



LANE TRANSIT DISTRICT BOARD OF DIRECTORS WORK SESSION

Wednesday, February 01, 2023 5:30 – 7:30 p.m.

IN-PERSON & VIRTUAL MEETING

LTD Board Room 3500 E. 17th Avenue, Eugene (Directions below)

Zoom: Link to watch live provided on the web calendar at www.LTD.org.

Broadcasting: Watch live on channel 21 or via link: https://metrotv.ompnetwork.org/

AGENDA

Table with 4 columns: ITEM, Description, Time, Page. Includes items like CALL TO ORDER, ROLL CALL, COMMENTS FROM BOARD PRESIDENT, COMMENTS FROM THE GENERAL MANAGER, ANNOUNCEMENTS AND ADDITIONS TO AGENDA, AUDIENCE PARTICIPATION, BOARD TRAVEL & EXPENSE REIMBURSEMENT POLICY, UPDATED CONFLICT OF INTEREST POLICY & BUDGET COMMITTEE BYLAWS, and STRATEGIC BUSINESS PLAN QUARTERLY REPORTING.

Time	Page
D. COMMUNITY ENGAGEMENT AND CO-CREATION: <i>Materials Included</i> [Tom Schwetz, Director of Planning and Development]	6:25 p.m. 57
<b>Action Needed:</b> Information and Discussion	

VII. ADJOURNMENT 7:30 p.m.

*The facility used for this meeting is wheelchair accessible. To request a reasonable accommodation or interpreter, including alternative formats of printed materials, please contact LTD’s Administration office no later than 48 hours prior to the meeting at 541-682-5555 (voice) or 7-1-1 (TTY through Oregon Relay).*

**LTD Administrative Office:** The office is located at 3500 East 17th Avenue (off Glenwood Blvd. in Glenwood). Click [here](#) for a map.

**Bus:**  
From Eugene Station: Take the EmX bus from the LTD Downtown Station and get off at the outbound Glenwood EmX stop (in front of Planned Parenthood). From there walk west to the corner of Franklin Blvd. and Glenwood Blvd. and turn left. Continue walking south on Glenwood Blvd to 17<sup>th</sup> Avenue and turn left. The building entrance faces 17<sup>th</sup> Avenue.

From Springfield Station: Take the EmX bus from the Springfield Station and get off at the outbound Glenwood EmX stop (across Franklin Blvd. from Lane Forest Products). From there walk east to the crosswalk to cross Franklin Blvd., proceed south on Glenwood Blvd. Continue walking south on Glenwood Blvd to 17<sup>th</sup> Avenue and turn left. The building entrance faces 17<sup>th</sup> Avenue.

**Bicycles:** There are covered bicycle racks located by the front entrance.

**Parking:** Parking is available for free in the parking lot at the front of the building on 17<sup>th</sup> Avenue.



## AGENDA ITEM SUMMARY

<b>DATE OF MEETING:</b>	February 1, 2023
<b>ITEM TITLE:</b>	BOARD TRAVEL & EXPENSE REIMBURSEMENT POLICY
<b>PRESENTOR:</b>	Camille Gandolfi, Interim Chief of Staff/Clerk of the Board
<b>DIRECTOR:</b>	Jameson Auten, General Manager/Chief Executive Officer
<b>ACTION REQUESTED:</b>	None. Information Only

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**PURPOSE:** To discuss Staff's recommendation for the Board of Directors to dissolve its stand-alone Board Travel & Expense Reimbursement Policy and maintain its governance through the District's Travel Policy.

**DESCRIPTION:** In reviewing the Board's governance policies, Staff have determined it is not an industry best practice to have a stand-alone Board policy for travel and expense reimbursement. The Board's current Travel & Expense Reimbursement Policy is redundant to the District's Travel and Expense Reimbursement Policy & creates duplicative processes which does not align with the agency's financial record keeping standards and procedures. Research shows it is best practice for the Board's travel and expense reimbursement to fall under the District's Policy.

**BACKGROUND:** At the November 2018 Board of Directors' meeting, the Board directed the General Manager to draft a policy addressing travel and reimbursement for expenses incurred by the Board members. At its March 20, 2019, regular meeting, the Board adopted its Travel & Expense Reimbursement Policy. At that time, it was thought the policy was necessary to govern Board travel and expense reimbursement and didn't realize the District policy applies to the Board as well as staff.

**CONSIDERATIONS:** The government standard for travel is to utilize the General Services Administration (GSA) per diem website to determine the approved rates based on the city of travel. The District's Travel & Expense Policy follows these guidelines which provide allowances for lodging as well as meals and incidentals.

It is Staff's recommendation, in the interest of maintaining industry best practices and clean processes, procedures, and financial record keeping, that the Board dissolve its stand-alone Travel and Expense reimbursement policy and utilize the District-wide Travel and Expense Reimbursement Policy. The Board's travel fund will continue to be approved with the annual budget.

**ALTERNATIVES:**

- The Board may maintain the policy as-is.
- The Board may hold further discussion and bring the policy back at a future meeting.
- The Board may amend the current policy and elect to adopt the amended policy at a future Board meeting.

**NEXT STEPS:** Based on Board direction, staff will take the appropriate administrative steps.

**SUPPORTING DOCUMENTATION:**

- 1) Board Travel & Expense Reimbursement Policy
- 2) District Travel Policy
- 3) GSA's Per Diem Rate Website: <https://www.gsa.gov/travel/plan-book/per-diem-rates>

**PROPOSED MOTION:** None.



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## Board Travel, Meetings and Miscellaneous Expense Reimbursement

### 101. PURPOSE

The purpose of this policy is to establish procedures relative to travel, meetings and miscellaneous expense reimbursement for the members of the Board of Directors of Lane Transit District in the performance of their duties; to define authorizations required to incur such expenses; and to ensure uniform and fair payment of expenses.

### 102. APPLICABILITY

This policy applies to members of the Board of Directors only.

### 103. DEFINITIONS

“**Board**” shall mean the Board of Directors of Lane Transit District.

“**Board Meeting**” shall mean any official meeting of the Board, any committee meeting of the Board, or any meeting related to District Business.

“**Director[s]**” shall mean a member of the Board.

“**District**” or “**LTD**” shall mean Lane Transit District.

“**District Business**” shall mean activities related to the business of LTD or the operation of a mass transit district generally.

“**Meeting**” shall mean any Board meeting, District meeting, conference, seminar, committee meeting or gathering related to District Business.

“**Personal Business**” shall mean activities that are personal in nature and not related to District Business.

“**Incidental Expense**” shall mean any fee or tip given to a porter, bellhop, skycap, hotel maid, taxi cab driver, Uber or Lyft driver, valet, or any similar person.

“**Travel Documentation**” shall mean any receipt, paid bill or written document related to an expense, including an email, text, fax, log, or any other digital or written format that provides a record of the expense.

### 104. TRAVEL AUTHORIZATION AND APPROVAL

**Out-of-District Travel.** All out-of-district travel for Directors to attend a Meeting at District expense, shall be approved by action of the Board, prior to incurring such expense. In unusual or emergency circumstances, if prior Board approval is not possible, the Board President may approve out-of-district travel for Directors. In such unusual or emergency situations, the travel authorization shall be presented to the Board of Directors for ratification at its next scheduled Board meeting. If a Director is assigned to a committee, then attendance at those committee meetings shall not require prior approval of the Board. For periodic out-of-District Meetings, which occur several times per year, the Board may approve attendance at such Meetings annually. It is recommended that the Clerk of the Board keep authorizations on file.

**In-District Travel.** Each Director is authorized to travel at District expense, within the District, when, in his/her judgment, such travel is required for District Business. Expenses for Personal Business, meals, and lodging are not reimbursable for in-district travel. Directors are entitled to

receive reimbursement for actual, reasonable and necessary expenses incurred in the performance of District Business (e.g. personal vehicle mileage reimbursement, parking fees, etc.).

#### 105. **PERSONAL EXPENSES**

The District shall not reimburse for any travel associated with Personal Business. If a Director attends a Meeting for which reimbursement is claimed that also includes Personal Business, the Director shall only seek reimbursement for the expenses associated with District Business.

#### 106. **MEALS**

**Advancement for Meals.** Unless a Director requests otherwise, the District shall advance money to a Director for out-of-district meal and incidental expenses at a rate equal to the maximum federal per diem and incidental expenses rate established by the Internal Revenue Service (IRS) and the U.S. General Services Administration (GSA) for travel within the continental United States, outside the continental United States, and foreign rates as published by the United States Government, or \$50 per day if the rate is unpublished. Per diem rates can be found at [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem). Advancements for the first and last day actual out-of-district travel shall be based on the Meals and Incidental Expenses (M&IE) Breakdown as published on the GSA website at the rate published for the First and Last Day of Travel.

After travel, the Director shall submit to the Clerk of the Board Travel Documentation of the actual expenses. If the actual expenses exceed the advancement, then the District shall reimburse the difference. If the actual expenses are less than the advancement, then the District shall invoice the Director for the difference. All such invoices shall be paid promptly, but in no event later than the end of the fiscal year. Incidental Expense is reimbursable if reasonable and documented.

Expenditures for alcohol shall not be reimbursed.

#### 107. **LODGING**

**Commercial Lodging Expenses.** Directors are entitled to receive reimbursement for actual, reasonable and necessary out-of-district lodging expenses incurred in the performance of District Business. All efforts should be made to obtain reasonable lodging rates as appropriate for the nature of the District Business. Unless a Director requests otherwise, the District shall advance money to a Director for out-of-district lodging equal to the maximum federal per diem established by the Internal Revenue Service (IRS) and the U.S. General Services Administration (GSA) for travel within the continental United States, outside the continental United States, and foreign rates as published by the United States Government, or \$200 per day if the rate is unpublished. Per diem rates can be found at [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem).

After travel, the Director shall submit to the Clerk of the Board Travel Documentation of the actual expenses. If the actual expenses exceed the advancement, then the District shall reimburse the difference. If the actual expenses are less than the advancement, then the District shall invoice the Director for the difference. All such invoices shall be paid promptly, but in no event later than the end of the fiscal year. Incidental Expense is reimbursable if reasonable and documented.

#### 108. **TRANSPORTATION**

**Airfare.** Airfare shall be reimbursed based on the value of the applicable round-trip coach

airfare from EUG to the proposed destination.

**Use of Rented Vehicle.** Except as otherwise provided by law, Directors are entitled to receive reimbursement for actual, reasonable and necessary out-of-district rented vehicle expenses incurred in the performance of District Business.

**Private Vehicle Mileage Reimbursement.** Directors are entitled to receive reimbursement for actual, reasonable and necessary private vehicle mileage reimbursement (in-district or out-of-district) incurred in the performance of District Business. Directors shall maintain a log, kept contemporaneously, which lists the date, purpose of travel and the number of miles driven for District Business. The Director shall submit the log to the Clerk of the Board for reimbursement. Directors will be reimbursed bases on the Internal Revenue Service *Business Standard Mileage Rate*. Parking fees and tolls may be reimbursed, in addition to the *Standard Mileage Rate*.

#### **109. BOOKING TRAVEL.**

The Board is encouraged to use the Clerk of the Board to arrange for the booking of all out-of-District travel and lodging. The District shall advance the cost of such travel and lodging. However, Directors are allowed to book their own travel, but will be reimbursed at the standard or economy rate, similar to what other Directors or employees going to the same Meeting paid for similar arrangements. After travel, the Director shall submit to the Clerk of the Board Travel Documentation of the actual expenses. If the actual expenses exceed the advancement, then the District shall reimburse the difference. If the actual expenses are less than the advancement, then the District shall invoice the Director for the difference. All such invoices shall be paid promptly, but in no event later than the end of the fiscal year. Incidental Expense is reimbursable if reasonable and documented.

#### **110. TRAVEL DOCUMENTATION**

**Record of Expenses and Revenues.** The District shall maintain a record all travel expenses paid by the District in its financial records.

