

# CODE OF **ETHICS**



**Adopted by the MTA Board March 2007**

## Introduction

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The Metropolitan Transportation Authority provides services to more than eight million customers a day, each one of whom expects a high standard of service. As Employees of the MTA, you are entrusted with the duty to provide this high standard of service. The ability to provide a high standard of service is grounded in a strong work ethic, clear corporate policies, and the dedication of a creative work force. The adherence to a strict code of ethics is central to gaining and keeping the trust of our customers.

The Metropolitan Transportation Authority All-Agency Code of Ethics ("Code of Ethics") applies to every Employee of the MTA, including its current and future subsidiaries and affiliates. For ease of reference, this Code of Ethics will refer to all such Employees as "MTA Employees." In addition, persons performing services for the MTA and its subsidiaries and affiliates may be subject to the Code of Ethics by contract or agreement.

There is only one Code of Ethics for the entire MTA. You are expected to become familiar with this Code, and the various applicable statutes, regulations, professional codes of ethics, and disciplinary rules. **You are expected to read this Code immediately upon receipt.**

The Code of Ethics is intended to provide guidance to all MTA Employees with respect to applicable laws governing ethical conduct and the Agency's ethical standards, which sometimes exceed the requirements of State law.

While the Code of Ethics sets out specific standards, in our evolving business environment no written code can anticipate every possible situation. However, this Code of Ethics establishes a standard against which you can measure your daily decisions and actions. The Code of Ethics is not a restatement of all applicable laws and standards; you are expected to be familiar with and comply with all laws and standards related to your specific job. The principal source of most New York State law governing the ethical conduct of public employees and officers is the Public Officers Law, the applicable provisions of which are available from the State Ethics Commission directly ([www.nyethics.com](http://www.nyethics.com)) or from the law and human resources departments at each MTA Agency

As an MTA Employee, you are expected to be an ethical role model. Managers and supervisors must foster an atmosphere that encourages employees to seek assistance if faced with ethical dilemmas. Every MTA Employee must be alert to potential ethical issues and be ready to respond appropriately.

Responsibility for compliance with the applicable rules and standards for ethical conduct, including the related financial disclosure requirements, ultimately rests with **YOU**. If you have an ethics-related question, you should ask your supervisor or the applicable Agency Ethics Committee for guidance. In addition, the State Ethics Commission (the address and phone number are listed in Section 1.03) can provide guidance, often by phone or by rendering written informal and formal opinions.

**VIOLATIONS OF THE CODE OF ETHICS OR APPLICABLE STATUTORY PROVISIONS MAY SUBJECT AN EMPLOYEE TO DISCIPLINE UP TO AND INCLUDING DISMISSAL AND/OR EXPOSE THE EMPLOYEE TO CIVIL OR CRIMINAL PENALTIES. (See Section 9.)**

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## Chapter 1: Definitions/Structure

### Section 1.01 Definitions

As used in this Code, capitalized terms shall have the following meanings:

**Agency Ethics Committee** means the ethics committee established at individual MTA Agencies.

**All-Agency Ethics Committee** means the committee comprised of the chairpersons of each Agency Ethics Committee and the Chief Compliance Officer.

**Annual Statement of Financial Disclosure** means the financial disclosure statement required to be filed with the State Ethics Commission by certain public employees under the State Ethics in Government Act, Public Officers Law Section 73-a.

**Business** means any activity, paid or unpaid, by an Employee or any individual, firm, company, corporation or other entity, wherein the goal or objective is obtaining monetary income or other thing of value or operating an enterprise. Such activity may be for profit or not-for-profit.

**Code** means this MTA All-Agency Code of Ethics.

**Confidential Information** means information that is available to an Employee only because of such Employee's position within an MTA Agency and which is treated by such MTA Agency as being confidential or which the Employee has reason to believe is confidential. Information does not have to be formally labeled "confidential" to be confidential.

**Department Head** means a Department Head as that term is generally used within the applicable MTA Agency.

**Employee** means an officer or employee of an MTA Agency.

**Employment** means performance of services, for or on behalf of any entity or individual, to obtain economic or other material benefit.

**Family Member** means any person living in the same household as an MTA Employee, domestic partner, and any person related to the Employee within the third degree of consanguinity or affinity. "See attached Consanguinity and Affinity relationship Chart, annexed as Appendix D to the Code."

**Gift** means the transfer, without equivalent consideration, of any thing or benefit, tangible or intangible, having more than nominal value, including, but not limited to, loans, forbearance, services, travel, gratuities of any kind, favors, money, meals, refreshments, entertainment, hospitality, promises, tickets to entertainment or sporting events, weekend trips, golf outings, loans of equipment, or other thing or benefit. **(See definition of "Items of Nominal Value" below.)**

**Honoraria Disclosure Unit** means the office within the applicable MTA Agency set forth in Appendix A hereto.

**Honorarium** means (a) payment, fee or other compensation in connection with a service rendered by an Employee not related to the person's official duties, and for which MTA Agency equipment or staff are not used, which is in the nature of a gratuity or as an award or an honor (e.g., for delivering a speech, for attending a conference, for writing an article); and (b) a payment, whether to a lodging site or a provider of transportation, for travel expenses made to or on behalf of an Employee, or reimbursement made to the Employee for travel expenses incurred, for services rendered by an Employee not related to their official duties.

**Items of Nominal Value** means items such as mugs, key rings, calendars, pens and the like that are of minimal value unless such items are being given under circumstances where it reasonably can be inferred that such item was intended to influence the Employee in the performance of such Employee's official duties. A general benchmark is that an item of nominal value would have a retail value of less than ten dollars (\$10). For purposes of determining the value of an item of nominal value, the State Ethics Commission has advised that the value is not reduced by virtue of it being embossed or otherwise marked with a company logo, identification, or advertising.

**MTA Agency or MTA** means any of the following: Metropolitan Transportation Authority Headquarters, MTA New York City Transit, Manhattan and Bronx Surface Transit Operating Authority, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Long Island Bus, MTA Bus Company, MTA Capital Construction Company, the Staten Island Rapid Transit Operating Authority, the First Mutual Transportation Assurance Company, MTA Bridges and Tunnels and all future affiliated entities of the MTA.

**New York State Agency** means any New York State department, or division, board, commission, or bureau of any state department, any public benefit corporation, public authority, or commission at least one of whose members is appointed by the Governor, or the State University of New York, or the City University of New York, including all their constituent units except community colleges of the State University of New York and the independent institutions operating statutory or contract colleges on behalf of the State. All MTA Agencies are New York State Agencies for purposes of this Code.

**Policy-Making Position** means those management and non-management positions designated as policy-making positions by each MTA Agency, because the individual holding the position exercises responsibilities of a broad scope in the formulation of plans for the implementation of action or policy for an MTA Agency or has an effective or substantial influence on an individual in such a position; e.g., positions in which Employees have discretion to (i) significantly influence, control, or bind an MTA Agency in the expenditure or receipt of money, (ii) significantly influence the discretionary selection or rejection of Employees, their promotion, transfer, or salary increases, (iii) select or supervise Vendors, (iv) negotiate leases, real estate agreements, estates, purchase or sale of goods or services, or (v) supervise or approve additional work orders and progress payments to Vendors retained by an MTA Agency.

