

RESOLUTION NO. 1990- 28

ADOPTING A CODE OF ETHICS FOR THE
GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

WHEREAS, it is important to the successful operation and administration of the Authority that Board members, officers and employees be and give the appearance of being independent and impartial; that service to and employment by the Authority not be used for private benefit; and

WHEREAS, it is essential that the public have confidence in the integrity of the Authority;

WHEREAS, the public interest requires that the Greater Cleveland Regional Transit Authority protect against conflicts of interest by establishing standards with respect to the conduct of its Board members, officers, and employees;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the Greater Cleveland Regional Transit Authority Code of Ethics, a copy of which is attached hereto, and fully incorporated as if written herein, is adopted and approved by the Board of Trustees.


Section 2. That the General Manager/Secretary-Treasurer is hereby authorized and directed to implement administrative procedures necessary to administer this Code of Ethics.

Section 3. That the standards established in this Code of Ethics shall not preclude other more stringent standards or limit compliance with applicable Federal and State laws governing the conduct of Greater Cleveland Regional Transit Authority Board members, officers, and employees.

Section 4. That this resolution shall become effective immediately upon its adoption.

Adopted: March 6, 1990

Attest:



General Manager/Secretary-Treasurer

President

THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

CODE OF ETHICS

February 20, 1990

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CODE OF ETHICS FOR TRUSTEES, OFFICERS, AND EMPLOYEES
OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

1.0 PURPOSE AND SCOPE

It is essential to the proper administration and operation of the Greater Cleveland Regional Transit Authority (GCRTA) that its Board of Trustees, Officers, and employees be and give the appearance of being independent and impartial; that service to and employment by the GCRTA not be used for private benefit; and that the public have confidence in the integrity of the GCRTA as a public agency.

In recognition of these goals the GCRTA has adopted this Code of Ethics which is applicable to all members of the Board of Trustees, Officers and employees of the GCRTA as defined herein. The purpose of this Code is to establish standards of ethical conduct applicable to the GCRTA Board of Trustees, Officers and employees in the discharge of their official duties by prescribing essential restrictions against conflicts of interest and other conduct not consistent with good ethical practices without creating unnecessary barriers to public service.

2.0 LEGAL REFERENCES

There are numerous federal and state laws, rules and regulations which govern the conduct of public officers and employees. It is required that all Board Members, Officers and employees comply with the applicable provisions of federal and state law, and all other applicable rules and regulations governing the conduct of public officials, including but not limited to the Ohio Ethics Law (Chapter 102 O.R.C.) and Offenses against Justice and Public Administration (Chapter 2921 O.R.C.) The standards in this Code shall not preclude other more stringent standards required by law. Nothing in the Code of Ethics shall be construed to limit full

compliance with applicable federal and state laws and applicable rules and regulations governing the conduct of public officials now existing or hereinafter enacted.

Certain sections of this Code of Ethics are derived from provisions of state law governing public officials. References to state statutes are intended to advise GCRTA personnel of those statutes which may provide penalties in the event of violation. References to these statutes are not intended to incorporate them into this Code of Ethics. The criminal and civil penalties contained in these statutes and the procedural and evidentiary standards are considered to be independent of this Code of Ethics. Any penalty imposed under this Code is independent of any penalty that may be imposed under state law.

It is further recognized that certain professional employees of the GCRTA, including but not limited to attorneys, accountants, architects, and engineers may be subject to codes of professional conduct as members of their respective professions. Nothing contained herein shall be construed to limit full compliance with those applicable Codes of Professional Conduct to GCRTA professional employees.

3.0 AVOIDANCE OF THE APPEARANCE OF IMPROPRIETY

All members of the Board of Trustees, Officers and employees should conduct their official duties with integrity and impartiality and in a manner that avoids even the appearance of impropriety or a conflict of interest between public duties and private interests.

No Board Member, Officer, or employee shall by his conduct or participation in activities outside of his employment give reasonable basis for the impression that any person can improperly influence him or unduly enjoy his favor in the performance of his official acts or actions, or that he is affected in the performance of his official acts or actions unduly by the kinship, rank, or association with any person.