# TRAVEL POLICY

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## OBJECTIVE

It is the District's intent to provide appropriate travel expenses for staff to attend training sessions and seminars necessary for professional growth, as well as to travel to locations necessary to conduct District business.

## APPLICATION

The following policies apply to all District employees, as well as all travel expenses charged to the District.

## POLICY

Only designated administrative personnel, referred to as “travel coordinators,” are authorized to make travel arrangements for LTD employees unless prior approval is received from the department director. Travel coordinators are identified as follows:

Jonnie Myers – Travel coordinator for Executive Office, LTD Board, Customer Service & Planning staff, and Administrative Services staff.

Jill Howard – Travel coordinator for Transit Operations staff.

Dianne Presley – Travel coordinator for Fleet Maintenance staff.

### A. Travel Approval

All overnight and/or out-of-state travel must be approved by the General Manager (or Acting General Manager in the General Manager's absence) in advance of the travel

plans or arrangements. Each department director or manager will assess the travel needs and requests of his/her staff and approve requests in consideration of budgeted funds, staff availability, and value of the training to the District. The Travel Approval Voucher (which includes the business justification for the travel/training) must be approved by department director or manager, and the General Manager, before any conference registrations are completed or travel reservations are made. Once the Travel Approval Voucher has been approved by the General Manager or Acting General Manager, the travel coordinator will make reservations and financial arrangements. Arrangements should be requested from the travel coordinator as early as possible prior to the scheduled training/travel date. Arrangements for heavily attended meetings shall be coordinated among departments by the travel coordinators to ensure consistency in airfare, lodging, per diem, and travel dates. The signed Travel Approval Voucher must be attached to District purchasing card worksheets and requisitions.

In the event of multiple LTD managers requesting approval to attend any particular workshop or event, the General Manager shall make appropriate determinations to ensure the continued availability at an acceptable level of LTD leadership.

## **B. Seminar and Training Registration Fees**

If seminars or trainings occur out of the area and involve overnight travel, a Travel Approval Voucher must be completed and approval attained prior to paying registration fees. The travel coordinator will charge the registration fees to a District purchasing card if the vendor accepts this method of payment. Otherwise, the travel coordinator will send a requisition for the amount of the registration and will forward a copy of the seminar information to Purchasing. Accounts Payable will mail the original training registration form to the vendor with the payment.

Upon receipt, the travel coordinator will include a copy of the registration confirmation in the travel packet to be given to the staff person prior to his/her travel date.

## **C. Transportation**

It is the District's intent to ensure that vehicle liability exposure be kept to a minimum and that vehicles are operated in the safest possible manner. The primary mode of transportation for in-state travel will be District vehicles. The primary mode of transportation for out-of-state travel will be air or rail. Secondary modes will be rental cars, public transit, and taxi/shuttle services.

### **1. Airlines**

Staff shall not use personal credit cards to purchase airfare. Staff shall request that the travel coordinator arrange air travel for them. The travel coordinator will discuss dates of travel and travel preferences with the staff member and attempt to make arrangements as closely as possible to those arrangements requested by staff.

Air travel may be booked through a travel agent or through the Internet. If the Internet is used, the travel coordinator should provide a comparison of flights from at least two sources, such as two search engines or one search engine and a travel agent for similar flights to show that the price is reasonable. There must be a receipt that shows the name, itinerary, ticket number, confirmation number,



and payment information from the purchasing card. Internet travel must be made by the travel coordinator, not the staff member travelling.

Because air travel can be prohibitively expensive, some restrictions may apply to the desired travel arrangements. The staff member has the option of accepting the restrictions; however, the District may restrict travel if arrangements cannot be made within the following guidelines:

- a. **Special Fare Classes.** The District intends to use special fare classes (e.g., coach, Saturday stay) whenever possible to reduce the cost of travel. In addition, significant savings can be made by arranging travel on certain days of the week. Staff may be asked to stay additional days if the savings to the District significantly exceeds the additional costs of lodging and food for the staff member.
- b. **Routing and Fares.** Travel coordinators will work with the District's travel agent to obtain the best routing and fare options. Before final booking of airline reservations, the travel coordinator will meet with staff for their approval of the reservations. Staff has the option of requesting routing or flight changes from the airport ticket agent for illness, emergency, or convenience reasons. However, changes are at the discretion of the airlines, and they may deny the request. If staff change ticket reservations, and an additional charge is added, the General Manager or Acting General Manager must approve the change as outlined in the District's business expense form.
- c. **Checked Baggage Fee.** Some airlines charge a per bag fee for checked baggage. The District will only pay for the first checked bag, unless the department director or manager has approved payment in advance for additional bags. Baggage fees are to be paid with the traveler's District purchasing card at the airport when the traveler checks his or her baggage.
- d. **Travel Cancellation.** If a staff member personally chooses to cancel his/her trip (with department director or manager approval) and all or a portion of the ticket is nonrefundable, staff may be required to reimburse the District for the value of the nonrefundable ticket or the penalty charge.
- e. **Vehicle In Lieu Of.** Air travel to locations close enough to be reached by automobile in a reasonable amount of time needs to be approved in advance by the department director or manager. If he/she is unavailable, the General Manager or Acting General Manager's approval is necessary.
- f. **Side Trips.** If staff desires a special routing or side trip during a work-related travel flight, they may do so with department director or manager approval. Staff is responsible for any additional costs and must work directly with the approved travel agency to schedule the trip. The employee is responsible for directly covering any additional cost. Reimbursement to the District is not an option. Employee will provide

documentation from travel agency showing cost of originally approved business trip, amended trip, and difference in cost.

- g. **Ground Transportation.** The traveler is expected to take the most cost effective ground transportation available on his/her trip. Staff is urged to use public transit if available. The District purchasing card should be used for shuttles and taxis if possible.
- h. **Fly America.** The Fly America Act mandates the use of U.S.-certified air carriers or partners for federally funded international travel. If you are scheduling international travel that is federally funded, you must ensure that all flights, where possible, are scheduled on U.S. flag carriers or on foreign air carriers that code share with a U.S. flag carrier. Code sharing occurs when two or more airlines “code” the same flight as if it was their own. In other words, a U.S. airline may sell a seat on the plane of a foreign air carrier; this seat is considered the same as one on a plane operated by a U.S. flag carrier. Compliance with the Fly America Act is satisfied when the U.S. flag air carrier's designator code is present in the area next to the flight numbers on the airline ticket, boarding pass, or on the documentation for an electronic ticket (passenger receipt). There are exceptions to the Fly America Act, which may be appropriate. A list of exception criteria may be found in the Federal Travel Regulation Guidelines – FTR Sections 301-10.135-138. Please note that lower cost and personal convenience are not acceptable criteria for justifying the non-availability of a U.S. flag air carrier.

## 2. District Vehicles

The District requires the use of District vehicles when traveling to in- and out-of-state locations that can reasonably be reached by automobile. Reservation of District vehicles should be arranged with the travel coordinator. All employees who use District vehicles will observe the following guidelines:

- a. Only District employees whose driving records have been approved by the Risk Manager may operate District vehicles.
- b. All employees are required to participate in defensive driver training provided by the District before being allowed to drive a District vehicle.
- c. All employees are expected to wear seat belts at all times while in a moving vehicle being used for District business, whether they are the driver or a passenger.
- d. Use of cell phones, whether personal or business-owned, while behind the wheel of a moving vehicle being used on District business is strictly prohibited.
- e. Use of alcohol, drugs, or other substances, including certain over-the-counter cold or allergy medications that in any way impair driving ability, is prohibited.
- f. All employees are expected to follow all driving laws and safety rules such as adherence to posted speed limits and directional signs, use of

turn signals, and avoidance of confrontational or offensive behavior while driving.

- g. Employees should never allow anyone to ride in any part of the vehicle not specifically intended for passenger use and/or any seat that does not include a working seat belt.
- h. Employees must promptly report any accidents to local law enforcement as well as to the company.
- i. Employees are also expected to report any moving or parking violations received while driving on District business and/or in District vehicles.
- j. Smoking is not allowed in District vehicles.
- k. Non-business-related persons are not allowed to be transported in District non-revenue vehicles other than for supervisory passenger-related incidents.
- l. Failure to adhere to these procedures may result in disciplinary action per District policy.

### **3. Personal Vehicles**

If a personal vehicle is being used for the convenience of staff, e.g., if staff intend to vacation as part of the travel or if they are transporting non-business-related companions, approval must be given by the department director or manager in advance of travel. Personal vehicles will be reimbursed at the normal travel reimbursement rate (the federal travel regulation reimbursement rate) multiplied by half the total business miles traveled (basically one-way travel to the business event), or at the lowest cost round-trip airfare the District would have had to pay for staff to arrive at the travel location, whichever is less.

Expenses beyond payment for mileage resulting from the additional time required to drive to and from the business-related function are not reimbursable if the personal vehicle is being used for the convenience of staff and the trip takes longer than it would have with air travel.

If staff is using a personal vehicle due to the unavailability of District vehicles, the reimbursement will be for full mileage, or at the lowest cost round-trip airfare the District would have had to pay for staff to arrive at the travel location, whichever is less, unless there is a compelling reason to travel by vehicle and the department director or manager approves the use of personal vehicle.

### **4. Rental Vehicles**

The department director or manager must approve all vehicle rentals, which can be used by staff at travel locations under the following conditions:

- a. The lodging location is a distance from the seminar/training or business location that staff will be attending, and public transportation is not available or reasonably convenient.
- b. Staff chooses to use a rental vehicle in lieu of the District paying for lodging, i.e., staff chooses to lodge with friends or family.

- c. District business needs require out-of-state travel and other means of transportation are not a viable option.

Once approved, the travel coordinator will arrange for rental vehicles by researching the best rental car price. Staff will need to use their District purchasing card to pay for the rental car. The District will pay for rental vehicles only on days the vehicle is used for District business. If it is determined that it will be less expensive for staff to stay additional days to incur airfare savings, the rental car will be provided by the District. The department director or manager must approve any exceptions to this in advance.

Staff will arrange for extra insurance coverage, LDW (Loss Damage Waiver), provided by the rental agency when picking up the car so that, in case of an accident, the rental agency will take care of any necessary settlements. This extra insurance coverage is mandatory.

## D. Lodging

### 1. Hotel Lodging

Most seminars, and some business/government entities, use one particular hotel and arrange a group rate with that hotel. The travel coordinator will make every effort to place staff in the seminar hotel. If the designated hotel is full, the travel coordinator will attempt to arrange with the seminar hotel or travel agent for alternate lodging at a convenient location and comparable room rate in the locale of the seminar. If more than one seminar hotel is listed and the prices vary, the travel coordinator will discuss options with staff and arrange for a hotel that is convenient to the seminar location at a moderate price. If staff desires to stay at an alternative hotel, they may do so. They will be reimbursed the actual cost of the accommodations, up to the average of the three most expensive hotels designated for the function. If the hotel cost goes over the recommended government rate listed on the GSA website, the employee must reimburse LTD the difference.

When making hotel reservations, the travel coordinator will ask for the lowest reasonable rate, e.g., government, corporate, or group rate. If reservations are made using the government rate, the travel coordinator shall include a copy of the certificate of eligibility in the travel packet.

The travel coordinator guarantees rooms on a District purchasing card; **this is for guarantee purposes only.** Hotel payment will be made with the staff member's District purchasing card at the hotel. While traveling, if staff will be arriving at the hotel later than 8:00 p.m., they will need to contact the hotel with their arrival time. If staff cancels or alters the dates of their trip, they must inform the travel coordinator immediately so the room can be canceled or the dates altered, thus avoiding unnecessary cost to the District. If changes occur while staff is traveling, it is staff's responsibility to contact the hotel and cancel or alter the dates to avoid unnecessary expenses to the District. Any charges resulting from failure to change or cancel room reservations will be charged to that staff member's department budget.

The confirmation number for the room reservation will be included in the travel packet prepared by the travel coordinator.