**Prohibited Source** means:

- (a) a Vendor including any person or non-governmental seller of goods or services, bidder, proposer, consultant, contractor, trade, contractor or industry association, or any other person/entity with which your MTA Agency is doing business, as well as those persons and business entities who have expressed an interest in doing business with your MTA Agency, whose activities directly or indirectly benefit your Agency, or who have a history of doing business with your Agency in the recent past;
- (b) a tenant or licensee of your MTA Agency; and
- (c) another individual or non-governmental entity who, on its own behalf or on behalf of another non-governmental entity: (1) is regulated by your MTA Agency, (2) appears before your MTA Agency on other than ministerial matters, (3) lobbies or attempts to influence your MTA Agency's procurements, or your MTA Agency's positions on legislation or regulation, (4) is involved in litigation adverse to your MTA Agency and no final order has been issued, or (5) has received or applied for funds from your MTA Agency within the preceding year.

For purposes of this definition, the term "your Agency" refers to the Agency by which you are employed. However, certain high-level Employees work on matters involving more than one MTA Agency. Such Employees may be considered an Employee of one or more MTA Agency.

**Solicitation** means any request, invitation, or suggestion (oral or written) made under circumstances where it reasonably could be concluded that the individual or entity receiving same is being asked to, or is expected to, comply with a request, invitation, or suggestion.

**State Ethics Commission** means the Commission established within the New York Department of State under Section 94 of the New York Executive Law.

**State Ethics Law** means New York Public Officers Law Sections 73, 73-a, 74, and the rules and regulations promulgated thereunder as may be amended or modified by the New York State Legislature.

## **Section 1.02 Agency Ethics Committees**

The Metropolitan Transportation Authority Headquarters, MTA New York City Transit, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Long Island Bus, MTA Bus Company, MTA Capital Construction Company, and MTA Bridges and Tunnels shall each establish an Agency Ethics Committee to render guidance on ethics-related questions, including conflicts of interest. The procedures for the creation, role, and composition of the Agency Ethics Committee shall be determined by each MTA Agency. However, each Committee will designate one senior-level executive as Chairperson of the Agency Ethics Committee. Upon request, information disclosed to the Agency Ethics Committees and their members shall be

deemed confidential, provided that appropriate disclosure of such information must be made in accordance with applicable laws, rules, and regulations.

The Chairperson of each Agency Ethics Committee will serve as a member of an All-Agency Ethics Committee, which will be chaired by the MTA's Chief Compliance Officer. The Committee will meet periodically to review the current state of ethics at the MTA and to review or revise the Code of Ethics as needed.

### Section 1.03 Ethics & Financial Disclosure Questions

Questions concerning this Code or potential conflicts of interest may be directed to the applicable Agency Ethics Committee at the phone number set forth in Appendix C. It is not the function of a supervisor, an Agency Ethics Committee, or an MTA Agency lawyer to render legal advice to or act as counsel to any individual Employee.

Information regarding violations of this Code or questions concerning ethics-related matters, including the provisions of the New York State Ethics law or Annual Statement of Financial Disclosures, may also be directed to:

<i>MTA Corporate Compliance Metropolitan Transportation Authority 2 Broadway, 16<sup>th</sup> Floor New York, New York 10004 888-U-ASK-MTA (888-827-5682)</i>	<i>or</i>	<i>New York State Ethics Commission Alfred E. Smith State Office Building 11<sup>th</sup> floor, Suite 1147 Albany, New York 12210 518-432-8207 or 800-873-8442</i>
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The State Ethics Commission website contains numerous guidance and reference documents. It can be accessed via the MTA Compliance Department Intranet site. The State Ethics Commission can provide guidance on specific issues, often by phone, and otherwise by rendering written informal and formal opinions.

Any MTA Employee who has a complaint or allegation regarding the MTA may also contact the MTA Inspector General.

*Office of the Inspector General,  
Metropolitan Transportation Authority  
111 West 40th Street, 5th Floor  
New York, New York 10018  
800-MTA-IG4U (800-682-4448)*

### Section 1.04 Revocation of Agencies Ethics Policies

This Code supersedes and by effect rescinds the MTA All-Agency Acceptance of Gifts Policy Statement 11-007, the MTA Guideline Document—Gifts, and all MTA Agencies' Ethics Policies and Codes.

### Section 1.05 Duty to Disclose

Employees must promptly report any violation of this Code, as well as any actual or potential violation of laws, regulations, or policies and procedures to either their Agency Ethics Committee or by contacting the MTA Chief Compliance Officer's Office.

Employees who wish to remain anonymous may do so. Their anonymity will be protected, subject to applicable laws, regulations, or legal proceedings.

**Note:** Since it may be unclear whether a violation has occurred, Employees should feel free to discuss their concerns with their supervisor or their Agency Ethics Committee. Employees may also discuss a particular situation with the MTA Chief Compliance Officer.

### Section 1.06 No Reprisals/Whistle-Blowing

Employees who report violations of this Code will not be subjected to punitive sanctions, reprisals, or other penalties solely for reporting such violations. Employees who file an intentionally false report may be subject to appropriate disciplinary penalty, up to and including dismissal, as well as civil or criminal charges.

### Section 1.07 Cooperation with Audits and Investigations

Employees must cooperate fully and honestly with audits and investigations conducted by the MTA Inspector General, New York State Ethics Commission, Auditor General, Chief Compliance Officer, or other governmental agency. Failure to so cooperate will subject an Employee to appropriate disciplinary penalty, up to and including dismissal.

## Chapter 2: Gifts, Awards and Honoraria

### Section 2.01 Gift Prohibition-Zero Tolerance

Employees are prohibited from soliciting or receiving Gifts, directly or indirectly, from any Prohibited Source. The defined term "Gift" does not include items of truly nominal value. **(See definitions of "Gifts" and "Items of Nominal Value.")**

However, Employees may accept Gifts from employees of a Prohibited Source if these Gifts are reflective of a personal relationship independent of the relationship between the Prohibited Source and the MTA. For example, if the sibling of an MTA Agency Employee worked for a Prohibited Source, the MTA Agency Employee could nonetheless accept a Gift that reflects this personal relationship. In addition, an Employee can accept a modest, reasonable, and customary offering on an extraordinary occasion, such as a wedding, retirement, or serious illness. A Gift shall not be considered representative of a personal relationship – and thus permissible – if the donor seeks to charge or deduct the value of the Gift as a business expense or seeks reimbursement from a Prohibited Source.

## METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Employees are permitted to accept discounts or special offers from a Prohibited Source so long as those discounts or special offers are generally available to similarly situated employees of other public and private sector organizations. Examples of such permitted discounts and special offers are discounts on personal cell phone service.

Under no circumstances can an Employee accept an item, even an Item of Nominal Value, under circumstances in which it could be reasonably inferred that the item was intended to influence the Employee, or could reasonably be expected to influence the Employee, in the performance of the Employee's official duties or was intended as a reward for any official action on such Employee's part.