4.0 DEFINITIONS

As used in this Code, the singular includes the plural, and the plural includes the singular, words of one gender include the other genders, words in the present tense include the future. The following words or phrases shall be construed to have the following meaning unless the context otherwise requires.

As used in this Code:

A. "Anything of value" means:

- (1) Money, bank bills or notes, United States treasury notes, and other bills, bonds, or notes issued by lawful authority and intended to pass and circulate as money;
- (2) Goods and chattels;
- (3) Promissory notes, bills of exchange, orders, drafts, warrants, checks, or bonds given for the payment of money;
- (4) Receipts given for the payment of money or other property;
- (5) Rights in action;
- (6) Things which savor of the realty and are, at the time they are taken, a part of the freehold, whether they are of the substance or produce thereof or affixed thereto, although there may be no interval between the severing and taking away;
- (7) Any interest in realty, including fee simple and partial interests, present and future, contingent or vested interests, beneficial interests, leasehold interests, and any other interest in realty;

(8) Any promise of future employment;

(9) Every other thing of value. (Ref: 1:03 O.R.C.; 102.01(G) ORC)

B. "Board Member" means a member of the Board of Trustees of the Greater Cleveland Regional Transit Authority.

C. "Beneficial interest" means any ownership by the Board Member, Officer, or employee or a member of his immediate family or a business the Board Member, Officer or employee is associated with.

D. "Benefit" means anything regarded as economic gain or economic advantage, including benefit to any other person in whose welfare the beneficiary is interested.

E. "Business" includes but is not limited to mean any corporation, partnership, sole proprietorship, firm, enterprise, franchise association, organization, self employed individual, consultant, holding company, joint stock company, receivership, trust, labor organization, union, or any legal entity organized for profit or nonprofit.

F. "Confidential Information" means any information concerning the GCRTA that is (1) not a matter of public knowledge (2) exempt from public inspection and copying (3) legally required to be kept confidential by the GCRTA.

G. "Compensation" means money, thing of value or financial benefit. It also means payment in any form of real or personal property conferred on or received by a person to whom this Code of Ethics is applicable in return for services rendered or to be rendered by himself or another. (Ref: 102.01(A) ORC) Compensation does not include reimbursement for actual and necessary expenses incurred in the performance of official duties. (Ref: 102.01(A) ORC)

H. "Contract" means any agreement with the GCRTA expressed or implied, executed or executory, oral or written for the purchase or acquisition of property or services by or for the use of the GCRTA or any agreement for the design, construction, alteration repair or maintenance of any GCRTA property or property interest. (Ref: 2921342(E) ORC)

I. "Employee" means any person holding a supervisory, managerial, administrative or professional position in the service of the GCRTA. Employee shall also mean any other person employed by the GCRTA whom the Board or the General Manager determines shall be subject to this Code of Ethics. The term "employee" does not include officers or employees of independent contractors used by the GCRTA.

J. "Employment" means rendering of service for pay.

K. "GCRTA" means the Greater Cleveland Regional Transit Authority.

L. "Gift" means a voluntary transfer of real or personal property of any kind or the voluntary rendition of services of any kind without consideration of equal or greater value, but not including:

- (a) Any symbolic presentation, the nature of which is not to financially benefit the recipient;
- (b) Any reasonable hosting, including travel expenses, entertainment, meals or refreshments furnished in connection with appearances, ceremonies and occasions reasonably relating to official GCRTA business if furnished by the sponsor of such public event;
- (c) Relatively inexpensive items of personal property of less than \$25 in value such as a calendar, a box of candy or bouquet of flowers which are clearly being given as a simple act of human kindness, thoughtfulness and appreciation.

M. "Immediate Family" shall mean grandparents, parents, spouse, children whether dependent or not, grandchildren, brothers and sisters and any person related by blood or marriage or any person residing in the same household.
(Ref: 2921.42 ORC; 102.01(D) ORC)

N. "Officer" means any person selected by or from the membership of the Board of Trustees as authorized by the GCRTA Bylaws. Officer also includes the General Manager and Secretary-Treasurer.