Travelers utilizing non-commercial lodging facilities (e.g., staying with friends or family members) are provided a daily payment of \$30.00 regardless of duration or location. If staff is staying in an RV park, the park rate will be reimbursed providing it is less than the rate of the approved hotel room for the business trip.

#### **E. Meals and Incidental Expenses**

Staff will receive a daily allowance, or “per diem,” for meals and incidental expenses. In special instances, when expenses are anticipated to exceed the per diem rate and are pre-approved by the department director or manager, reimbursement for actual expenses will be made. **In this case, staff must provide itemized receipts.** There will be no reimbursement for alcoholic beverages. The per diem allowance is meant to include the following expenses: meals, including breakfast, lunch, dinner, and related tips and taxes; fees and tips given to various service personnel; and any other miscellaneous expenses.

Staff will not need to turn in any receipts for those items listed under the per diem allowance. The per diem allowance will be paid for each day of the trip and for the days of travel, if such travel consumes the greater amount of the day. The daily allowance is based on the current per diem rates used by the federal government for the city closest to the destination, as updated and published annually for meals and incidental expenses. For first and last day of travel, no matter time of travel, per diem will be paid at the first and last day of travel total, according to the GSA website. The per diem allowance will be reduced by any meals included with the conference or seminar, or if staff is provided a full breakfast at their lodging for the remaining travel dates. Continental breakfast at the hotel or conference does not constitute a “full breakfast.” No incidental expenses will be paid out if there is no per diem for the day.

Per diem is not meant for transportation expenses (including associated tips) between airports or train terminals and hotels. Upon their return, staff will need to turn in itemized receipts with a petty cash receipt form for transportation expenses in order to receive reimbursement. Petty cash receipt forms must be signed by the department director or manager. If the expense is for the department director or manager, the form must be approved by the General Manager.

#### **F. Local Meal Reimbursement Policy**

The cost of meals for meetings, events, or activities that do not involve overnight travel may be partially reimbursable. To claim a breakfast travel meal, staff must start their travel at 6:00 a.m. or earlier, and to claim a dinner meal, staff must be traveling at 7:00 p.m. or later. Lunch is assumed to be an allowable expense for other than local (outside the Eugene-Springfield area) travel. These meals will be subject to the per diem rate for the destination. The travel coordinator will tell the traveler the maximum per diem rate and will advise them to use their purchasing card and stay within the allowed per diem rate. Staff must save their receipt and GSA per diem rate sheet and attach them to their purchasing card worksheet.

An exception to this policy would occur when staff attends a business meeting where the meal is an agenda item but not included in the meeting fee, the cost of the meal is

beyond the control of the employee, and the department director or manager authorizes the reimbursement. Reimbursement will be made for the actual cost of that meal, and an itemized receipt must be submitted for reimbursement.

The cost of professional association meals, for organizations such as Rotary and Kiwanis, will not be reimbursed.

#### **G. Travel Companions**

Any arrangements made for a spouse or guest to accompany an employee on a trip must be made by the employee. The employee is responsible for directly covering any additional cost. Reimbursement to LTD is not an option.

#### **H. Telephone and Other Charges**

When international travel requires use of a cellular phone and/or international data charges to complete business, the traveler should contact their own service provider to select the most appropriate coverage plan for the most reasonable cost. The traveler should seek to minimize these costs through use of available Wi-Fi connections and any other available means. If related charges for the trip will exceed \$25 beyond the traveler's customary plan charges for domestic use, a reimbursement may be requested for the amount over \$25.

#### **I. Cash Advances**

Staff will receive a cash advance for per diem. Cash advances for mileage on approved use of personal vehicles will also be calculated and provided. Depending on the situation, rental vehicles, cab fare, or other transportation charges known in advance will be provided for in the cash advance if the District purchasing card is not accepted.

Please note that the deadline for requesting a travel cash advance is one week prior to departure to allow Accounts Payable sufficient time to obtain the requested amount. Otherwise, the traveler will need to pay his/her expenses out of pocket and be reimbursed after returning.

Travelers who do not have a District purchasing card will receive a check for travel expenses. A travel expense report (located at N:\Office Templates\Finance-Travel & Expenses\Travel Expense Report.xls) will be included with the cash advance check in the travel packet provided by the travel coordinator prior to traveling. Receipts for meals (if not using per diem rates), and other travel expenses **must be attached** to the Travel Expense Report when submitted to the department director or manager for approval after the trip. Travel expense reports **must be turned in to Accounts Payable (AP) within ten (10) working days from the traveler's scheduled return.**

## **MAINTENANCE**

The Purchasing Manager, -, - will monitor the application of this policy with the input from staff and propose changes when necessary.

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Executive Committee Approval; 7/9/91; revised 1/94  
(Revised by Management Team 9/97)  
(Revised by Management Team 7/99)  
(Revised by Leadership Council 8/02)  
(Revised by Leadership Council 3/06)  
(Revised by Leadership Council 6/08)  
(Revised by Purchasing 12/08)  
(Revised by Purchasing 12/09)  
(Revised by Leadership Council 4/13)  
(Revised by Purchasing 4/14)  
(Revised by Purchasing 4/15)

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## AGENDA ITEM SUMMARY

<b>DATE OF MEETING:</b>	February 1, 2023
<b>ITEM TITLE:</b>	UPDATED CONFLICT OF INTEREST POLICY & BUDGET COMMITTEE BYLAWS
<b>PRESENTOR:</b>	Camille Gandolfi, Interim Chief Executive Officer
<b>DIRECTOR:</b>	Jameson Auten, General Manager/Chief Executive Officer
<b>ACTION REQUESTED:</b>	None. Information Only

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**PURPOSE:** To provide an opportunity for review and discuss recommended updates to the Board Conflict of Interest Policy and Budget Committee Bylaws.

**DESCRIPTION:** District legal counsel has provided recommended updates to the Board's Conflict of Interest Policy and the Board's Budget Committee Bylaws to ensure alignment with the Board's Bylaws and any make any other legal updates.

**BACKGROUND:** After the Board adopted its amended and restated bylaws at its August 17, 2022, regular Board meeting, staff requested that legal counsel review all Board policies and Committee bylaws to ensure they do not conflict. Counsel has completed its review and recommend updates to the Board's Conflict of Interest Policy and the Board's Budget Committee Bylaws.

**CONSIDERATIONS:** N/A

**ALTERNATIVES:**

- The Board may hold further discussion and bring the policy and bylaws back at a future meeting.
- The Board may request additional revisions and bring the policy and bylaws back at a future meeting.
- The Board may maintain the policy and bylaws as they are.

**NEXT STEPS:** Based on Board direction, staff will take the appropriate administrative steps.

**SUPPORTING DOCUMENTATION:**

- 1) Current Conflict of Interest Policy
- 2) Amended Board Conflict of Interest Policy - Redline
- 3) Amended Board Conflict of Interest Policy Acknowledgment and Disclosure Form
- 4) Budget Committee Bylaws – Redline
- 5) Budget Committee Bylaws - Clean

**PROPOSED MOTION:** N/A



**Board of Directors**  
**Ethics and Conflicts of Interest Policy**

As a member of the Lane Transit District Board of Directors (the “Board”), I recognize that I owe a fiduciary duty of loyalty to Lane Transit District (“LTD”). This duty requires me to avoid conflicts of interest and to act at all times in the best interest of LTD. The purpose of the Ethics and Conflicts of Interest Policy is to:

1. Assist the Board in understanding the enumerated powers of LTD;
2. Inform the Board about what constitutes a conflict of interest;
3. Assist the Board in identifying and disclosing actual and potential conflicts;
4. Inform the Board about the use of office prohibition; and
5. Assist the Board in understanding the rules regarding acceptance of gifts.

LTD Board members are public officials and, as such, are subject to Oregon’s Government Ethics Law, found in Oregon Revised Statutes Chapter 244 and Oregon Administrative Rules Chapter 199. For any projects that are federally funded through the Federal Transit Administration (“FTA”), LTD Board members are also subject to the conflict of interest provisions of FTA Circular 4220.1F. Pertinent laws and rules are summarized below.

**A. The Enumerated Powers of a Mass Transit District**

LTD is a mass transit district and a special district. Special districts are created by the Legislature, and thus do not have broad or inherent general powers (like counties and cities). As a mass transit special district, LTD only has those powers enumerated in statute, which generally are:

1. Have and use a seal; sue and be sued;
2. Acquire real or personal property within the District boundaries for the purpose of providing or operating a mass transit system;
3. Contract for the construction, acquisition, purchase, lease, preservation, improvement, operation or maintenance of any mass transit system;
4. Build, construct, purchase, lease, improve, operate and maintain all improvements, facilities or equipment necessary or desirable for the mass transit system of the District;
5. Enter into contracts and employ agents, engineers, attorneys and other persons;
6. Fix and collect charges for the use of the transit system and other district facilities;
7. Construct, acquire, maintain and operate and lease, rent and dispose of passenger terminal facilities, motor vehicle parking facilities and other facilities for the purpose of encouraging use of the mass transit system within the District;

8. Enter into contracts or intergovernmental agreements to act jointly or in cooperation to provide mass transit services to areas, provided the party contracting to receive the services shall pay to the mass transit district not less than the proportionate share of the cost of the services that the benefits to the contracting party bear to the total benefits of the service;
9. Conduct programs and events and other actions for the purpose of maintaining employee relations;
10. Improve, construct and maintain bridges over navigable streams; and
11. Do such other acts or things as may be necessary or convenient for the proper exercise of the powers granted to a District herein.

**B. Conflicts of Interest When Federal Funds May Be Involved**

Board members are prohibited from participating in the selection, award, or administration of a contract supported with assistance from the Federal Transit Administration if a conflict of interest, real or apparent, would be involved. Such a conflict arises when:

1. The Board member;
2. Any member of the Board member's immediate family;
3. The Board member's partner; or
4. The Board member's employer or prospective employer

has a financial or other interest in the entity awarded a contract with LTD. When a conflict of interest, real or apparent, arises, you are prohibited from participating in the selection, award, or administration of the contract.

“Immediate family member” is not defined in the FTA Circular, but should be given its common meaning, which likely includes a “spouse, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law.”

**C. Conflicts of Interest Under Oregon Law (Applies All the Time)**

An *actual/potential* conflict of interest means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which *would/could* be to the private pecuniary benefit or detriment of the person or the person's relative or any business with which the person or a relative of the person is associated.

“Relative” means the following:

- a) The spouse, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the public official;
- b) The parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-

law of the *spouse* of the public official; or

- c) Any individual for whom the public official has a legal support obligation or provides benefits arising from the public official's public employment, or from whom the public official receives benefits arising from that individual's employment.

"Business with which the person is associated" means the following:

- a) Any private business or closely held corporation of which the person or the person's relative is a director, officer, owner or employee, or agent;
- b) Any private business or closely held corporation of which the person or the person's relative owns or has owned stock, or another form of equity interest, \$1,000 or more at any point in the preceding year; or
- c) Any publicly held corporation in which the person or the person's relative owns or has owned \$100,000 or more in stock or another form of equity interest at any point in the preceding calendar year.

#### **D. What If I Have a Conflict?**

1. Potential Conflict. If you are met with a **potential** conflict of interest, you must publicly announce the nature of the conflict before participating in any official action on the issue giving rise to the conflict of interest. Following the public announcement, you may participate in official action on that issue **unless** federal funds are or may be involved. If federal funds are or may be involved, you must refrain from further participation, even in the instance of a potential or apparent conflict. Even if the Board member's vote is necessary to meet the minimum number of votes required for official action, the Board member must refrain from participation if federal funds are involved.
2. Actual Conflict. If you are met with an **actual** conflict of interest, you must publicly announce the nature of the conflict. Following the public announcement, you must refrain from further participation in official action on the issue that gave rise to the conflict of interest.