### Reminders:

- (a) Employees should avoid accepting numerous items of nominal value from the same Prohibited Source because their aggregate value is likely to exceed the nominal threshold. The MTA and State Ethics Commission will aggregate the value of items received from the same Prohibited Source in any 12-month period.
- (b) Accepting Gifts in connection with the performance of official duties from persons or entities other than Prohibited Sources could still be a violation of State law and this Code, if it could be reasonably inferred that the Gift was intended to influence the Employee, or could reasonably be expected to influence the Employee, in the performance of the Employee's official duties or was intended as a reward for any official action on such Employee's part.
- (c) Proof that an Employee was actually influenced by a Gift is not necessary for a finding of a violation of this Code or State Ethics Law.
- (d) Employees should use caution in accepting such items they believe are of nominal value because it may not always be easy to determine if an item is truly of nominal value.
- (e) An Employee may not designate a friend, family member, or entity (such as a charity) to receive a Gift that the Employee would not be permitted to receive.

### Examples:

- (a) A Prohibited Source offers an Employee a briefbag with the Prohibited Source's logo embroidered on it. Because that briefbag, without such logo, would have a retail value of over \$10, the Employee is prohibited from accepting it, even if the Employee considers it valueless because of the logo.
- (b) An Employee receives 10 coffee mugs valued at \$2.50 each within a 12-month period from the same Prohibited Source. Your total value received is \$25.00 and therefore you have received a Gift (the mugs) in excess of \$10.

**Common Gift Issues:** It is not practical in a code of this type to describe all of the circumstances that might give rise to a prohibited Gift. The following are some of the situations that have come up in the past and are examples of Gift-related actions that are prohibited:

- (a) Any Solicitation or attempt to Solicit a job for a relative from a Prohibited Source, including a summer job; or
- (b) Any Solicitation or acceptance from a Prohibited Source of:
  - (1) tickets to a concert, play, sporting event, or show;
  - (2) a golf outing, a weekend trip, a vacation, use of a vacation home, or an airline ticket;
  - (3) individual discounts to Employees on goods or services (such as televisions, computers, clothing, home improvements, or car or appliance repairs).

## Section 2.02 Monetary Gifts and Kickbacks

**Gifts of money** to an Employee from a Prohibited Source are prohibited regardless of amount and shall be **deemed to be a kickback or bribe** intended to influence the Employee in the performance of the Employee's official duties.

Employees may not give or promise to give any portion of their compensation or any money or valuable thing to any person, nor shall any person accept any such money, or valuable thing, in connection with appointment, employment, promotion, assignment, or reassignment by an MTA Agency. Employees may not, directly or indirectly, make (or request that other Employees make) any contribution or pay any assessment in order to secure promotion, compensation, or to affect job status, duties, or functions, or in consideration of being appointed or employed at an MTA Agency.

## Section 2.03 Tips

Employees are not permitted to accept tips or other gratuities in connection with the performance of their official duties unless:

- (1) the Employee is represented by a labor union; and
- (2) it has been customary in the past for MTA Agency Employees in the relevant job classification to receive tips in connection with the performance of their official duties; and
- (3) in the private sector it would be customary for an Employee in the equivalent job classification (such as a bartender) to receive tips as part of their income.

#### Section 2.04 Reporting Gift or Gift Offers

An Employee to whom a Gift is offered or given in violation of Section 2.01 above shall promptly report such offer or Gift to the applicable Agency Ethics Committee and, in the case where a Gift has been given, the Employee or Agency Ethics Committee shall promptly return the Gift to the person or entity giving the Gift with a copy of the MTA Gift return memorandum.

#### Section 2.05 Awards, Plaques and Honors

Awards and plaques publicly presented in recognition of an Employee's service to an MTA Agency or non-job-related public service may be accepted. Employees must notify and seek the approval of their Agency Ethics Committee prior to accepting an award, plaque, or honor presented by a Prohibited Source.

However, awards or plaques presented by a Prohibited Source in recognition of job-related MTA Agency service and valued at more than seventy-five dollars (\$75) shall become the property of the applicable MTA Agency. The MTA Agency's Ethics Committee can determine the disposition of the award or plaque.

#### Section 2.06 Honoraria

Employees must comply with the State Ethics Commission's regulations pertaining to limitations on the receipt of honoraria from outside parties. An Employee cannot accept an honorarium for services related to his or her duties for the MTA. A detailed statement of all of the circumstances in which an Employee may accept an honorarium from a third party are set forth in Part 930 of the State Ethics Commission's regulations.

[www.dos.state.ny.us/ethc/rules/part930.htm](http://www.dos.state.ny.us/ethc/rules/part930.htm).

The following is a summary of the rules relating to honoraria.

**Permitted Honoraria.** An Employee may accept an honorarium under certain circumstances, including where the individual or organization offering the honorarium is not involved with the applicable MTA Agency in any context other than in ministerial matters.

**Prohibited Honoraria.** An honorarium to any Employee from any individual or organization that (i) does any business with the applicable MTA Agency, (ii) is regulated by the MTA Agency, (iii) is involved in litigation adverse to the MTA Agency, (iv) receives funds from the MTA Agency, or (v) lobbies before an MTA Agency, is prohibited.

**Payment in Lieu of Honoraria.** A payment in lieu of an honorarium that is offered for services related to an Employee's official duties cannot be accepted by the Employee and must be paid by the granting organization directly to the applicable MTA Agency.

**Disclosure.** Each year every MTA Agency is required to file a report with the State Ethics Commission, which lists honoraria received by its Employees. Therefore, every Employee who has received one or more honoraria during the reporting period must file a report with the Honoraria Disclosure Unit for their MTA Agency identified on Exhibit A hereto, using the form provided at Appendix B of this Code, as may be amended from time to time. Each Honorarium recipient must file with such Honoraria Disclosure Unit no later than April 15 of each year for the period April 1 of the previous year through March 31 of the current year. It is strongly encouraged, although not mandatory, that Employees who have been offered an honorarium obtain written approval in advance from their Department Head in the form of a memorandum. Where prior approval was received, the Employee shall include a copy of the Department Head's authorizing memorandum as an attachment to the annual report to the applicable Honoraria Disclosure Unit. Irrespective of whether approval was obtained in advance, however, any receipt of an honorarium must be reported to the applicable Honoraria Disclosure Unit.

## Chapter 3: Prohibited-Source Sponsored Events, Receptions, and Meals

### Section 3.01 Business Meals

In general, Employees are prohibited from accepting a meal from a Prohibited Source. However, an Employee may accept free *modest* meals or refreshments from a Prohibited Source under the following limited circumstances:

- (a) in the course of and for the purpose of conducting MTA Agency business at a Prohibited Source's facility, when offered unexpectedly during a meeting which the Employee is attending for official reasons, or when offered at a company cafeteria or other company facility at the Prohibited Source's place of business and individual payment is *impractical*; or
- (b) when attending a seminar or conference in connection with an MTA Agency and meals or refreshments are provided to all participants.

An Employee may not accept a meal from a Prohibited Source outside of a Prohibited Source's facility (except at a seminar or conference as set forth in Section 3.01(a) above). If an Employee has a meal with a Prohibited Source, the Employee shall pay the full value of such meal with his or her own funds with or without MTA Agency reimbursement.

