

RESOLUTION NO. 2019-24

AMENDING ARTICLE VIII, SECTIONS 5 AND 6 OF THE BYLAWS OF THE  
GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

WHEREAS, the Board of Trustees of the Greater Cleveland Regional Transit Authority ("Board") established bylaws ("Bylaws") for the Greater Cleveland Regional Transit Authority ("Authority") on May 25, 1976 pursuant to Resolution No. 1976-178; and

WHEREAS, the Bylaws have been amended from time to time, most recently in 1999;  
and

WHEREAS, in July, 2018, the Board established an Ad Hoc Bylaws Review Committee ("Committee") that has been meeting periodically since that time to conduct a comprehensive review of the Bylaws; and

WHEREAS, the Committee has recommended amendments to Article VIII, Sections 5 and 6 of the Bylaws that would enhance the independence of the Executive Director of Internal Audit; and

WHEREAS, the Audit, Safety Compliance and Real Estate Committee has considered and approved the recommendation; and

WHEREAS, the Board wishes to adopt the recommendation.

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

Section 1. That Article VIII, Section 5 is hereby amended to read as follows:

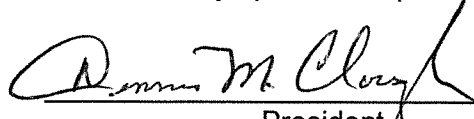
**Sec. 5. Internal Audit Department.** Notwithstanding any other provision of these Bylaws, the Board shall maintain an Internal Audit Department, led by an Executive Director of Internal Audit, who shall report functionally to the President of the Board of Trustees and administratively to the General Manager. The Board of Trustees shall review and approve the Internal Audit Charter and audit plan. The Executive Director of Internal Audit shall also respond to requests for assistance from the General Manager, so long as those requests are not inconsistent with the Executive Director's responsibilities to the Board.

Section 2. That Article VIII, Section 6 is hereby amended to read as follows:

**Sec. 6. Personnel Decisions regarding Executive Director of Internal Audit.** All personnel decisions regarding the Executive Director of Internal Audit, including, but not limited to, hiring, evaluation, firing, promoting, demoting and salaries, shall be made by the Board.

Section 3. That this resolution shall become effective immediately upon its adoption.

Adopted: February 19, 2019

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
Interim CEO, General Manager/Secretary-Treasurer





<b>TITLE/DESCRIPTION:</b>  AMENDING ARTICLE VIII, SECTIONS 5 AND 6 OF THE BYLAWS OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY	<b>Resolution No.:</b> 2019-24
	<b>Date:</b> February 14, 2019
	<b>Initiator:</b> Internal Audit
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This resolution will amend Article VIII, Sections 5 and 6 of the Bylaws ("Bylaws") of the Greater Cleveland Regional Transit Authority ("Authority").
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Bylaws were adopted on May 25, 1976, pursuant to Resolution No. 1976-178 and have been amended from time to time, most recently in 1999. The Ad Hoc Bylaws Review Committee ("Committee") of the Board of Trustees ("Board") has met periodically since July 2018 to review the Bylaws and discussed revisions that might be needed. The work of the Committee is ongoing. As a result of the review, the Committee recommended amendments to Article VIII, Sections 5 and 6 to enhance the independence of the Executive Director of Internal Audit.  
  
 The recommendation was considered by the Audit, Safety Compliance and Real Estate Committee and has been referred to the Board of Trustees for action.
- 3.0 **PROCUREMENT BACKGROUND:** Does not apply.
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** Does not apply.
- 5.0 **POLICY IMPACT:** Adoption of the resolution will result in a more effective management structure for the Board of Trustees and the Authority.
- 6.0 **ECONOMIC IMPACT:** Does not apply.
- 7.0 **ALTERNATIVES:** Not adopting this resolution. Not adopting this resolution would result in the Internal Audit Department not being in conformance with the Institute of Internal Auditors professional standards.
- 8.0 **RECOMMENDATION:** It is recommended that this resolution be adopted.
- 9.0 **ATTACHMENT:** A. Redline copy of revisions to Article VIII, Sections 5 & 6

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

# Attachment A

## ARTICLE VIII Administration and Employment

**Sec. 5. Internal Audit Department.** Notwithstanding any other provision of these Bylaws, the Board shall maintain an Internal Audit Department, led by an Executive Director of Internal Audit, who shall report functionally to the President of the Board of Trustees and administratively to the General Manager. The Board of Trustees shall review and approve the Internal Audit Charter and audit plan. The Executive Director of Internal Audit shall also respond to requests for assistance from the General Manager, so long as those requests are not inconsistent with the Executive Director's responsibilities to the Board.

**Sec. 6. Personnel Decisions regarding Executive Director of Internal Audit.** All personnel decisions regarding the Executive Director of Internal Audit, including, but not limited to, hiring, evaluation, firing, promoting, demoting and salaries, shall be made by ~~the General Manager only after consultation with and approval of the Board.~~ (Res. 1988-38. Passed 2-16-88.)

**Sec. 7. Personnel Provisions; Fringe Benefits.** Except as above provided, office hours, hours of work, holidays, vacations, sick leave, payment in lieu of vacation or sick leave, military leave, funeral attendance, leave of absence without pay, medical insurance, jury duty and reimbursement of expenses shall be established by the General Manager. (Res. 1988-38. Passed 2-16-88.)