O. "Official Act or Action" means any administrative, appointive or discretionary act of the GCRTA, its Board Members, Officers, or employees.

P. "Participate" means to take part in official acts or actions or proceedings as a Board Member, Officer, or employee through vote, approval, disapproval, decision, recommendation, rendering advice, investigation or failure to act or perform a duty or other substantial exercise of administrative discretion.

Q. "Person" means any individual, business, labor organization, representative, fiduciary, trust, or association, whether paid or unpaid and includes any Board Member, Officer or employee of the GCRTA.

R. "Property" means any property, whether real or personal, tangible or intangible, and includes currency and commercial paper.

5.0 STANDARDS OF CONDUCT

5.1 Conflict of Interests - Disclosure Requirement

No member of the Board, Officer or employee of the GCRTA, whether paid or unpaid, shall engage in any business or transaction or have a financial or personal interest, direct or indirect, which is incompatible with the proper discharge of his official duties in the public

interest or which would tend to impair his independence of judgment or action in the performance of his official duties, without first making a public disclosure thereof and then abstaining from voting thereon or from making a decision related thereto. Personal, as distinguished from financial interest, includes an interest arising from blood or marriage relationships or close business or political association.

5.2 Disclosure of Confidential Information

No member of the Board of Trustees, Officer or employee of the GCRTA shall disclose or use, without appropriate authorization, any information acquired by him in the course of his official duties which is confidential because of statutory provisions, or which has been clearly designated to him as confidential when such confidential designation is warranted because of the status of the proceedings or the circumstances under which the information was received and preserving its confidentiality is necessary to the proper conduct of Authority or government business. (Ref: 102.03(B) ORC)

5.3 Gifts, Favors and Other Things of Value

No Board Member, Officer or employee shall use or authorize the use of his office or employment to secure anything of value or the offer or promise of anything of value that is of such a character as to manifest a substantial and improper influence on him with respect to his duties. (Ref: 102.03(D) ORC)

In addition, no Board Member, Officer or employee shall:

1. Solicit, accept or agree to accept anything of value that is of such a character as to manifest a substantial and improper

influence upon him with respect to his duties. (Ref: 102.03(E) ORC)

2. Solicit, accept or agree to accept any benefit as consideration for the Board Member's, Officer's or employee's decision, opinion, recommendation, vote or other exercise of discretion as a public servant.
3. Solicit, accept or agree to accept any benefit as consideration for a violation of a duty imposed by law on the Board Member, Officer or employee.
4. Solicit, accept or agree to accept any benefit from a person the Board Member, Officer or employee knows is interested in or likely to become interested in any GCRTA contract or transaction.
5. Use his or her official position or employment, or GCRTA's facilities, equipment or supplies for personal use or to obtain or attempt to obtain private gain or advantage.

5.4 Incompatible Employment

1. No Board Member, Officer or employee shall engage in or accept private employment or render service for private interests when such employment or service is incompatible with the proper discharge of his official duties or would tend to impair his independent judgment or action in the performance of his official duties.
2. No Board Member, Officer or employee shall represent private interests in any action or proceedings against the interest of the GCRTA in any manner in which the GCRTA is a party.
3. No present or former Board Member, Officer or employee shall during his public employment or service or for twelve months thereafter, represent a client or act in representative capacity for any person on any matter in which he personally participated as a public official or employee through decision, approval,

disapproval, recommendation, the rendering of advice, investigation, or other substantial exercise of legislative or administrative discretion. (Ref: 102.03(A) ORC)

5.5 Nepotism

No Board Member, Officer or employee of the GCRTA with the authority to directly appoint or hire GCRTA personnel whether such authority is granted by statute or delegated by the Board to the General Manager, shall exercise that authority in favor of persons in the immediate family of any GCRTA Board Member or of the Officer or employee exercising such authority.

This provision shall not apply to those persons appointed through competitive examination.

This provision shall not prevent the retention or advancement of any person who has been continuously employed in his position prior to the appointment of the Board Member, Officer or employee in the immediate family of such person; provided, however, that the Board Member, Officer or employee related to that person shall not participate in any deliberation, voting, or appointment process directly related to that person.