In very limited circumstances, and only when federal funds are **not** involved, you may be able to vote despite an actual conflict of interest. This exception only applies when a Board member's vote is necessary to meet the minimum number of votes required for official action. In this circumstance, you must make the announcement and refrain from any discussion, but may participate in the vote required for official action by the Board. This provision does **not** apply in situations where there are insufficient votes because of a member's absence when the Board is convened. Rather, it applies in circumstances when all Board members are present and the number of members who must refrain due to actual

conflicts of interest make it impossible for the Board to take official action.

When there is a conflict between federal law and Oregon law, the stricter standard shall apply.

**E. Disclosure Requirements**

All actual and potential conflicts of interest shall be disclosed by Board members to the General Manager through the annual Disclosure Form and to the Board whenever a conflict of interest arises. On an annual basis, all Board members shall be provided with a copy of this policy and are required to complete and sign the Acknowledgment and Disclosure Form, below.

Under Oregon law, LTD Board members are required to file with the Oregon Government Ethics Commission a verified statement of economic interest (“SEI”) on or before April 15 of each year. If needed, additional information regarding the SEI can be obtained from the Clerk of the Board, or from the Oregon Government Ethics Commission.

**F. Use of Office Prohibition**

Generally, a Board member may not use or attempt to use official position or office to obtain financial gain or avoidance of financial detriment for the Board member, a relative or member of the household of the Board member, or any business with which the Board member, relative or a member of the household is associated, if the financial gain or avoidance of financial debt would not otherwise be available but for the Board member’s holding of official position.

The following are exceptions to the use of office prohibition:

1. Any part of an official compensation package;
2. Receipt of an honorarium;
3. An unsolicited award for professional achievement; and
4. Permitted gifts / items expressly excluded from the definition of “gift.”

**G. Gifts**

Under Oregon law, a Board member, or a relative, or a member of your household, may not solicit or receive, directly or indirectly, any **gift** or gifts with an aggregate value in excess of **\$50** from any single source that could reasonably be known to have a **legislative or administrative interest**.

1. What is a “Gift”? A “gift” is something of economic value given to a Board member, a relative, or a member of the household that is: (1) free or discounted; and (2) not offered on the same terms to others who are not public officials, or relatives or members of a public official’s household.
2. What is NOT a “Gift”? Under Oregon law, and in pertinent part only, the following are excluded from the definition of gift:
  - a. Gifts from relatives or members of the Board member’s household;

- b. An unsolicited token or award of appreciation with a resale value less than \$25;
  - c. Admission provided to or the cost of food or beverage consumed by a Board member, relative, or member of the household accompanying the Board member at a reception, meal, or meeting held by an organization when the Board member is representing LTD;
  - d. Entertainment provided to a Board member, relative, or member of the household that is incidental to the main purpose of another event.
3. Legislative or Administrative Interest. Under Oregon law, the receipt of gifts must be analyzed when the source has a “legislative or administrative interest” in the Board member. A source has a “legislative or administrative” interest in a Board member when the source has:
- a. An economic interest, distinct from that of the general public; and
  - b. In any matter that is or would be subject to the decision or vote of a Board member.

Under federal law, a personal conflict of interest arises when a Board member solicits or accepts gifts, gratuities, favors or anything of monetary value from a contractor, potential contractor, or party to a sub-agreement. However, federal law allows the acceptance of gifts where the financial interest is “not substantial” or the gift is an “unsolicited item of intrinsic value.” Therefore, by following Oregon’s \$50 gift limit, Board members will comply with the requirements under federal law.

#### **H. Financial Interest in Public Contract**

Under Oregon law, a Board member who ceases to hold a position as a public official may not have a “direct beneficial financial interest” in a public contract for two years after the date the contract was “authorized.”

A contract is “authorized” by a Board member if the Board member performed a significant role in the selection process of a contractor or the execution of the contract. A “significant role” can include recommending approval or signing of the contract, including serving on a selection committee or team, or having the final authorizing authority for the contract.

This law is most relevant in the following scenario. A former Board member becomes employed by Company. Company has a public contract with LTD. Board member is prohibited from working on the contract with LTD for two years from the date the contract was authorized.

**I. Penalties**

The Oregon Government Ethics Commission has jurisdiction to investigate alleged violations of the Oregon Government Ethics Laws. After an investigation, if the Commission finds that a violation occurs, it may impose sanctions that include, but are not limited to, letters of reprimand or civil penalties (of up to \$10,000). Any financial gain that a public official realized from a violation of Oregon Government Ethics Laws is subject to a forfeiture of twice the gain.

**Conflicts of Interest Acknowledgment and Disclosure Form**

I have read the Conflicts of Interest Policy set forth above and agree to comply fully with its terms and conditions at all times during my service as an LTD Board member. If at any time following the submission of this form I become aware of any actual or potential conflicts of interest, or if the information provided below becomes inaccurate or incomplete, I will promptly notify the LTD Board of Directors and the General Manager in writing.

*Please answer the questions below by circling 'Yes' or 'No'. Some of these questions may seem repetitive. Please answer each question. If you circle 'Yes' an explanation is required.*

1. Do **you** have a financial, or any other, interest in an entity that could be, or has been, awarded a contract with LTD?

NO                      YES (Explain)                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Does any **member of your immediate family** have a financial, or any other, interest in an entity that could be, or has been, awarded a contract with LTD?  
a. A "member of your immediate family" means your spouse, parent, stepparent, child, sibling, son-in-law or daughter-in-law.

NO                      YES (Explain)                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Does **your partner** have a financial, or any other, interest in an entity that could be, or has been, awarded a contract with LTD?

NO                      YES (Explain)                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Does **your current or prospective employer** have a financial, or any other, interest in an entity that could be, or has been, awarded a contract with LTD?

NO                      YES (Explain)                      \_\_\_\_\_

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5. Are there any businesses with which **you** are associated?

NO            YES (Explain)            \_\_\_\_\_

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6. Do you know of any circumstance in which **you** could receive a financial benefit or detriment from an action **you** may undertake in your capacity as a Board member?

NO            YES (Explain)            \_\_\_\_\_

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7. Do you know of any circumstance in which a **business with which you are associated** could receive a financial benefit or detriment from an action **you** may undertake in your capacity as a Board member?

NO            YES (Explain)            \_\_\_\_\_

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8. Are there any businesses with which **your relative** is associated?  
a. Please refer to Section B, page 2 of the Policy for the definition of "relative."

NO            YES (Explain)            \_\_\_\_\_

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9. Do you know of any circumstance in which **your relative** could receive a financial benefit or detriment from an action **you** may undertake in your capacity as a Board member?

NO                      YES (Explain)                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. Do you know of any circumstance in which a **business with which your relative is associated** could receive a financial benefit or detriment from an action **you** may undertake in your capacity as a Board member?

NO                      YES (Explain)                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

11. Are there any other actual or potential conflicts of interest to disclose?

NO                      YES (Explain)                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

In my individual capacity:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**LANE TRANSIT DISTRICT  
POLICIES AND GUIDELINES**

**BOARD OF DIRECTORS  
CONFLICT OF INTEREST  
POLICY**

Policy Number: 100.10

**Tier I: Board of Directors**

Revision Date:

Effective Date: March 15, 2017

File Location / Name:

Scope: Defines the guidelines surrounding potential and actual conflicts of interest that Board members must operate within.

Tier *	Affected Divisions / Departments/ Groups
Tier I:	<b>Lane Transit District Board of Directors</b>
Tier II:	All (LTD) - All LTD employees, temporary employees; contractors, and vendors.
	All Administrative Employees.
	All ATU Employees.
Tier III:	Multiple Divisions and/or Departments:
Tier IV:	Division or Department:

\* Tier – Tier I Board of Directors governance policies; Tier II operational policies are organizationally supported, governed, and enforced; Tier III standards and procedures are developed, governed, and enforced between specific divisions/departments and must adhere to Tier I requirements; Tier IV methods and instructions are developed, governed, and enforced within divisions/departments, but must adhere to Tier II and III requirements.

**Revision History:**

Revision	Author / Editor	Description
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**Legal References:** [ORS Chapter 244](#); [OAR Chapter 199](#); [FTA Circular 4220.1F](#).

**Related Forms:** Conflict of Interest Acknowledgment and Disclosure Form

**Related Policies:** N/A

**APPROVAL:** Adopted at the March 15, 2017, regular Board meeting – resolution no. 2017-03-15 (adopted via resolution no. without a resolution document)

# LANE TRANSIT DISTRICT POLICIES AND GUIDELINES

## 100.10.1. PURPOSE AND POLICY STATEMENT

~~As a member~~Members of the Lane Transit District Board of Directors (the "Board"), ~~I recognize that I~~are public officials subject to Oregon's ethics laws governing public officials and, to the extent a project is federally funded, to the ethics rules of the Federal Transit Administration. Board members owe a fiduciary ~~duty~~duties of loyalty and care to Lane Transit District ("LTD"). This duty requires ~~me to avoid that~~ Board members comply with and meet all ethical requirements and standards, including the disclosure and avoidance of conflicts of interest, and that they act at all times in the best interest of LTD. The purpose of ~~the~~this Ethics and Conflicts of Interest Policy is to: inform the Board about the ethical requirements and standards governing their conduct as Board members.

## 100.10.2. Assist the GENERAL EXPECTATIONS

Board ~~in understanding the enumerated powers~~members are expected to:

- Know and align with the vision, mission and values of LTD;
- ~~1. Inform the Board about what constitutes a conflict of interest;~~
  - Assist the BoardAttend all board meetings and committee meetings on which they serve unless an emergency or illness arises;
  - Read the minutes, resolutions, ordinances, and other supporting materials prior to all board meetings and ask known questions of staff in advance of the meetings;
  - Build goodwill for LTD by attending charitable and community-based events as an LTD ambassador, being mindful that as a Board member they represent LTD publicly and should make all efforts to promote a positive image that supports the interests of LTD;
  - Learn and observe established procedures in board meetings and display courteous conduct in all public meetings;
  - Keep abreast with trends and developments in the public transportation sector;
  - Maintain objectivity and exercise fairness, integrity, loyalty, collegiality and care in the execution of their duties, and,
  - Always keep at the forefront their role as Board members, which is to define and focus on the mission of LTD through the development of policies that govern the implementation of the institutional plan and purposes.

## 100.10.3. Conflicts of Interest~~identifying and disclosing~~

Board members have an obligation to perform their Board-related duties within guidelines that prohibit actual and/or potential conflicts of interest. The purpose of these guidelines is to provide general direction so that Board members can seek further clarification when the need arises.

An "actual conflict of interest" means any action or any decision or recommendation by a Board member, the effect of which would be to the private pecuniary benefit or detriment of the Board member or their relative or any business with which the Board member or their relative is associated. A "potential conflict of interest" means any action or any decision or recommendation by a Board member, the effect of which could be to the private pecuniary benefit or detriment of the Board member or their relative, or a

## LANE TRANSIT DISTRICT POLICIES AND GUIDELINES

business with which the Board member or their relative is associated. For example, a potential conflict would arise when Board member is voting to approve a construction contract with a general contractor who may subcontract a portion of the work to a company the Board member's brother owns. In that circumstance, the conflict does not exist currently, but it could arise in the future.

For the purpose of this Policy, a "relative" includes the spouse, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the Board member; the parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the spouse of the Board member; and any individual for whom the public official or candidate has a legal support obligation.

For purposes of this Policy, a "business in which the Board member or relative are associated" or "associated business" includes any private business or closely held corporation of which the Board member or their relative is a director, officer, owner, employee, or agent, or of which the Board member or their relative owns or has owned stock, or another form of equity interest, valued at \$1,000 or more at any point in the preceding year; or a publicly held corporation in which the Board member or their relative owns or has owned \$100,000 or more in stock or another form of equity in the preceding calendar year; or a publicly held corporation in which the Board member or their relative is a director or officer.