**Reminders:** If you have a meal with a Prohibited Source and simply split the bill you may be in violation of this Code if you do not pay the full value of your meal. **It is prudent for Employees to obtain proof of payment because simply putting money on the table may not provide an adequate basis for proving that an Employee paid for his or her own meal. The better practice is to get a separate check and keep the receipt.**

### Section 3.02 Educational Seminars

Employees are encouraged to continue to participate in events that will enhance their professional development. In certain professions, it is customary for Prohibited Sources, including companies that do business with the MTA, and industry groups, to sponsor lectures and continuing education seminars. Occasionally, such educational events are targeted to MTA Employees and do not include other similarly situated public or private sector employees. Employees may attend such educational events if attendance at the event would further the interests of the MTA Agency, if the event relates to the Employee's official duties, and if the invitation does not involve recreational activities such as golf, tennis, or cruises.

However, Employees who manage the Prohibited Source's work or are involved in the review/approval of payments to the Prohibited Source must consult with their Agency's Ethics' Officer before accepting professional continuing education credits.

### Section 3.03 Attendance at Prohibited-Source/Industry-Sponsored Events and Receptions

Employees are encouraged to continue to participate in events that will enhance their professional development. Employees frequently receive complimentary invitations to Prohibited Source/industry groups sponsored events that include receptions or hospitality suites sponsored by a Prohibited Source/industry group. **Employees should evaluate any such invitations with caution.** Employees may attend complimentary Prohibited Source/industry-sponsored events, including receptions or hospitality suites only if *all* of the following conditions are met:

- (1) Attendance at the event would further the interests of the MTA Agency; **and**
- (2) The event relates to the Employee's official duties; **and**
- (3) There is broad participation and wide attendance at the event and the event is open and complimentary to members throughout a given industry or profession, or those in attendance represent a broad range of persons interested in the matter; **and**
- (4) Any reception or hospitality suite is open to all event attendees; **and**
- (5) The event does not include a formal sit-down meal or involve recreational activities such as golf, tennis, or cruises.

An Employee's travel expenses relating to attendance at an industry or Prohibited Source-sponsored event may not be reimbursed or paid for by the event sponsor or other Prohibited Source. (See Travel Reimbursement Section 3.07.)

An Employee may attend a Prohibited Source-sponsored event at his or her own expense but the cost paid by the Employee shall be based on the price paid by the other paying attendees or if there is no admission fee required, then based on the actual cost to the sponsor. **It is prudent for Employees to obtain proof of payment.**

### **Section 3.04 Senior Management Attendance at Prohibited-Source Sponsored Events**

The Executive Director/Chief Executive Officer of MTA, the President of an MTA Agency, or their designee(s) may attend functions sponsored and paid for by Prohibited Sources when attendance is related and appropriate to that attendee's official duties or when the purpose of attendance is the performance of a ceremonial or other function that is appropriate to that attendee's official duties with their MTA Agency. The attendee shall provide advance written notice of such invitation to the MTA Chief Compliance Officer and their Agency's General Counsel.

### **Section 3.05 Attendance at Banquets, Galas and Fund-Raising Events**

(a) Employees may purchase tickets using their own funds and may attend fund-raising and charitable events sponsored by Prohibited Sources on their own time, subject to compliance with the applicable provisions of the State Ethics Law, this Code, and any other applicable statutes, rules, regulations, policies, or procedures.

(b) Employees may attend fund-raising and charitable events with tickets purchased by an MTA Agency in compliance with the applicable policies and procedures relating to such purchases.

(c) Employees may not accept from any individual or firm, directly or indirectly, tickets to any banquet, gala, or fund-raising event by a Prohibited Source, if those tickets were subsidized or paid for directly or indirectly by the Prohibited Source including without limitation the Transit Museum Gala. Such tickets may not be donated by an individual or firm to an MTA Agency and then distributed to Employees of an MTA Agency.

### **Section 3.06 Charitable or Political Benefits and Contributions**

Solicitation by Employees of charitable or political contributions from Prohibited Sources, including giving Prohibited Sources invitations to charitable or political functions or events, is prohibited.

### **Section 3.07 Events Honoring an Employee**

Prohibited Sources should only be invited to events honoring an Employee (such as an Employee retirement dinner or an event where the Employee is one of the honored guests) if they have a personal relationship with the honored Employee and there is no actual, implied, or apparent promise of benefit from accepting, or actual, implied, or apparent threat of retaliation from refusing, such invitation. Such invitations should be made with caution.

### **Section 3.08 Reimbursement of Travel Expenses**

Under no circumstances shall an Employee accept reimbursement of travel expenses from a Prohibited Source.

However, Employees may accept reimbursement from government agencies for travel expenses related to the Employees' official duties at the applicable MTA Agency if the purpose of the travel benefits the MTA Agency in the conduct of its business and prior approval has been received in accordance with the procedures set by the applicable MTA Agency.

**Reminder:** All Employees must comply with the State Ethics Commission's regulations pertaining to limitations on the reimbursement of travel expenses from outside parties. A detailed statement of all of the circumstances in which an Employee may accept reimbursement of travel expenses from a third party is set forth in Part 930 of the State Ethics Commission's regulations. [www.dos.state.ny.us/ethc/rules/part930.htm](http://www.dos.state.ny.us/ethc/rules/part930.htm)

## Chapter 4: Conflicts Of Interest, Other Employment and Political Activities

### Section 4.01 Conflicts of Interest

Employees shall not have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is or may be in conflict with the proper discharge of his or her duties. Employees must notify their Ethics Committee regarding any possible conflict of interest.

#### Reminders:

- (a) If an Employee is uncertain as to whether a given situation creates a real or potential conflict of interest, such Employee should promptly disclose that situation to, and seek guidance from, his or her supervisor, Department Head, the applicable Agency Ethics Committee, or the applicable Agency law department.
- (b) With respect to all work an Employee performs, such Employee must be vigilant about the existence of any circumstances, interests, or relationships which might create or might be reasonably perceived by others as constituting a conflict of interest. If an Employee is uncertain as to whether a given situation creates a real or potential conflict of interest, such Employee must promptly disclose that situation to, and seek guidance from, such Employee's supervisor, Department Head, applicable Agency Ethics Committee, or applicable Agency law department. In order to avoid a conflict of interest or the appearance of one, it may be necessary for Employees to recuse themselves from involvement with a matter before an MTA Agency. Employees must adhere strictly to the conflict of interest guidance they receive from their supervisor, Department Head, applicable Agency Ethics Committee, or applicable Agency law department.

**Example:** It would be a conflict of interest if an Employee participated in a transaction involving an MTA Agency in which transaction the Employee or someone associated with the Employee (Family Member or by a Business or financial relationship) had, directly or indirectly, a financial or other private interest (other than a de minimis financial interest as discussed in Section 4.04 below).

## Section 4.02 Public Trust

(a) Employees shall not engage in a course of conduct that will raise suspicion among the public that they are likely to be engaged in acts that are in violation of the public trust. Employees shall avoid even the appearance that they can be improperly (1) influenced in the performance of their official duties or (2) induced to violate the public trust or impair their independence of judgment in the exercise of their official duties.

**Example:** An Employee's undisclosed social relationship with a Prohibited Source might create an impression of impropriety if the Employee were in a position to act favorably toward the Prohibited Source in an MTA Agency matter.

(b) Employees shall not use or attempt to use their official position to secure unwarranted privileges or exemptions for themselves or others.