In order to avoid even the appearance of nepotism, no Board Member, Officer or employee shall conduct a performance evaluation of, ~~or participate in disciplinary action for~~, a member of his immediate family. Any employee shall disclose such a conflict to the General Manager who will designate an appropriate person to conduct a fair and impartial evaluation.

5.6 Financial Disclosure
Board Members

All Board Members shall file a financial disclosure statement with the Ohio Ethics Commission on a form to be provided by the Ethics Commission which complies with the requirements of the Ohio Ethics Law. (Chapter 102 O.R.C.)

Board Members, who may also be elected officials, legally required to file financial disclosure statements with the Ohio Ethics Commission, shall have met their obligations under this section when such disclosure statement has been filed and shall not be required to file a duplicate statement.

Employees

The General Manager and Secretary-Treasurer shall file a Financial Disclosure Statement with the Director of Internal Audit, a copy of which shall be provided to the President of the Board of Trustees.

The following employees shall file a Financial Disclosure Statement with the General Manager and Secretary-Treasurer: the Deputy General Manager, and Assistant General Managers, Department Heads who report to the General Manager, the Director of Internal Audit and any other employee whose job duties the General Manager determines from time to time should require the filing of a Financial Disclosure Statement to avoid the appearance of impropriety.

Employees who fail to file the required financial disclosure statement shall be subject to disciplinary action.

Financial Disclosure Statement

The Financial Disclosure Statement required by GCRTA employees

shall be on a form to be provided that contains the following information:

(a) The name of the individual filing, his or her spouse and dependent children, and the names under which the individual does business;

(b) Identification of all sources of income over \$500, and a description of the services for which the income was received;

(c) Identification of investments of over \$5000, or businesses in which the individual holds an office or has a fiduciary relationship;

(d) A list of real estate interests owned by the individual located in Cuyahoga County (not including personal residence or real estate used primarily for personal recreation);

(e) The name and instrument of debt of all debts in excess of \$5,000 owed by the reporting individual, as well as the name and instrument of debt of all debts in excess of \$5,000 owed to the reporting individual, but only if the creditor or debtor, respectively, or any guarantor of the debt, has done work for or business with GCRTA in the preceding calendar year. Debt instruments issued by financial institutions whose normal business includes the making of loans of the kind received by the reporting individual and which are made at the prevailing rate of interest and other terms and conditions standard for such loans at the time the debt was contracted, need not be disclosed. Debt instruments issued by publicly held corporations, and purchased by the reporting individual on the open market at the price available to the public need not be disclosed.

(f) A list of all sources of gifts worth more than \$500 received during the preceding year, excluding gifts received from parents or grandparents, and distributions from a trust established by a spouse or ancestor.

Filing of Financial Disclosure Statements

All Board Members shall certify to the General Manager and Secretary-Treasurer by March 1 of each year whether they have filed the required Financial Disclosure Statement with the Ohio Ethics Commission.

The Financial Disclosure Statement required by GCRTA employees shall be filed in the following manner:

- (1) The statement shall be notarized and filed with the Secretary-Treasurer no later than March 1 of each year.
- (2) The statement shall be on a form provided by the General Manager and Secretary-Treasurer and is to be filed by each and every employee listed herein pursuant to this section, whether or not any gifts, salaries, wages or commissions are in fact received and accepted, and in the event that no gifts, salaries, wages or commissions are in fact received or accepted that would be reportable, the statement shall so state.
- (3) The notarized statement shall remain in the Secretary-Treasurer's office as a matter of public record for five years.

6.0 ETHICS ADVISORY OPINIONS

Board Members, Officers or employees seeking further interpretation of this Code of Ethics as it applies to specific factual situations may seek advisory opinions from the Ohio Ethics Commission or from the Assistant General Manager - Legal for the GCRTA. The Assistant General Manager - Legal may, in his discretion, submit any question presented to him to the Ohio Ethics Commission.