### Procedure When a Conflict Arises

- Actual Conflict. If a Board member has an actual conflict of interest, they must publicly announce the nature of the conflict. Following the public announcement, they must refrain from further participation in official action on the issue that gave rise to the conflict of interest. This includes not only abstaining from the vote, but also from any discussion or deliberation of the issue leading up to the vote. Under limited circumstances, and only when federal funds are **not** involved, a Board member may be able to vote despite an actual conflict of interest. This exception only applies when all Board members are present for the vote and the number of members who must refrain due to actual conflicts of interest makes it impossible for the Board to take official action.
- 2. Potential Conflict. Inform the Board about the use of office prohibition; and
- 3. Assist the Board in understanding the rules regarding acceptance of gifts.

LTD Board members are public officials and, as such, are subject to Oregon's Government Ethics Law, found in Oregon Revised Statutes Chapter 244 and Oregon Administrative Rules Chapter 199. For any projects that are federally funded through the Federal Transit Administration ("FTA"), LTD Board members are also subject to the conflict of interest provisions of FTA Circular 4220.1F. Pertinent laws and rules are summarized below.

### The Enumerated Powers of a Mass Transit District

LTD is a mass transit district and a special district. Special districts are created by the Legislature, and thus do not have broad or inherent general powers (like counties and cities). As a mass transit special district, LTD only has those powers enumerated in statute, which generally are:

1. Have and use a seal; sue and be sued;
2. Acquire real or personal property within the District boundaries for the purpose of providing or operating a mass transit system;
3. Contract for the construction, acquisition, purchase, lease, preservation, improvement, operation

# LANE TRANSIT DISTRICT POLICIES AND GUIDELINES

~~or maintenance of any mass transit system;~~

- ~~4. Build, construct, purchase, lease, improve, operate and maintain all improvements, facilities or equipment necessary or desirable for the mass transit system of the District;~~
- ~~5. Enter into contracts and employ agents, engineers, attorneys and other persons;~~
- ~~6. Fix and collect charges for the use of the transit system and other district facilities;~~
- ~~7. Construct, acquire, maintain and operate and lease, rent and dispose of passenger terminal facilities, motor vehicle parking facilities and other facilities for the purpose of encouraging use of the mass transit system within the District;~~
- ~~8. Enter into contracts or intergovernmental agreements to act jointly or in cooperation to provide mass transit services to areas, provided the party contracting to receive the services shall pay to the mass transit district not less than the proportionate share of the cost of the services that the benefits to the contracting party bear to the total benefits of the service;~~
- ~~9. Conduct programs and events and other actions for the purpose of maintaining employee relations;~~
- ~~10. Improve, construct and maintain bridges over navigable streams; and~~
- ~~11. Do such other acts or things as may be necessary or convenient for the proper exercise of the powers granted to a District herein.~~

- If a Board member is met with a potential conflict of interest, they must publicly announce the nature of the potential conflict before participating in any official action on the issue giving rise to the conflict of interest. Following the public announcement, the Board member may participate in official action on that issue **unless** federal funds are or may be involved. If federal funds are or may be involved, the Board member must refrain from further participation.

## **Conflicts of Interest When Federal Funds May Be Involved**

Board members are prohibited from participating in the selection, award, or administration of a contract supported with assistance from the Federal Transit Administration if **an actual or potential** conflict of interest, ~~real or apparent, would be involved.~~ Such a conflict arises when: exists in relation to that contract.

- ~~1. The Board member;~~
- ~~2. Any member of the Board member's immediate family;~~
- ~~3. The Board member's partner; or~~
- ~~4. The Board member's employer or prospective employer~~

~~has a financial or other interest in the entity awarded a contract with LTD. When a conflict of interest, real or apparent, arises, you are prohibited from participating in the selection, award, or administration of the contract.~~

# LANE TRANSIT DISTRICT POLICIES AND GUIDELINES

~~“Immediate family member” is not defined in the FTA Circular, but should be given its common meaning, which likely includes a “spouse, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law.”~~

## ~~Conflicts of Interest~~ Under Oregon Law (Applies All the Time)

~~An **actual/potential** conflict of interest means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which **would/could** be to the private pecuniary benefit or detriment of the person or the person’s relative or any business with which the person or a relative of the person is associated.~~

~~“Relative” means the following:~~

- ~~a) The spouse, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the public official;~~
- ~~b) The parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the **spouse** of the public official; or~~
- ~~c) Any individual for whom the public official has a legal support obligation or provides benefits arising from the public official’s public employment, or from whom the public official receives benefits arising from that individual’s employment.~~

~~“Business with which the person is associated” means the following:~~

- ~~a) Any private business or closely held corporation of which the person or the person’s relative is a director, officer, owner or employee, or agent;~~
- ~~b) Any private business or closely held corporation of which the person or the person’s relative owns or has owned stock, or another form of equity interest, \$1,000 or more at any point in the preceding year; or~~
- ~~c) Any publicly held corporation in which the person or the person’s relative owns or has owned \$100,000 or more in stock or another form of equity interest at any point in the preceding calendar year.~~

## What If I Have a Conflict?

- ~~1. Potential Conflict. If you are met with a **potential** conflict of interest, you must publicly announce the nature of the conflict before participating in any official action on the issue giving rise to the conflict of interest. Following the public announcement, you may participate in official action on that issue **unless** federal funds are or may be involved. If federal funds are or may be involved, you must refrain from further participation, even in the instance of a potential or apparent conflict. Even if the Board member’s vote is necessary to meet the minimum number of votes required for official action, the Board member must refrain from participation if federal funds are involved.~~
- ~~2. Actual Conflict. If you are met with an **actual** conflict of interest, you must publicly announce the nature of the conflict. Following the public announcement, you must refrain from further participation in official action on the issue that gave rise to the conflict of interest.~~

~~In very limited circumstances, and only when federal funds are **not** involved, you may be able to vote~~

## LANE TRANSIT DISTRICT POLICIES AND GUIDELINES

~~despite an actual conflict of interest. This exception only applies when a Board member's vote is necessary to meet the minimum number of votes required for official action. In this circumstance, you must make the announcement and refrain from any discussion, but may participate in the vote required for official action by the Board. This provision does not apply in situations where there are insufficient votes because of a member's absence when the Board is convened. Rather, it applies in circumstances when all Board members are present and the number of members who must refrain due to actual conflicts of interest make it impossible for the Board to take official action.~~

~~When there is a conflict between federal law and Oregon law, the stricter standard shall apply.~~

### **Disclosure Requirements**

All actual and potential conflicts of interest shall be disclosed by Board members to the General Manager through the annual Disclosure Form and to the Board whenever an actual or potential conflict of interest arises. On an annual basis, all Board members shall be provided with a copy of this policy and are required to complete and sign the Acknowledgment and Disclosure Form, ~~below~~.

~~Under Oregon law,~~ LTD Board members are also required to file with the Oregon Government Ethics Commission a verified statement of economic interest ("SEI") on or before April 15 of each year. If needed, additional information regarding the SEI can be obtained from the Clerk of the Board, or from the Oregon Government Ethics Commission.

### **100.10.2-100.10.4. Use of Office Prohibition**

~~Generally, a~~ Board member may not use or attempt to use their official position or office to obtain any financial gain or ~~avoidance of~~ to avoid a financial detriment for the Board member, ~~a or their~~ relative, or member of the household any associated business of the Board member, ~~or any business with which the Board member, or~~ relative or a member of the household is associated, if the financial gain or avoidance of financial debt would not otherwise be available but for the Board member's holding of official position. their official position. This prohibition does not apply to any part of an official compensation package; the receipt of an honorarium; an unsolicited award for professional achievement; or permitted gifts or items expressly excluded from the definition of "gift."

~~The following are exceptions to the use of office prohibition:~~

- ~~1. Any part of an official compensation package;~~
- ~~2. Receipt of an honorarium;~~
- ~~3. An unsolicited award for professional achievement; and~~
- ~~4. Permitted gifts / items expressly excluded from the definition of "gift."~~

### **100.10.3-100.10.5. Prohibited Gifts**

~~Under Oregon law, a~~ Board member, ~~or a~~ their relative, ~~or a~~ or any associated business of the Board member ~~of your household, or relative~~ may not solicit or receive, directly or indirectly, any gift or gifts with an aggregate value in excess of \$50 Fifty Dollars (\$50.00) from any single source that could reasonably be known to have a legislative or administrative interest. A "legislative or administrative interest" exists



## LANE TRANSIT DISTRICT POLICIES AND GUIDELINES

when the source has an economic interest distinct from that of the general public in a matter that is our could be subject to the decision or vote of the Board member. For purpose of this section, the term "relative" also includes a member of the Board member's household that would not otherwise qualify under this Policy as a relative.

- ~~1. What is a "Gift"? A "gift" is something~~Prohibited gifts include anything of economic value ~~given to a Board member, a relative, or a member of the household that is: (1) is~~ free or discounted; and ~~(2) not offered on the same terms to others who are not public officials, or their relatives or members of a public official's household.~~
- ~~2. What is NOT a "Gift"? Under Oregon law, and in pertinent part only, the following are excluded from the definition of gift:~~
  - ~~a. Gifts associated business. Prohibited gifts do not include gifts~~ from relatives or members of the Board member's household;
  - ~~b. An, an~~ unsolicited token or award of appreciation with a resale value less than ~~\$Twenty-five Dollars (\$25;~~ Admission.00); admission provided to or the cost of food or beverage consumed by a Board member, or relative, or member of the household accompanying the Board member at a reception, meal, or meeting held by an organization when the Board member is representing LTD; or entertainment provided to a Board member that is incidental to the main purpose of another event.
  - ~~c. Entertainment provided to a Board member, relative, or member of the household that is incidental to the main purpose of another event.~~
- ~~3. Legislative or Administrative Interest. Under Oregon law, the receipt of gifts must be analyzed when the source has a "legislative or administrative interest" in the Board member. A source has a "legislative or administrative" interest in a Board member when the source has:~~
- ~~4.~~
  - ~~a. An economic interest, distinct from that of the general public; and~~
  - ~~b. In any matter that is or would be subject to the decision or vote of a Board member.~~

Under federal law, a personal conflict of interest arises when a Board member solicits or accepts gifts, gratuities, favors or anything of monetary value from a contractor, potential contractor, or party to a sub-agreement. However, federal law allows the acceptance of gifts where the financial interest is "not substantial" or the gift is an "unsolicited item of intrinsic value." Therefore, by following Oregon's \$50 gift limit, Board members will comply with the requirements under federal law.

### ~~100.10.4, 100.10.6.~~ Prohibited Financial Interest in Public Contract

~~Under Oregon law, a~~ Board member who ceases to hold a position as a public official may not have a "direct beneficial financial interest" in a public contract for two years after the date the contract was "authorized."

by the Board member. A contract is "authorized" by a Board member if the Board member performed a significant role in the selection process of a contractor or the execution of the contract. A "significant role"



## LANE TRANSIT DISTRICT POLICIES AND GUIDELINES

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can include recommending approval or signing of the contract, including serving on a selection committee or team, or having the final authorizing authority for the contract.

This law is most relevant in the following scenario. A former Board member becomes employed by Company. Company has a public contract with LTD. Board member is prohibited from working on the contract with LTD for two years from the date the contract was authorized.

### 100.10.5-100.10.7. Penalties

The Oregon Government Ethics Commission has jurisdiction to investigate alleged violations of the Oregon Government Ethics Laws. After an investigation, if the Commission finds that a violation ~~occurs, has occurred~~ it may impose sanctions against the Board member personally that include, ~~but are not limited to, letters a letter~~ of reprimand or civil penalties (of up to \$10,000). ~~Any. In addition, any~~ financial gain that a public official realized from a violation of Oregon Government Ethics Laws is subject to a forfeiture of twice the gain.

**LANE TRANSIT DISTRICT  
POLICIES AND GUIDELINES**

**BOARD OF DIRECTORS  
CONFLICT OF INTEREST  
POLICY**

Policy Number: 100.10

**Tier I: Board of Directors**

Revision Date:

Effective Date: March 15, 2017

File Location / Name:

Scope: Defines the guidelines surrounding potential and actual conflicts of interest that Board members must operate within.