(c) Employees shall not by their conduct give reasonable basis for the impression that any person can improperly influence them or unduly enjoy their favor in the performance of their official duties, or that they are affected by the kinship, rank, position, or influence of any party or person.

## Section 4.03 Confidential Information

Employees shall not disclose Confidential Information without the permission of the General Counsel of the MTA Agency at which such individual is employed for any purpose, or use such information to further their personal interests.

## Section 4.04 Financial Interest

(a) An Employee, or firm or association of which such Employee is a member, or corporation, ten per cent (10%) or more of the stock of which is owned or controlled directly or indirectly by such Employee, shall not (1) sell any goods or services having a value in excess of twenty-five dollars (\$25) to any New York State Agency, or (2) contract for or provide such goods or services with or to any private entity where the power to contract, appoint or retain on behalf of such private entity is exercised, directly or indirectly, by a New York State Agency or officer thereof, unless such goods or services are provided pursuant to an award or contract let after public notice and competitive bidding.

**Exception:** This restriction does not apply to the publication of resolutions, advertisements, or other legal propositions or notices in newspapers designated pursuant to law for such purpose and for which the rates are fixed pursuant to law.

(b) If any Employee has a financial interest, direct or indirect, having a value of ten thousand dollars (\$10,000) or more in any activity that is subject to the jurisdiction of a New York State regulatory agency, they should file with the Secretary of State a written statement that they have such a financial interest in such activity.

(c) Employees shall not knowingly engage in any transaction on behalf of an MTA Agency with any business entity in which they or a family member has a direct or indirect financial interest, excluding mutual funds, that might reasonably tend to conflict with the proper discharge of their official duties. These provisions may be waived if *both* the Head of the Agency's Procurement Department and the Agency General Counsel state in writing that it is in the best interests of the Agency to waive the provisions of Section 4.04(c).

In addition, NY CLS Pub A § 1211 makes it a misdemeanor offense for an Employee of NYCT to have any interest, direct or indirect, in any contract entered into by the Employee's Agency.

#### Section 4.05 Employees Engaged in Selection, Award and Administration of Contracts

(a) Employees shall not participate in the selection, award, or administration of a contract if the Employee knows that he/she or any of his/her family members, his/her business partner, or an organization that employs or is about to employ any of the above, has a financial or other interest, other than mutual funds, in any of the companies, their parent company, its affiliates or subsidiaries ("the company") that propose or bid on or are awarded such contract. Except with respect to participation in matters in which an Employee's family members have a financial or other interest, which is absolutely barred by Executive Order No. 1 of 2007, the provisions of Section 4.05(a) may be waived if the Head of the Agency's Procurement Department, the Agency's General Counsel, and the Agency's Ethics Committee state in writing that it is in the best interests of the Agency to waive the provisions of this Section for a specific procurement or contract<sub>[M1]</sub>.

(b) If a waiver is granted, (1) the Employee engaged in the **award or selection** of a contract, shall not during the selection process and for two weeks after the award of the contract buy or sell any of the company's securities or (2) the Employee engaged in the **administration** of a contract shall not buy or sell any of the awarded company's securities for six months after the award of the contract<sub>[M2]</sub>.

(c) An Employee shall not buy or sell any of the company's securities based upon information received as a result of their employment with an MTA Agency or for two weeks after the public release of information by any MTA Agency regarding the company.

(d) For two years from the commencement of employment with an MTA Agency, an Employee shall not do either of the following in relation to the Employee's immediate past non-governmental employer: (1) participate in the selection or award of a contract in which a bidder or proposer is such immediate past employer; or (2) administer a contract awarded to such immediate past employer, unless the Employee has notified the Employee's Department Head in writing of the potential conflict and has received from such Department Head and the Agency's General Counsel a waiver stating that it is in the best interests of the applicable MTA Agency for such Employee to act in such a role. The Department Head and General Counsel must submit a copy of such waiver to the applicable Agency Ethics Committee.

#### Section 4.06 Representation of Other Parties and Certain Appearances and Services

Employees shall not, directly or indirectly, act or appear on behalf of any individual, firm, or corporation, in any Business dealings with, or any matter against the interests of, an MTA Agency, or any other New York State Agency, other than as a fact witness. Employees of an MTA Agency are prohibited from appearing for compensation of any kind before a New York State Agency in connection with the purchase or sale of real estate, any rate-making proceeding, licensing, obtaining grants of money or loans, proceedings related to franchise(s), or the adoption or repeal of any rule having the force of law.

### Exceptions

(a) Employees may appear before an MTA Agency or any New York State Agency or tribunal (1) in a representative capacity on behalf of an Employee organization or association or (2) in connection with a ministerial matter, such as acting as a notary or translator.

(b) Uncompensated work by Employees for not-for-profit entities doing Business with the State or City is not automatically a conflict of interest if the Employee takes no part in such Business dealings and the entity in question is not subject to supervision, control, or regulation by an MTA Agency. For example, an Employee might serve, without fee, on the Board of a community or church-sponsored day-care center that receives State funds. In such a case, the Employee cannot communicate with the State concerning receipt of those funds.

### Section 4.07 Other Employment and Outside Activities

Employees are prohibited from outside employment, business, professional, or other outside activity that interferes or is in conflict with the proper and effective discharge of the individual's official duties or responsibilities. Each MTA Agency requires that Employees devote appropriate time and attention to their employment with that agency. Full-time employment with an MTA Agency is deemed to be an Employee's primary employment. All Employees must be fit for duty during their work hours.

Outside employment may pose ethical issues if there is a conflict between the Employee's duties as an MTA Employee and the requirements of the outside employment.

MTA Employees who engage in outside employment must consult with their Agency's Human Resources Department to determine whether a dual employment policy exists at the employing Agency. Any such dual employment policies are not superseded by this Code of Ethics.

Employees of those MTA Agencies that do not have dual employment policies are required to notify their Agency's Human Resources Department of any outside employment.

Employees may engage in other employment provided that (1) such employment does not interfere with their ability to devote appropriate time and attention to their employment with their MTA Agency; (2) such employment does not violate the specific guidelines for other employment set by their MTA Agency; (3) they do not use any MTA Agency resources (e.g.,

time, equipment, telephone, etc.) in connection with such employment, and (4) for policy makers, they obtain the required approvals as set forth in the specific procedures for approval of other employment set by their MTA Agency. Employees in Policy-Making Positions shall not engage in any private employment, profession or Business or other outside activity, without the following prior approvals:

- (1) Annual compensation up to \$1,000—No approval required.
- (2) Annual compensation in excess of \$1,000 to \$4,000—Approval by the applicable MTA Agency.
- (3) Annual compensation in excess of \$4,000—Approval by the applicable MTA Agency and State Ethics Commission.

**Remember:**

- (a) These approvals are in addition to any approvals which may be required by your Agency.
- (b) Even if no approval is required for outside activities because the monetary thresholds have not been met, the Employee must comply with all conflict of interest rules and may not use any MTA Agency resources in connection with such activities.
- (c) Employees holding Policy-Making Positions are prohibited from serving as a director or officer of a corporation or institution engaged in profit-making activities, without the prior approval of the applicable Agency Ethics Committee, which will seek the approval of the State Ethics Commission.
- (d) Employees holding Policy-Making Positions who request approval from the State Ethics Commission to engage in outside activities must file a written request with the Commission which contains the approval of the activity by the applicable MTA Agency. Each Agency Ethics Committee shall establish a form for requests of approval of such outside activity. The Agency Ethics Committee acts as the agent of the applicable MTA Agency in approving or disapproving such requests. The Agency Ethics Committee's disapproval is final.
- (e) Employees holding Policy-Making Positions shall not hold any other public office or employment without the prior approval of the applicable MTA Agency and the State Ethics Commission.