However, the Assistant General Manager - Legal shall under no ~~circumstances owe a professional duty to the individual Board Member, Officer, or employee seeking such an opinion.~~ The issuance of advisory opinions shall not establish an attorney-client relationship between the Assistant General Manager - Legal and the GCRTA Board Member, Officer, or employee with regard to the subject matter of the request.

All GCRTA Board Members, Officers and employees fall within the substantive conflict of interest provisions of Chapter 102 and Sections 2921.42 and 2921.43 of the Ohio Revised Code and are subject to

- (1) The statement shall be notarized and filed with the Secretary-Treasurer no later than March 1 of each year.
- (2) The statement shall be on a form provided by the General Manager and Secretary-Treasurer and is to be filed by each and every employee listed herein pursuant to this section, whether or not any gifts, salaries, wages or commissions are in fact received and accepted, and in the event that no gifts, salaries, wages or commissions are in fact received or accepted that would be reportable, the statement shall so state.
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6.0 ETHICS ADVISORY OPINIONS

Board Members, Officers or employees seeking further interpretation of this Code of Ethics as it applies to specific factual situations may seek advisory opinions from the Ohio Ethics Commission or from the Assistant General Manager - Legal for the GCRTA. The Assistant General Manager - Legal may, in his discretion, submit any question presented to him to the Ohio Ethics Commission.

However, the Assistant General Manager - Legal shall under no ~~circumstances owe a professional duty to the individual Board Member, Officer, or employee seeking such an opinion.~~ The issuance of advisory opinions shall not establish an attorney-client relationship between the Assistant General Manager - Legal and the GCRTA Board Member, Officer, or employee with regard to the subject matter of the request.

All GCRTA Board Members, Officers and employees fall within the substantive conflict of interest provisions of Chapter 102 and Sections 2921.42 and 2921.43 of the Ohio Revised Code and are subject to

investigation by the Ohio Ethics Commission for alleged violations of these provisions. All Board Members, Officers and employees are encouraged to contact the Ohio Ethics Commission concerning the applicability of these sections of the Ohio Revised Code.

7.0 VIOLATION OF THE CODE OF ETHICS

7.1 Board Members and Officers

Any person who has any information that indicates a Board Member may have violated provisions of the Ohio Ethics Law should provide that information to the Ohio Ethics Commission who may conduct a confidential investigation to determine whether there is misconduct that falls within the jurisdiction of the Ohio Ethics Law. The Ohio Ethics Commission may conduct an appropriate investigation and proceed as it is required to do by law or take any other action it feels appropriate.

7.2 Employees

The General Manager or other authorized GCRTA official may impose such sanctions and penalties against an employee who is found to have violated this Code as may be appropriate, including official reprimand, suspension or dismissal from employment. All disciplinary action shall be consistent with the GCRTA Personnel policies and procedures.

7.3 Contractors

Any business contracting with GCRTA which offers, confers or

agrees to confer any benefit as consideration for a Board Member's, Officer's or employee's decision, opinion, recommendation, vote or other exercise of discretion as a public servant or in exchange for the Board Member's, Officer's or employee's having exercised his official powers or performed his official duties or which participates in the violation of any provision of this Code may have its existing GCRTA contracts terminated and may be excluded from future business with GCRTA for a period of time determined by the GCRTA Board of Trustees. These determinations shall be made by the Board of Trustees of GCRTA or its designee in accordance with procedural requirements governing the suspension and debarment of contractors. ~~All bid documents and contracts issued by the GCRTA shall contain a provision advising a prospective bidder and contractor of this section.~~

8.0 EFFECTIVE DATE

The effective date of this Code of Ethics shall be the date of adoption by the Board of Trustees.

The propriety of any official act or action taken by a transaction involving any Board Member, Officer or employee prior to the effective date of this Code shall not be affected by the enactment of this Code.

9.0 AMENDMENTS AND PERIODIC REVIEW

9.1 Periodic Review

This Code will not be subject to any scheduled review but shall remain in full force and effect until modified or amended by the Board of Trustees.

9.2 Amendments

Any amendment or revision to this Code must be approved by the Board of Trustees. Consideration of an amendment or revision may be initiated by any Board Member, the General Manager or the Director of Internal Audit.

February 8, 1990