Tier *	Affected Divisions / Departments/ Groups
<b>Tier I:</b>	<b>Lane Transit District Board of Directors</b>
Tier II:	All (LTD) - All LTD employees, temporary employees; contractors, and vendors.
	All Administrative Employees.
	All ATU Employees.
Tier III:	Multiple Divisions and/or Departments:
Tier IV:	Division or Department:

\* Tier – Tier I Board of Directors governance policies; Tier II operational policies are organizationally supported, governed, and enforced; Tier III standards and procedures are developed, governed, and enforced between specific divisions/departments and must adhere to Tier I requirements; Tier IV methods and instructions are developed, governed, and enforced within divisions/departments, but must adhere to Tier II and III requirements.

**Revision History:**

Revision	Author / Editor	Description
00		

**Legal References:** ORS Chapter 244; OAR Chapter 199; FTA Circular 4220.1F.

**Related Forms:** Conflict of Interest Acknowledgment and Disclosure Form

**Related Policies:** N/A

**APPROVAL:** Adopted at the March 15, 2017, regular Board meeting – resolution no. 2017-03-15 (adopted via resolution no. without a resolution document)

# LANE TRANSIT DISTRICT POLICIES AND GUIDELINES

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## **100.10.1. PURPOSE AND POLICY STATEMENT**

Members of the Lane Transit District Board of Directors (the “Board”) are public officials subject to Oregon’s ethics laws governing public officials and, to the extent a project is federally funded, to the ethics rules of the Federal Transit Administration. Board members owe fiduciary duties of loyalty and care to Lane Transit District (“LTD”). This duty requires that Board members comply with and meet all ethical requirements and standards, including the disclosure and avoidance of conflicts of interest, and that they act at all times in the best interest of LTD. The purpose of this Ethics and Conflicts of Interest Policy is to inform the Board about the ethical requirements and standards governing their conduct as Board members.

## **100.10.2. GENERAL EXPECTATIONS**

Board members are expected to:

- Know and align with the vision, mission and values of LTD;
- Attend all board meetings and committee meetings on which they serve unless an emergency or illness arises;
- Read the minutes, resolutions, ordinances, and other supporting materials prior to all board meetings and ask known questions of staff in advance of the meetings;
- Build goodwill for LTD by attending charitable and community-based events as an LTD ambassador, being mindful that as a Board member they represent LTD publicly and should make all efforts to promote a positive image that supports the interests of LTD;
- Learn and observe established procedures in board meetings and display courteous conduct in all public meetings;
- Keep abreast with trends and developments in the public transportation sector;
- Maintain objectivity and exercise fairness, integrity, loyalty, collegiality and care in the execution of their duties, and,
- Always keep at the forefront their role as Board members, which is to define and focus on the mission of LTD through the development of policies that govern the implementation of the institutional plan and purposes.

## **100.10.3. Conflicts of Interest**

Board members have an obligation to perform their Board-related duties within guidelines that prohibit actual or potential conflicts of interest. The purpose of these guidelines is to provide general direction so that Board members can seek further clarification when the need arises.

An “**actual conflict of interest**” means any action or any decision or recommendation by a Board member, the effect of which would be to the private pecuniary benefit or detriment of the Board member or their relative or any business with which the Board member or their relative is associated. A “**potential conflict of interest**” means any action or any decision or recommendation by a Board member, the effect of which could be to the private pecuniary benefit or detriment of the Board member or their relative, or a business with which the Board member or their relative is associated. For example, a potential conflict would arise when Board member is voting to approve a construction contract with a general contractor who may subcontract a portion of the work to a company the Board member’s brother owns. In that circumstance, the conflict does not exist currently, but it could arise in the future.

For the purpose of this Policy, a “**relative**” includes the spouse, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the Board member; the parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the spouse of the Board member; and any individual for whom the public official or candidate has a legal support obligation.

For purposes of this Policy, a “**business in which the Board member or relative are associated**” or “**associated business**” includes any private business or closely held corporation of which the Board member or their relative is a

## LANE TRANSIT DISTRICT POLICIES AND GUIDELINES

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director, officer, owner, employee, or agent, or of which the Board member or their relative owns or has owned stock, or another form of equity interest, valued at \$1,000 or more at any point in the preceding year; or a publicly held corporation in which the Board member or their relative owns or has owned \$100,000 or more in stock or another form of equity in the preceding calendar year; or a publicly held corporation in which the Board member or their relative is a director or officer.

### **Procedure When a Conflict Arises**

- **Actual Conflict.** If a Board member has an actual conflict of interest, they must publicly announce the nature of the conflict. Following the public announcement, they must refrain from further participation in official action on the issue that gave rise to the conflict of interest. This includes not only abstaining from the vote, but also from any discussion or deliberation of the issue leading up to the vote. Under limited circumstances, and only when federal funds are **not** involved, a Board member may be able to vote despite an actual conflict of interest. This exception only applies when all Board members are present for the vote and the number of members who must refrain due to actual conflicts of interest makes it impossible for the Board to take official action.
- **Potential Conflict.** If a Board member is met with a potential conflict of interest, they must publicly announce the nature of the potential conflict before participating in any official action on the issue giving rise to the conflict of interest. Following the public announcement, the Board member may participate in official action on that issue **unless** federal funds are or may be involved. If federal funds are or may be involved, the Board member must refrain from further participation.

### **Conflicts of Interest When Federal Funds May Be Involved**

Board members are prohibited from participating in the selection, award, or administration of a contract supported with assistance from the Federal Transit Administration if an actual or potential conflict of interest exists in relation to that contract.

### **Disclosure Requirements**

All actual and potential conflicts of interest shall be disclosed by Board members to the General Manager through the annual Disclosure Form and to the Board whenever an actual or potential conflict of interest arises. On an annual basis, all Board members shall be provided with a copy of this policy and are required to complete and sign the Acknowledgment and Disclosure Form.

LTD Board members are also required to file with the Oregon Government Ethics Commission a verified statement of economic interest ("SEI") on or before April 15 of each year. If needed, additional information regarding the SEI can be obtained from the Clerk of the Board, or from the Oregon Government Ethics Commission.

### **100.10.4. Use of Office Prohibition**

A Board member may not use or attempt to use their official position or office to obtain any financial gain or to avoid a financial detriment for the Board member or their relative, or any associated business of the Board member or relative if the financial gain or avoidance of financial debt would not otherwise be available but for the Board member's holding of their official position. This prohibition does not apply to any part of an official compensation package; the receipt of an honorarium; an unsolicited award for professional achievement; or permitted gifts or items expressly excluded from the definition of "gift."

### **100.10.5. Prohibited Gifts**

A Board member, their relative or any associated business of the Board member or relative may not solicit or receive, directly or indirectly, any gift or gifts with an aggregate value in excess of Fifty Dollars (\$50.00) from any single source that could reasonably be known to have a legislative or administrative interest. A "legislative or administrative interest" exists when the source has an economic interest distinct from that of the general public in a matter that is our could

## **LANE TRANSIT DISTRICT POLICIES AND GUIDELINES**

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be subject to the decision or vote of the Board member. For purpose of this section, the term “relative” also includes a member of the Board member’s household that would not otherwise qualify under this Policy as a relative.

Prohibited gifts include anything of economic value is free or discounted and not offered on the same terms to others who are not public officials, their relatives or associated business. Prohibited gifts do not include gifts from relatives or members of the Board member’s household, an unsolicited token or award of appreciation with a resale value less than Twenty-five Dollars (\$25.00); admission provided to or the cost of food or beverage consumed by a Board member or relative accompanying the Board member at a reception, meal, or meeting held by an organization when the Board member is representing LTD; or entertainment provided to a Board member that is incidental to the main purpose of another event.

Under federal law, a personal conflict of interest arises when a Board member solicits or accepts gifts, gratuities, favors or anything of monetary value from a contractor, potential contractor, or party to a sub-agreement. However, federal law allows the acceptance of gifts where the financial interest is “not substantial” or the gift is an “unsolicited item of intrinsic value.” Therefore, by following Oregon’s \$50 gift limit, Board members will comply with the requirements under federal law.

### **100.10.6. Prohibited Financial Interest in Public Contract**

A Board member who ceases to hold a position as a public official may not have a direct beneficial financial interest in a public contract for two years after the date the contract was authorized by the Board member. A contract is “authorized” by a Board member if the Board member performed a significant role in the selection process of a contractor or the execution of the contract. A “significant role” can include recommending approval or signing of the contract, including serving on a selection committee or team, or having the final authorizing authority for the contract.

This law is most relevant in the following scenario. A former Board member becomes employed by Company. Company has a public contract with LTD. Board member is prohibited from working on the contract with LTD for two years from the date the contract was authorized.

### **100.10.7. Penalties**

The Oregon Government Ethics Commission has jurisdiction to investigate alleged violations of the Oregon Government Ethics Laws. After an investigation, if the Commission finds that a violation has occurred it may impose sanctions against the Board member personally that include a letter of reprimand or civil penalties of up to \$10,000. In addition, any financial gain that a public official realized from a violation of Oregon Government Ethics Laws is subject to a forfeiture of twice the gain.

**Conflicts of Interest Acknowledgment and Disclosure Form**

I have read the Conflicts of Interest Policy set forth above and agree to comply fully with its terms and conditions at all times during my service as an LTD Board member. If at any time following the submission of this form I become aware of any actual or potential conflicts of interest, or if the information provided below becomes inaccurate or incomplete, I will promptly notify the LTD Board of Directors and the General Manager in writing.

*Please answer the questions below by circling 'Yes' or 'No'. Some of these questions may seem repetitive. Please answer each question. If you circle 'Yes' an explanation is required.*

- 1. Do **you** have a financial, or any other, interest in an entity that could be, or has been, awarded a contract with LTD?

NO                      YES (Explain)                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 2. Does any **member of your immediate family** have a financial, or any other, interest in an entity that could be, or has been, awarded a contract with LTD?
  - a. A "member of your immediate family" means your spouse, parent, stepparent, child, sibling, son-in-law or daughter-in-law.

NO                      YES (Explain)                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 3. Does **your partner** have a financial, or any other, interest in an entity that could be, or has been, awarded a contract with LTD?

NO                      YES (Explain)                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 4. Does **your current or prospective employer** have a financial, or any other, interest in an entity that could be, or has been, awarded a contract with LTD?

NO YES (Explain) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Are there any businesses with which **you** are associated?

NO YES (Explain) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Do you know of any circumstance in which **you** could receive a financial benefit or detriment from an action **you** may undertake in your capacity as a Board member?

NO YES (Explain) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Do you know of any circumstance in which a **business with which you are associated** could receive a financial benefit or detriment from an action **you** may undertake in your capacity as a Board member?

NO YES (Explain) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Are there any businesses with which **your relative** is associated?  
a. Please refer to Section B, page 2 of the Policy for the definition of “relative.”

NO YES (Explain) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. Do you know of any circumstance in which **your relative** could receive a financial benefit or detriment from an action **you** may undertake in your capacity as a Board member?

NO                      YES (Explain)                      \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

10. Do you know of any circumstance in which a **business with which your relative is associated** could receive a financial benefit or detriment from an action **you** may undertake in your capacity as a Board member?

NO                      YES (Explain)                      \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

11. Are there any other actual or potential conflicts of interest to disclose?

NO                      YES (Explain)                      \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

In my individual capacity:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_





**BUDGET COMMITTEE  
COMMUNITY ADVISORY COMMITTEE  
BYLAWS**

**ARTICLE I  
NAME AND PURPOSE**

**SECTION 1.1 Purpose.** The Budget Committee (the "Committee") was established by the Lane Transit District ("LTD" or the "District") Board of Directors (the "Board") to review and approve the operating and capital budget proposed by LTD's budget officer.