**Section 4.08 Political Activities of Employees**

(a) An Employee interested in running for elective office shall give written notice of his or her intentions to the applicable Agency Ethics Committee, so that it may determine whether, and upon what conditions, the Employee would be permitted to seek elective public office.

(b) Employees shall not conduct political activities during work hours. MTA Agency property, including, without limitation, telephone, copy machines, computers, and other MTA Agency equipment, vehicles, office space, and services may not be used for political activities under any circumstances.

(c) Employees are prohibited from using federal funds for partisan political purposes of any kind in the administration of MTA Agency programs, either directly or through individuals or organizations with whom the MTA Agency contracts.

(d) Employees shall not use their positions or influence for the purpose of interfering with or affecting the result of an election for nomination for office.

(e) Employees holding Policy-Making Positions shall not serve as: (1) officers of any political party or political organization; (2) members of any political party committee, including political party district leaders or as members of a political party national committee. "Political organization" means any organization affiliated with a political party but does not include a judicial nominating committee, an organization supporting a particular cause with no partisan activities, a campaign or fundraising committee, or serving as a delegate to a state or national part convention.

(f) Consistent with this Code, Employees are otherwise free to participate in the political process on their own time, but there must be a clear separation between their political activities and the discharge of their duties as Employees of an MTA Agency.

#### **Section 4.09 Executive Order 127**

Executive Order 127 was rescinded and revoked on June 13, 2006. Employees should consult the Procurement Director or General Counsel for their Agency regarding application of the Omnibus Lobbying Reform Act of 2005, which addresses, among other things, requirements regarding persons and organizations contacting MTA Agencies about procurement and real estate transactions.

## **Chapter 5: Future Employment**

### **Section 5.01 Restrictions on Future Employment -- Purpose**

Employment with an MTA Agency restricts to a degree the type of employment one may accept upon leaving an MTA Agency. These restrictions are based upon statutory requirements. Both this Code and applicable statutes seek to discourage actual conflicts of interest and conduct from which reasonable inferences may be drawn that Employees of an MTA Agency might not have been loyally serving such MTA Agency's interests during their employment or, thereafter, might be taking undue advantage of inside information or positioning derived from their former employment with an MTA Agency.

### **Section 5.02 Restrictions on Future Employment – Limited and Lifetime Bars**

**(a) Two-Year Bar**

No former Employee shall, within two (2) years after termination of employment with an MTA Agency, appear before such agency or receive compensation for, or render compensated services on behalf of, any person, firm, corporation, or association in relation to any case, proceeding or application or any other matter before such MTA Agency.

**(b) Lifetime Bar**

No former Employee shall ever appear, practice, communicate, or otherwise render any services or receive compensation for such services rendered before an MTA Agency or any New York State Agency for, or on behalf of, any person, firm, corporation, or other entity in relation to any case, proceeding, or transaction with respect to which such person was directly concerned and in which he or she personally participated during the period of service or employment, or which was under their active consideration. The definition of what constitutes “ever appear, practice, communicate or otherwise render any services” is given a broad interpretation by the State Ethics Commission. Employees should contact their Ethics Officer or the State Ethics Commission regarding this definition before rendering any such service.

**Exceptions:**

- (a) These restrictions on future employment do not apply to subsequent services rendered in an official capacity as an elected official or an Employee of another governmental entity.
- (b) The Agency may seek a waiver with respect to a former Employee pursuant to Public Officer Law Section 73 if the Employee has expertise, knowledge, or experience with respect to a particular matter that meets the needs of the agency and is otherwise unavailable at a comparable cost.
- (c) The Agency may seek a waiver with respect to a former Employee pursuant to Public Officer Law Section 73 if the services of such former officer or Employee are required in connection with the agency’s response to a disaster emergency declared by the governor pursuant to section twenty-eight of the Executive Law.

**Reminders:**

- (a) For purposes of the post-employment bars, certain Employees, particularly those at MTA Headquarters, may be considered to be Employees of multiple MTA Agencies based on the scope of their job responsibilities. For clarification of their particular circumstances, the Employees may seek guidance from their former General Counsel or the State Ethics Commission.
- (b) The State Ethics Commission may not consider not-for-profit entities in the transportation field and certain quasi-governmental organizations as governmental entities for purposes of the exception noted above and employment at such entities may be subject to the post-employment bars described above.

The following are examples of the application of the two-year and lifetime bars:

**Example 1:** A former Construction Manager in the Department of Capital Program Management at New York City Transit (NYCT) may not, within two

years after termination of NYCT employment, render services on behalf of a contractor in connection with any Business the contractor has with NYCT.

**Example 2:** No former Metro-North Employee, for a period of two years subsequent to his or her termination from employment (including retirement) may contract with Metro-North as a consultant to perform services of any kind on behalf of Metro-North, unless MNR has obtained a waiver from the State Ethics Commission as set forth above.

**Example 3:** A former procurement representative in the procurement department at LIRR who was directly concerned with, or was responsible for, the negotiation of a contract during his or her LIRR employment may never appear before an MTA Agency or any other New York State Agency or render services on behalf of any outside person or firm, such as a contractor or subcontractor with regard to that contract, including but not limited to, the preparation or evaluation of claims, or the negotiations of change orders, relating to the contract.

### Section 5.03 Negotiations for Future Employment

#### (a) Solicited

MTA Employees are prohibited from soliciting an employment opportunity with a non-governmental individual or entity that has a specific pending matter before the Employee.

Those Employees seeking employment outside of government with an entity or individual that has a specific pending matter before the Employee may only solicit an employment opportunity with the non-governmental individual or entity after waiting:

- (a) 30 days from the time the matter before the Employee is closed,
- or
- (b) 30 days from the time the Employee has no further involvement with the matter because of recusal or reassignment.

#### (b) Unsolicited

MTA Employees who receive an unsolicited post-government employment-related communication from a non-governmental individual or entity that has a specific pending matter before the Employee cannot pursue employment with the non-governmental entity or individual unless the following occurs:

- (a) they recuse themselves from the matter and any further official contact with the entity or individual and

- (b) they wait 30 days from such recusal to enter into post-government employment communications with the entity or individual.

(c) Notification

MTA Employees must promptly notify their supervisor and Agency ethics officer of such outside employment related communications whether or not they intend to pursue the post-government employment opportunity.

In the event of such notification of a solicitation and Employee's desire to pursue the solicitation, the Employee's supervisor is obligated to advise such supervisor's superiors, in writing, up to and including the Department Head, of the Employee's desire to pursue the solicitation and the manager's intention to establish recusal procedures, if practical, to reassign the individual or to refuse reassignment.

