes, approves, or ratifies the conflicting interest transaction, gift, or loan.

4. RELATED DOCUMENTS

- Conflict of Interest Disclosure Form

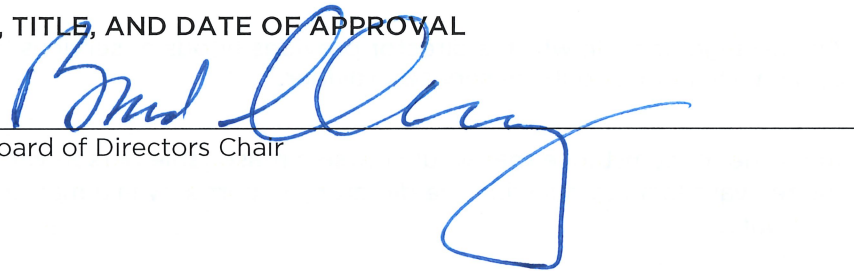
5. HISTORY

Date of Last Action	Action Taken	Authorizing Entity
March 21, 2019	Conflict of Interest Policy Adopted	Board of Directors

6. SIGNATURE, TITLE, AND DATE OF APPROVAL

Approved:

Board of Directors Chair





REGIONAL TRANSPORTATION AUTHORITY

BOARD OF DIRECTORS CONFLICT OF INTEREST DISCLOSURE FORM

1. ANNUAL DISCLOSURE REQUIREMENT

To comply with Regional Transportation Authority's Board Policy on Conflicts of Interest, directors and officers must disclose certain family and/or business relationships on an annual basis by completing this form. Disclosures help the Authority identify and manage potential or perceived conflicts of interest consistent with best governance practices, and applicable regulations and law.

2. DEFINITIONS

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- E. Material Financial Interest – When a director or member of his or her family (1) has an ownership interest in a private business for which the director or his or her family member is an officer, director, owner, manager, employee, or agent or any private business in which the director or his or her family member owns or has owned stock, another form of equity interest, stock options, debt instruments, or has received dividends or income worth Twenty Thousand Dollars (\$20,000.00) or more at any point during the preceding calendar year; or (2) is the actual or beneficial owner of five percent (5%) or more of the voting stock or controlling interest in a publicly traded corporation that does substantial business with the Authority; (3) an ownership interest in a publicly traded corporation or other business entity from which dividends or income, not to include salary, of Fifty Thousand Dollars (\$50,000.00) or more were derived during the preceding calendar year by the director or his or her family member; or (4) an interest that arises as a result of the director's or his or her family member's service as an officer or director of a publicly traded corporation or other business entity at any time during the preceding calendar year; or (5) any sources of income derived from employment, other than compensation pertaining to the office for which the director or his or her family member holds, in the amount of Twenty Thousand Dollars (\$20,000.00) or more by the director or his or her family member.

3. DISCLOSURES

Please provide the information request below for the period from July 1, 2018 through March 21, 2019 and provide information for any instances where you anticipate entering into transactions or other arrangements covered by this Disclosure Form. If you have nothing to disclose in response to a particular section, please write "N/A" in that section. Attach additional pages, if necessary, to respond fully.

Your name:

Your business/employer, any titles:

- A. Are you or a family member a director, officer, employee, or owner in any entity that currently conducts business with the Authority; that has conducted business with the Authority within the past 12 months; or that anticipates conducting business with the Authority during the upcoming 12 months?

YES _____ NO _____

If the answer to the above question is YES, please list the name of the entity; the position or office that you hold with the entity; the nature of the business conducted with the organization; and the approximate dollar amount received by the entity from the Authority during the past 12 months.

Please explain the nature of your compensation or other financial arrangements (if any) with such business or entity as it relates to compensation received by you or a family member (directly or indirectly) from any business relationship with the Authority.

- B. Are you or a family member in a business relationship with a person or entity that is a party to a contract, transaction, or other financial relationship, or represents a party that has a contract, transaction, or other financial relationship with the Authority within the past 12 months; or that anticipates conducting business with the Authority during the upcoming 12 months?

YES _____ NO _____

If the answer to the above question is YES, please list the name of the person or entity; the nature of the business conducted with the person or entity; and the approximate dollar amount received by the entity from the Authority during the past 12 months.

Please explain the nature of your compensation or other financial arrangements (if any) with such person or entity as it relates to compensation received by you or a family member (directly or indirectly) from any business relationship with the Authority.

- C. Within the previous 12 months, have you received, directly or indirectly, any payments, loans, services, entertainment, travel, or gifts of more than nominal value from any individual or business doing or seeking to do business with the Authority?

YES _____ NO _____

If the answer to the above question is YES, please describe the types of payments, loans, services, entertainment, travel, or gifts of more than nominal value that you have received (including dollar values, where applicable).

D. Within the previous 12 months, have either you, a family member, or any organization with which you are affiliated as an officer, director, trustee, majority owner or principal beneficiary, directly or indirectly engaged in any of the following with the Authority:

- a. Sold, exchanged or leased property to the Authority: YES _____ NO _____
- b. Lent money or other extension of credit: YES _____ NO _____
- c. Been paid compensation by the Authority or reimbursement of expenses if more than \$1,000 (excluding reimbursements for travel on Authority business): YES _____ NO _____
- d. Received any part of your income or assets from the Authority: YES _____ NO _____

If YES to any of the above, please describe:

E. Within the previous 12 months, did you directly or indirectly exert influence over any person or entity doing or seeking to do business with the Authority that was intended to result in your personal financial gain?

YES _____ NO _____

If YES, please describe:

F. Are you or a family member currently engaged in a business, professional conduct, or other activities that may be directly or indirectly adverse to the interests of the Authority?

YES _____ NO _____

If the answer to the above question is YES, please describe the business, professional conduct, or other activities.

- G. Are you or a family member currently being compensated by the Authority for any services rendered to the organization, or have you been compensated by the Authority within the previous 12 months for any services rendered to the organization?

YES _____ NO _____

If the answer to the above question is YES, please indicate the dollar amount of the compensation received and the type of services rendered in exchange for the compensation received.

- H. Do you or a family member anticipate receiving any compensation from the Authority in exchange for rendering services to the Authority during the upcoming 12 months?

YES _____ NO _____

If the answer to the above question is YES, please indicate the estimated dollar amount of the compensation and the type of services to be rendered in exchange for the anticipated compensation.

- I. Are you aware of any other circumstance involving you or a family member that might cause a reasonable person with knowledge of the relevant facts to question your impartiality in a matter before the Authority?

YES _____ NO _____

If the answer to the above question is YES, please describe the circumstance.

4. ANNUAL STATEMENT

I certify that the above statements are true to my knowledge. I will notify the board chair and corporate secretary if any of the above information changes or if I become aware of any actual or potential conflict of interest or the appearance of a conflict of interest.

Printed Name: _____

Signature: _____

Date: _____