**ARTICLE II  
GOVERNANCE PROCEDURES**

**SECTION 2.1 Governance Procedures.** The Budget Committee will comply with Oregon's Public Meetings Law, Public Records Law, Local Budget Law, and all applicable governance procedures set forth in the LTD Ordinance 52, Providing Rules for Meetings of the Lane Transit Board of Directors, ~~attached hereto as Exhibit A.~~

**ARTICLE III  
MEMBERSHIP, COMPOSITION, APPOINTMENT**

**SECTION 3.1 Membership.** ~~Members of the Budget Committee should have a Knowledge of general knowledge of finance and an understanding of the business operated by the District. However, an extensive background in finance is not required as information is presented to the Committee in a manner consistent with basic accounting principles, are helpful, but not absolutely necessary, since information is presented in a manner consistent with basic accounting principles.~~ It is expected that members of the Committee will ~~have or~~ develop a general understanding of the budget process and the programs ~~and~~ funds included in the budget document.

**SECTION 3.2 Composition.** The Budget Committee shall consist of fourteen (14) members as follows: seven (7) Board members and seven (7) appointed members who live within the LTD service area. All members of the Committee have equal authority regardless of tenure.

**SECTION 3.3 Appointment.** ~~Each Board member may appoint one (1) member to the Committee so long as the member resides within LTD's service area, regardless of whether the member resides within that Board member's sub-district. Board members are appointed to the Committee automatically upon their appointment to the LTD Board of Directors. Non-board members shall be appointed by the LTD Board, by a simple majority vote, upon recommendations made by the CEO/General Manager or an individual director.~~

**Commented [AC1]:** This process was for the original appointment of non-director members. It is not workable going forward with an established panel.

**ARTICLE IV  
TERMS OF SERVICE, VACANCIES**

**SECTION 4.1 Terms of Service.** Board members shall serve on the Budget Committee throughout the duration of their Board appointment. ~~Non-board Appointed~~ Committee members shall serve for three-year, staggered terms, with the member's term beginning ~~January~~ uly 1 of the respective year. Appointed

Adopted: 03/21/2018



Committee members may be reappointed for additional terms, at the discretion of the LTD Board of Directors.

**SECTION 4.2 Vacancies.** If a vacancy is created because an appointed member is unable to complete his/her term, or resigns before the term is over, the LTD Board of Directors will appoint another member to serve out the unexpired portion of the term.

#### **ARTICLE V OFFICERS, DUTIES**

**SECTION 5.1 Officers.** The Committee shall choose from among its members, by majority vote of the members, a president and vice president to serve one (1) year terms. Terms of office shall begin on the first day of January and end on the last day of December each year. Each member, before entering upon the duties of office, shall take and subscribe to an oath that the member will honestly, faithfully and impartially perform duties as a member and disclose any conflict of interest the member may have in any matter to be acted upon by the Committee.

**SECTION 5.2 President.** The president, and in the president's absence, the vice president, and in the absence of both, a member selected by the members present to act as president pro tem, shall preside at the Committee meetings. The presiding officer shall be entitled to vote on all matters and may make and second motions and participate in discussion and debate.

**SECTION 5.3 Vice President.** In the event of the absence of the president, or of the president's inability to perform any of the duties of the president's office or to exercise any of the president's powers, the vice president shall perform such duties and possess such powers as are conferred on the president, and shall perform such other duties as may from time to time be assigned to the vice president by the president or Committee.

**SECTION 5.4 Secretary.** This section intentionally left blank.

**SECTION 5.5 Treasurer.** This section intentionally left blank.

**SECTION 5.6 Vacancies.** In the case of a vacancy in any office other than by expiration of an officer's term, the vacancy shall be filled by election by the Committee members when the need arises and the newly elected officer shall take office immediately upon the occurrence of such vacancy to fill the balance of the unexpired term. Elections under this section shall follow the process set forth in the Board of Director Bylaws for election of Board officers.

**SECTION 5.7 Committee Assignments.** This section intentionally left blank.

#### **ARTICLE VI CODE OF ETHICS AND CONFLICT OF INTEREST POLICY**

**SECTION 6.1 Code of Ethics and Conflicts of Interest Policy.** Each Committee member is governed by Oregon's Government Ethics law and the Federal Transit Administration Circular 4220.1F regarding conflicts of interest.

Adopted: 03\_21\_18



## **ARTICLE VII** **MEETINGS**

**SECTION 7.1 Committee Meetings.** The Budget Committee will comply with Oregon's Public Meetings Law, Public Records Law, Local Budget Law and all governance procedures and meeting requirements set forth in the LTD Ordinance 52, Providing Rules for Meetings of Lane Transit District Board of Directors, ~~attached hereto as Exhibit A.~~ This Article VII is intended to supplement the law and LTD's Ordinances.

**SECTION 7.2 Quorum Requirements.** A quorum of Committee members is a majority of the Committee members, even if a member is absent or a position is vacant.

**SECTION 7.3 Meeting Times.** The Budget Committee will meet on an as-needed basis. However, the Committee will meet at least once in the fourth quarter of the fiscal year to review and approve the proposed budget, prior to the LTD Board of Directors' adoption of the annual budget. ~~Respect the scheduled starting and ending times for meetings. The vice president will assist the president with keeping on schedule.~~

**SECTION 7.4 Attendance.** All Committee members are expected to regularly attend Committee meetings and be fully engaged with minimal distraction (from cell phones, etc.) at regularly scheduled Committee meetings, unless prevented by illness or an unavoidable cause.

**SECTION 7.5 Telephonic Attendance.** If a Committee member is unable to attend a meeting, there is an option to attend telephonically or by video. A Committee meeting can also be held exclusively by video and/or telephonically, ~~without any members having to physically attend, so as~~ long as all the requirements of the Public Meetings Law are ~~still~~ followed (notice, recording, and a location for the public to attend and listen).

**SECTION 7.6 Meeting Preparation.** All Committee members should prepare for Committee meetings by reading the materials ahead of the meeting.

**SECTION 7.7 Committee Meeting Discussion.** Committee discussions should be thorough yet concise and pertinent to the issues on the agenda.

**SECTION 7.8 Public Participation.** In accordance with Public Meetings Law and Local Budget Law, all meetings of the Budget Committee shall be open to the public. The Committee must hold at least one meeting in which the public may ask questions and comment on the budget. Public testimony will typically be limited to three (3) minute increments, but it is adjustable at the discretion of the Committee president or a majority of the Committee members and Board of Directors.

**SECTION 7.9 Scheduling.** All Committee members are expected to cooperate in scheduling special meetings and/or work sessions for training purposes.

## **ARTICLE VIII** **VOTING RULES**

**SECTION 8.1 Voting.** Committee members are expected to cast a vote on all matters except when a conflict of interest arises.

**SECTION 8.2 Conflict of Interest.** Committee members should be familiar with Oregon's Government Ethics Law and the Federal Transit Administration Circular 4220.1F regarding conflicts of interest. If a Committee member believes ~~they~~he/she may have a conflict of interest, that concern should be communicated with the Clerk of the Board and/or the CEO/General Manager in advance of the Committee meeting. They may consult with legal counsel.

Adopted: 03\_21\_18



**SECTION 8.3 Voting Requirements.** The affirmative vote of a majority of all Committee members (eight of fourteen) is required to pass a motion, regardless of the number of Committee members in attendance at the meeting. For example, eEven if only nine members attend the meeting due to vacancies or absences, eight must vote affirmatively to pass the motion.

**ARTICLE IX**  
**PUBLIC MEETINGS LAW AND PUBLIC RECORDS LAW**

**SECTION 9.1 Legal Requirements.** The requirements of Oregon's Public Meetings Law must be followed whenever a quorum of Committee members meet to deliberate toward a decision. All Committee communications are subject to the Public Records Law. This Article IX is intended to supplement the requirements of the Public Meetings Law and Public Records Law.

**SECTION 9.2 Serial Communications.** If Committee members have serial communications among a quorum of its members, the requirements of the Public Meetings Law apply. A serial communication occurs when Committee member 1 deliberates towards a decision with Committee member 2; Committee member 2 then deliberates towards a decision with Committee member 3, and so on, until a quorum of Committee members (8) is involved. While serial communications can take place in person or over the phone, they most often occur via email.

**SECTION 9.3 Committee email.** The following guidelines apply to use of Committee email:

- a. Do not reply to Committee emails to deliberate towards a decision that should occur in public session;
- b. "Deliberation towards a decision" can only occur among Committee members. It is acceptable to reply to an email from the General Manager and/or Clerk of the Board, so long as the General Manager and/or Clerk of the Board do not share your opinion with any other Committee members; and
- c. Committee emails are subject to public records request. As a general rule, do not write anything in an email that you would not want printed in the newspaper.

**ARTICLE IX**  
**SEVERABILITY**

**SECTION 109.1 Severability.** If any provision of these Bylaws or its application to any person or circumstances is held invalid, the remainder of these Bylaws, or the application of the provision to other persons or circumstances is not affected.

**ARTICLE X**  
**AMENDMENTS**

**SECTION 104.1 Action.** These Bylaws, as adopted by the Board, may be revised or amended at any regular or special meeting of the Board by a vote of the majority of the whole membership of the Board.

Adopted: 03\_21\_18



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**BUDGET COMMITTEE  
COMMUNITY ADVISORY COMMITTEE  
BYLAWS**

**ARTICLE I  
NAME AND PURPOSE**

**SECTION 1.1 *Purpose.*** The Budget Committee (the “Committee”) was established by the Lane Transit District (“LTD” or the “District”) Board of Directors (the “Board”) to review and approve the operating and capital budget proposed by LTD’s budget officer.

**ARTICLE II  
GOVERNANCE PROCEDURES**

**SECTION 2.1 *Governance Procedures.*** The Budget Committee will comply with Oregon’s Public Meetings Law, Public Records Law, Local Budget Law, and all applicable governance procedures set forth in the LTD Ordinance 52, Providing Rules for Meetings of the Lane Transit Board of Directors

**ARTICLE III  
MEMBERSHIP, COMPOSITION, APPOINTMENT**

**SECTION 3.1 *Membership.*** Members of the Budget Committee should have a general knowledge of finance and an understanding of the business operated by the District. However, an extensive background in finance is not required as information is presented to the Committee in a manner consistent with basic accounting principles. It is expected that members of the Committee will have or develop a general understanding of the budget process and the programs and funds included in the budget document.

**SECTION 3.2 *Composition.*** The Budget Committee shall consist of fourteen (14) members as follows: seven (7) Board members and seven (7) appointed members who live within the LTD service area. All members of the Committee have equal authority regardless of tenure.

**SECTION 3.3 *Appointment.*** Board members are appointed to the Committee automatically upon their appointment to the LTD Board of Directors. Non-board members shall be appointed by the LTD Board, by a simple majority vote, upon recommendations made by the CEO/General Manager or an individual director.

**ARTICLE IV  
TERMS OF SERVICE, VACANCIES**

**SECTION 4.1 *Terms of Service.*** Board members shall serve on the Budget Committee throughout the duration of their Board appointment. Non-board Committee members shall serve for three-year, staggered terms, with the member’s term beginning January 1 of the respective year. Appointed Committee members may be reappointed for additional terms, at the discretion of the LTD Board of Directors.

**SECTION 4.2 *Vacancies.*** If a vacancy is created because an appointed member is unable to complete his/her term, or resigns before the term is over, the LTD Board of Directors will appoint another member to serve out the unexpired portion of the term.



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## **ARTICLE V** **OFFICERS, DUTIES**

**SECTION 5.1 *Officers.*** The Committee shall choose from among its members, by majority vote of the members, a president and vice president to serve one (1) year terms. Terms of office shall begin on the first day of January and end on the last day of December each year. Each member, before entering upon the duties of office, shall take and subscribe to an oath that the member will honestly, faithfully and impartially perform duties as a member and disclose any conflict of interest the member may have in any matter to be acted upon by the Committee.

**SECTION 5.2 *President.*** The president, and in the president's absence, the vice president, and in the absence of both, a member selected by the members present to act as president pro tem, shall preside at the Committee meetings. The presiding officer shall be entitled to vote on all matters and may make and second motions and participate in discussion and debate.