(d) Recusal

Recusal procedures shall be applied only if practical and in the best interests of the applicable MTA Agency. Reassignment shall be refused when the manager determines that reassignment would be impractical or inappropriate. The manager may not take action with respect to notifying the Employee of such manager's decision until approved by the Department Head. If recusal procedures are not practical and in the best interests of the applicable MTA Agency or if reassignment is refused, the Employee is prohibited from pursuing the solicitation.

**Exception:** This provision does not apply to employment negotiations with other government agencies.

**Remember:** The higher the level of responsibility which an Employee holds within an MTA Agency, the greater the number of matters which are likely to be deemed as specific pending matters before him or her. Employees should take an expansive view as to the existence of possible conflicts when deciding whether to give notice as described in this Section.

The following are examples of the application of the employment negotiation procedures:

**Example 1:** A Deputy Vice President in the Department of Capital Program Management at NYCT who receives an unsolicited job offer from a Prohibited Source with specific pending matters before such

Employee may not negotiate for such position without full compliance with the notice, approval and recusal procedures set forth above.

**Example 2:** A manager at LIRR whose duties include procurement is approached by a firm which he or she has a specific pending matter and told "if you ever decide to leave the LIRR we have a place for you in our firm." The LIRR manager must notify his or her supervisor and ethics officer of this conversation because it would be considered a communication intended to solicit employment.

#### Section 5.04 Notice of Future Employment Restrictions

An employee who provides notice of leaving service at an MTA Agency, either by retirement or resignation, or whose employment is terminated, will receive a memorandum summarizing the future-employment restrictions of the Ethics Law and of this Code. All Employees in management and non-represented titles and Employees in certain represented titles designated by the applicable MTA Agency may be required to sign a certification stating that the policies outlined in the memorandum have been complied with, and to state the name of a new employer, if applicable.

**Exception:** From time to time, the Future-Employment restrictions have been legislatively modified to permit exceptions to these policies when Employees are laid off. An Employee in such a position should consult with the applicable Agency Ethics Committee if there is a question of whether such exceptions are in force.

## Chapter 6: Financial Disclosure

### Section 6.01 Covered Employees

Employees must file an Annual Statement of Financial Disclosure if such Employee:

- (a) Has a gross salary within the preceding calendar year that exceeded the annual salary of state employees at the SG-24 job rate as of April 1 of the year in which the Annual Statement of Financial Disclosure is to be filed, unless specifically exempted in accordance with the State Ethics in Government Act; or
- (b) Regardless of income, holds a Policy-Making Position.

#### Notes:

- (a) The State Ethics Commission is required to make Annual Statement of Financial Disclosures available to the public upon request, except as to values and amounts, and except to the extent the reporting individual has obtained a ruling from the State Ethics Commission preventing or limiting public disclosure.

- (b) Each MTA Agency shall establish a list of Employees in Policy-Making Positions and shall, during February of each year, notify the State Ethics Commission of the identity of all such titles and persons required to file Annual Statement of Financial Disclosures with the Commission. Procedures shall also be established for identifying to the State Ethics Commission all Employees newly subject to the filing requirements by reason of having assumed Policy-Making Positions. The State Ethics Commission may be asked to render advisory opinions or issue guidelines for such determinations.
- (c) The Annual Statement of Financial Disclosure solicits various items of information concerning the finances and employment of the Employee, the Employee's spouse, and unemancipated children.

**Exceptions:**

- (a) Non-policy making Employees, or their bargaining or other representatives, may request that the State Ethics Commission grant exemptions, either in whole or in part, from the reporting requirements. Appeals from denials of such an exemption are to be made to the State Ethics Commission.
- (b) Employees who are required to file an Annual Statement of Financial Disclosure based on their gross salary but do not hold Policy-Making Positions may be entitled to an exemption from the financial disclosure requirements, on the grounds that the public interest does not require disclosure and that the Employee is not involved with the discretionary, Business, or regulatory activities of the applicable MTA Agency.
- (c) Employees may seek an exemption from any requirement to report one or more items of information pertaining to the financial status of their spouse or unemancipated child. An Employee may also request deletion of portions of information called for on the Annual Statement of Financial Disclosure form that could otherwise be publicly disclosed. Grounds supporting such requests are that the spouse or child (where applicable) objects to providing the information necessary to make such disclosure and that such information would have no material bearing on the discharge of the reporting Employee's duties.

**Section 6.02 Dates for Filing and Related Penalties**

- (a) Employees must file their Annual Statement of Financial Disclosures by May 15th of each year, **or within thirty (30) days of a covered Employee's appointment or promotion**, whichever is later. An Employee may indicate with respect to any item of the Annual Statement of Financial Disclosure that information with respect thereto is lacking and will be supplied in a supplemental statement to be filed no later than the seventh (7th) day following the date to which that Employee could have received an automatic extension to file their income tax returns for that year. The State Ethics Commission may also grant hardship applications.

(b) If an Employee fails to file the Annual Statement of Financial Disclosure or omits relevant information, he or she shall be subject to discipline, including denial of discretionary salary increases. In addition, criminal or civil penalties may be imposed as set forth in Chapter 9 below.

## Chapter 7: Books And Records

### Section 7.01 Accuracy and Completeness of Financial Records

(a) Employees who are involved in the preparation of the MTA Agency's financial records must ensure that the accounting and financial records of their MTA Agency meet the highest standards of accuracy and completeness. Reporting accurate and complete information about the MTA Agency's financial condition is an essential responsibility of all Employees.

(b) If you have reason to believe that any of the MTA Agency's financial records are not being maintained in an accurate or complete manner, you are expected to report this immediately to your General Counsel's Office, your Agency's Chief Financial Officer, the Auditor General, or the Chief Compliance Officer.

### Section 7.02 Financial Statements And Accounts

Employees who are involved in the preparation of the MTA Agency's financial statements must do so according to generally accepted accounting principles and other applicable accounting standards and rules, so that the statements fairly and completely reflect the operations and financial condition of the MTA Agency.

## Chapter 8: Other Ethics Issues

### Section 8.01 Nepotism

It is the policy of the MTA Agencies to ensure that all job opportunities at MTA Agencies are based on merit and qualifications. Employees are prohibited from participating in any hiring or employment decision relating to a family member. If a hiring or employment matter arises relating to a family member, then the employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter. There will be no preferential treatment for family members of current Employees and/or union officials.

MTA Agencies also cannot permit contracting opportunities to be based on other than merit and qualifications. There will be no preferential treatment for family members of current Employees and/or union officials. Employees are prohibited from taking part in any contracting decision: (i) relating to a family member; or (ii) relating to any entity in which a family member is an officer, director or partner, or in which a family member owns or controls 10% or more of the stock of such entity. If a contracting matter arises relating to a family member, then the employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

MTA Employees should consult with their Agency's Human Resources Department to determine their Agency's policy for avoiding Nepotism. Any such avoidance of Nepotism policy must be consistent with this Section of the Code and Executive Order No. 1 issued by Governor Eliot Spitzer on January 1, 2007.

### **Section 8.02 Business Relationships between Employees**

MTA managers and supervisors are prohibited from hiring MTA Employees that they directly or indirectly supervise or manage to work for or with them as full-time, part-time, or temporary employees or as consultants in any outside business entity.

### **Section 8.03 Financial Transactions between Employees**

MTA managers and supervisors are prohibited from engaging in financial transactions with MTA Employees that they directly or indirectly supervise or manage. MTA managers and supervisors may not obtain or use or attempt to use the credit of any MTA Employee that they directly or indirectly supervise or manage as applicant, maker, co-signer, or endorser of any credit instrument in any connection with a loan or similar transaction.

### **Section 8.04 Prohibition Against the Use of MTA Property**

MTA supplies, equipment, computers, personnel and other resources may not be utilized for non-governmental purposes, including for personal purposes or for outside activities of any kind except as may be specifically authorized herein:

- a) Official stationery may not be used for non-governmental purposes, nor may MTA resources be used to mail personal correspondence. The designation "personal" on MTA Agency stationery means only that the contents are meant for the personal viewing of the addressee and not that the sender is acting unofficially. All letters and other written materials printed on such official stationery are considered official, and thus the designation "unofficial" has no meaning and may not be used.
- b) Under no circumstances may MTA mail, postage, internal office mail, or inter-city couriers be used for non-governmental purposes.
- c) MTA telephones may not be used for non-governmental long-distance calls, except for toll-free calls, collect calls, and calls billed to a personal telephone number. MTA telephones may be used for incidental and necessary personal local calls that are of limited number and duration and do not conflict with the proper exercise of the duties of the MTA employee.
- d) MTA computers may be used for incidental and necessary personal purposes, such as sending personal electronic mail messages, provided that such use is in a limited amount and duration and does not conflict with the proper exercise of the duties of the MTA employee.

- e) MTA vehicles shall be used for official business or incidental use associated with official business away from an employee's official work station. Individuals who are authorized by their Agency to use a vehicle for personal purposes shall keep records of such use, and the value of such personal use shall be calculated and reported as personal income to such individual for tax purposes.

Any Agency policy regarding use of MTA property must be consistent with or more restrictive than this Section of the Code.

## Chapter 9: Discipline/Penalty for Violation of this Code or State Ethics Laws

### Section 9.01 General

Employees who violate any provision of the State Ethics Laws or of this Code may be subject to disciplinary action consistent with that administered for violations of the rules and regulations of the applicable MTA Agency, including the denial of discretionary salary increases, reprimand, suspension, or termination.

### Section 9.02 Civil Penalties

A violation of Public Officers Law Sections 73(2), (3), (4), (5), (7), (8), (12), and Sections 73-a, may result in the State Ethics Commission imposing a civil penalty of up to ten thousand dollars (\$10,000). These sections include but are not limited to prohibitions concerning gifts, future employment, and financial interests in MTA contracts as well as obligations in connection with the filing of Annual Statements of Financial Disclosure.

### Section 9.03 Criminal Penalties

A violation of Public Officers Law Section 73(2), (3), (4), (5), (7), (8), (12), and Section 73-a, may result, in lieu of civil penalties, the State Ethics Commission referring the violation to the New York State Attorney General or local prosecutor for criminal prosecution as a Class A misdemeanor, punishable by imprisonment for up to one year and a fine up to one thousand dollars (\$1,000).

**APPENDIX A: Contact Information for each Agency's Honoraria Disclosure Unit**

**MTA Headquarters**

Lamond Kearse  
646-252-1329

**MTA New York City Transit**

Barbara Jansen  
347-643-8101

**MTA Long Island Rail Road**

John Curcio  
718-558-8297

**MTA Long Island Bus**

John Mallios  
516-542-0100 x4430

**MTA Metro-North Railroad**

Richard Bernard  
212-340-4933

**MTA Bridges and Tunnels**

Catherine Sweeney  
646-252-7421

**MTA Capital Construction**

Anthony D'Amico  
646-252-4200

**MTA Bus Company**

Helene Fromm  
212-878-0252

*To obtain a current list, you can call the Helpline at 888-U-ASK MTA or go to the MTA Intranet Home Page and click Compliance.*

APPENDIX B: Form for Annual Report of Receipt of Honoraria

ANNUAL REPORT OF HONORARIUM

Employee's Name \_\_\_\_\_

Title \_\_\_\_\_

Department/Division \_\_\_\_\_

Office Phone # \_\_\_\_\_

Source of Honoraria	Date Received	Nature of Activity	Description of Event	Location of Activity	Amount Received
Madison Avenue Baseball Group	1/1/05	Speech on Baseball Trivia	Annual Baseball Conference	Cooperstown, NY	\$500

If you need additional space, complete and sign a separate Annual Report of Honorarium form. Separate forms must be attached and submitted at the time.

- The above organizations do not do business with my Agency
- The service was not part of the my individual duties
- Service was performed on other than work time or was charged to accrued leave
- Agency resources were not used to prepare or deliver service
- My Agency did not reimburse my travel expenses

Employee Signature \_\_\_\_\_ Date: \_\_\_\_\_

This form can be obtained from your Agency's Honoraria Disclosure Unit or the MTAHQ Intranet Home Page by clicking on the word Compliance and following the links.

APPENDIX C: AGENCY ETHICS COMMITTEE CONTACT INFORMATION

**MTA Headquarters**

Lamond Kearse  
646-252-1329

**MTA New York City Transit**

David Goldenberg  
718-694-5454

**MTA Long Island Rail Road**

John Curcio  
718-558-8297

**MTA Long Island Bus**

Cheryl Hartell  
516-542-0100 x4429

**MTA Metro-North Railroad**

Richard Bernard  
212-340-4933

**MTA Bridges and Tunnels**

Bob O'Brien  
646-252-7617

**MTA Capital Construction**

Veronique Hakim  
646-252-4274

**MTA Bus Company**

Helene Fromm  
212-878-0252

*To obtain a current list you can call the Helpline at 888 U ASK MTA or go to the MTA Intranet Home Page and click Compliance.*

APPENDIX D: CONSANGUINITY OR AFFINITY CHART

CONSANGUINITY AND AFFINITY RELATIONSHIP CHART

<b>MTA Employee</b>					
Consanguinity (includes individuals related to the MTA Employee)			Affinity (Includes the MTA Employee's Spouse and individuals related to the Spouse)		
First Degree	Second Degree	Third Degree	First Degree	Second Degree	Third Degree
Father or Mother	Grandparents	Great Grandparents	Spouse	Grandparents	Great Grandparents
Son or Daughter (& Spouse)	Grandchildren (& Spouse)	Great Grandchildren (& Spouse)	Father or Mother	Grand Children	Great Grandchildren
	Uncle or Aunt (& Spouse)	Great Uncle or Aunt (& Spouse)	Son or Daughter	Uncle or Aunt	Great Uncle or Aunt
	First Cousin (& Spouse)	Children of Great Uncle or Aunt (& Spouse)		First Cousin	Children of Great Uncle or Aunt
	Nephew or Niece (& Spouse)	Second Cousin (& Spouse)		Nephew or Niece	Second Cousin
	Brother or Sister (& Spouse)	Children of First Cousin (& Spouse)		Brother or Sister	Children of First Cousin
		Grand Nephew or Niece (& Spouse)			Grand Nephew or Niece

MTA Employee is the starting point from which all degrees of relationship are calculated.

Under the Degrees of Consanguinity, where Spouse is indicated, the relationship of the spouse is in the same degree as that of the person related by consanguinity, but the spouse is related only by affinity.