**SECTION 5.3 *Vice President.*** In the event of the absence of the president, or of the president's inability to perform any of the duties of the president's office or to exercise any of the president's powers, the vice president shall perform such duties and possess such powers as are conferred on the president, and shall perform such other duties as may from time to time be assigned to the vice president by the president or Committee.

**SECTION 5.4 *Secretary.*** This section intentionally left blank.

**SECTION 5.5 *Treasurer.*** This section intentionally left blank.

**SECTION 5.6 *Vacancies.*** In the case of a vacancy in any office other than by expiration of an officer's term, the vacancy shall be filled by election by the Committee members when the need arises and the newly elected officer shall take office immediately upon the occurrence of such vacancy to fill the balance of the unexpired term. Elections under this section shall follow the process set forth in the Board of Director Bylaws for election of Board officers.

**SECTION 5.7 *Committee Assignments.*** This section intentionally left blank.

## **ARTICLE VI** **CODE OF ETHICS AND CONFLICT OF INTEREST POLICY**

**SECTION 6.1 *Code of Ethics and Conflicts of Interest Policy.*** Each Committee member is governed by Oregon's Government Ethics law and the Federal Transit Administration Circular 4220.1F regarding conflicts of interest.

## **ARTICLE VII** **MEETINGS**

**SECTION 7.1 *Committee Meetings.*** The Budget Committee will comply with Oregon's Public Meetings Law, Public Records Law, Local Budget Law and all governance procedures and meeting requirements set forth in the LTD Ordinance 52, Providing Rules for Meetings of Lane Transit District Board of Directors. This Article VII is intended to supplement the law and LTD's Ordinances.

**SECTION 7.2 *Quorum Requirements.*** A quorum of Committee members is a majority of the Committee members, even if a member is absent or a position is vacant.



**SECTION 7.3 Meeting Times.** The Budget Committee will meet on an as-needed basis. However, the Committee will meet at least once in the fourth quarter of the fiscal year to review and approve the proposed budget, prior to the LTD Board of Directors' adoption of the annual budget.

**SECTION 7.4 Attendance.** All Committee members are expected to regularly attend Committee meetings and be fully engaged with minimal distraction (from cell phones, etc.) at regularly scheduled Committee meetings, unless prevented by illness or an unavoidable cause.

**SECTION 7.5 Telephonic Attendance.** If a Committee member is unable to attend a meeting, there is an option to attend telephonically or by video. A Committee meeting can also be held exclusively by video and/or telephone as long as all the requirements of the Public Meetings Law are followed (notice, recording, and a location for the public to attend and listen).

**SECTION 7.6 Meeting Preparation.** All Committee members should prepare for Committee meetings by reading the materials ahead of the meeting.

**SECTION 7.7 Committee Meeting Discussion.** Committee discussions should be thorough yet concise and pertinent to the issues on the agenda.

**SECTION 7.8 Public Participation.** In accordance with Public Meetings Law and Local Budget Law, all meetings of the Budget Committee shall be open to the public. The Committee must hold at least one meeting in which the public may ask questions and comment on the budget. Public testimony will typically be limited to three (3) minute increments, but it is adjustable at the discretion of the Committee president or a majority of the Committee members.

**SECTION 7.9 Scheduling.** All Committee members are expected to cooperate in scheduling special meetings and/or work sessions for training purposes.

## **ARTICLE VIII** **VOTING RULES**

**SECTION 8.1 Voting.** Committee members are expected to cast a vote on all matters except when a conflict of interest arises.

**SECTION 8.2 Conflict of Interest.** Committee members should be familiar with Oregon's Government Ethics Law and the Federal Transit Administration Circular 4220.1F regarding conflicts of interest. If a Committee member believes they may have a conflict of interest, that concern should be communicated with the Clerk of the Board and/or the CEO/General Manager in advance of the Committee meeting. They may consult with legal counsel.

**SECTION 8.3 Voting Requirements.** The affirmative vote of a majority of all Committee members (eight of fourteen) is required to pass a motion, regardless of the number of Committee members in attendance at the meeting. For example, even if only nine members attend the meeting due to vacancies or absences, eight must vote affirmatively to pass the motion.

## **ARTICLE IX** **SEVERABILITY**

**SECTION 9.1 Severability.** If any provision of these Bylaws or its application to any person or circumstances is held invalid, the remainder of these Bylaws, or the application of the provision to other persons or circumstances is not affected.



**ARTICLE X**  
**AMENDMENTS**

**SECTION 10.1** *Action.* These Bylaws, as adopted by the Board, may be revised or amended at any regular or special meeting of the Board by a vote of the majority of the whole membership of the Board.





## AGENDA ITEM SUMMARY

**DATE OF MEETING:** February 1, 2023  
**ITEM TITLE:** STRATEGIC BUSINESS PLAN QUARTERLY REPORTING  
**PREPARED BY:** Aimee Reichert, Project Manager II  
**DIRECTOR:** Joe McCormack, Chief Development Officer  
**ACTION REQUESTED:** Information and Discussion

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**PURPOSE:** To provide progress update on the fiscal year 2022-2024 Strategic Business Plan (SBP) for fiscal year 2023 Quarter 2 (Oct 1 – Dec 31, 2022).

**DESCRIPTION:** The District's FY22-24 Strategic Business Plan has five strategic areas of focus. These include 1) Customer Satisfaction 2) Employee Engagement 3) Community Value 4) Financial Health 5) Sustainability. Each of these priorities has tactics, milestones, and performance measures to ensure achievability and accountability. All District projects and matters brought before the Board align with one of these five strategic areas of focus.

**BACKGROUND:** The Board of Directors adopted LTD's first-ever Strategic Business Plan in July 2021. Implementation of the Plan began in October 2021 (FY22 Q2) and will span through June 2024. Since the last staff update to the Board in November 2022, staff have continued executing the tactics and monitoring the District's performance metrics as adopted in the SBP. This quarterly report provides an update to the Board and community regarding the progress toward achieving those associated success outcomes in the five strategic areas of focus. A presentation will be provided to explain this topic in further detail.

The strategic plan is available to view in full through an interactive document or pdf from LTD's website: <https://www.ltd.org/strategic-business-plan/>

**CONSIDERATIONS:** N/A

**ALTERNATIVES:** N/A

**NEXT STEPS:** Staff will provide the Q3FY23 SBP Progress Report in May, 2023.

**SUPPORTING DOCUMENTATION:**

1. Presentation

**PROPOSED MOTION:** N/A

# Strategic Business Plan – Update for FY2023 Q2

Board Work Session – February 1, 2023

Fiscal Years **2022 – 24**

# STRATEGIC BUSINESS PLAN



**FY23**



Lane Transit District



# AGENDA

TransDash

Tactics

Q&A





# LTD TransDash

## [Public Dashboard Accessed from LTD.ORG](https://www.ltd.org/strategic-business-plan/)

<https://www.ltd.org/strategic-business-plan/>



**Lane Transit District**





# LTD Tactical Work

## LTD's Interactive Online Strategic Business Plan



### **Customer Satisfaction**

Work activities and performance goals that align LTD teams on delivering outstanding customer service.

**Work Plan Tactics**

8

**Performance Metrics**

8



### **Employee Engagement**

Initiatives and performance goals centered on attracting and retaining a high quality workforce.

**Work Plan Tactics**

9

**Performance Metrics**

5



### **Community Value**

Projects, programs, and performance goals aimed at providing strong value for the community.

**Work Plan Tactics**

7

**Performance Metrics**

4



### **Financial Health**

Work plan tactics and performance goals focused on maintaining LTD's strong financial position.

**Work Plan Tactics**

5

**Performance Metrics**

3



### **Sustainability**

Specific steps and performance goals to help LTD do its part to preserve and protect the environment.

**Work Plan Tactics**

2

**Performance Metrics**

4



**Lane Transit District**



# Q2FY23 Highlights



Performance Management strategy deep dive, with major updates planned for year ahead.



Ridership – 12% overall increase quarter over quarter



Investment in renewable fuel



Lane Transit District



# What's Ahead?



Financial Health Metrics Monitoring and Strategy



Employee Engagement Continued – Cross-department connections



Measurements: Employee Engagement, Community Value, Customer Satisfaction



**Lane Transit District**



# Discussion & Questions







## AGENDA ITEM SUMMARY

<b>DATE OF MEETING:</b>	February 1, 2023
<b>ITEM TITLE:</b>	COMMUNITY ENGAGEMENT AND CO-CREATION
<b>PREPARED BY:</b>	Tom Schwetz, Director of Planning and Development
<b>DIRECTOR:</b>	Joe McCormack, Chief Development Officer
<b>ACTION REQUESTED:</b>	Information and Discussion

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**PURPOSE:** To provide the board with background information on the process of co-creation as an integral part of successful community engagement.

**DESCRIPTION:** The process of co-creating LTD's future with the community is tied directly to LTD's mission of Connecting Our Community. In working toward LTD's vision for creating a more connected, sustainable, and equitable community, the co-creating process draws on all of our values; particularly with respect, integrity, equity, and collaboration.

At the board's December 7, 2022, work session, staff provided an overview of the Community Outreach and Communication Assessment project. The focus of that effort will be to create a framework for future community outreach that is fully informed by broad stakeholder input that can be scaled to meet the needs of both LTD's projects (Strategic Business Plan, Comprehensive Operations Analysis, etc.) and ongoing processes (Budget, Community Investment Program, etc.). A foundational part of this framework will be an approach to engagement called "co-creation".

**BACKGROUND:** Co-Creation is a concept that was pursued in the private sector starting in the mid-1990's. It began as an approach to engage customers in product development. For example, Lego invited consumers to create designs of toy robots and construction models in that time. Since that time many private-sector firms (Cisco, Dell, Procter & Gamble, Sony, Starbucks, etc.) have successfully used the process of "customer co-creation". One of the fundamental lessons on co-creating learned in the private sector has been that "ultimately, becoming a co-creative enterprise is not just about "thinking outside the box," but about "transforming the box."

In the public sector, co-creation has been increasingly seen as an approach that can be used by public agencies to more meaningfully engage the communities they serve. King County in Washington is in the process of instituting the practice of community co-creation in its efforts to improve the equity and social justice outcomes of their services. One of the County's key findings has been that its traditional approach to community engagement has lacked process equity in the past. In that context, they have determined that, "Intentional and meaningful community engagement and co-creation are foundational to being pro-equity." They define co-creation as follows:

"Co-creation involves engaging with community members on strategy at the earliest possible moment. We rely on their experience and expertise to identify and frame problems. Residents inform work plans and policies to create solutions."

Attachment 1 provides King County's description of community engagement and co-creation. It provides a useful context for understanding how co-creation fits into overall community engagement. A presentation will be provided to facilitate the board's discussion on this topic in further detail.

**CONSIDERATIONS:** N/A

**ALTERNATIVES:** N/A

**NEXT STEPS:** N/A

**SUPPORTING DOCUMENTATION:**

- 1) Attachment 1: King County Co-Creation Description

**PROPOSED MOTION: NA**

## Community Engagement and Co-Creation

### Community Engagement

**Community engagement should be culturally relevant.** We use communication tools, time, space, and relationships to inform people. Residents give their input and participation in projects, processes, and programs. People connect by geography, interests, or likeness. They come together to address issues affecting the collective wellbeing.

### Co-Creation

**Co-creation is a mindset and approach.** It's about working together with the community to tackle specific challenges. Co-creation uses an active and ongoing participatory process. It assumes shared power, responsibility, accountability, and decision-making with community members. We center on those most harmed by inequality.

Co-creation involves engaging with community members on strategy at the earliest possible moment. We rely on their experience and expertise to identify and frame problems. Residents inform work plans and policies to create solutions.

### What's the Difference?

With engagement, the community's influence is often limited. The public is not involved in the initial stages and planning. They have a role later in the process.

*All co-creation involves community engagement. But not all community engagement is co-creation.*

With co-creation, the community is a thought partner from the beginning of a process. They guide our initiatives, goals, methods, and analyses. This creates accountability for all to stay on track with our shared goals.