



**Metropolitan Transportation Authority**

# **Corporate Governance Committee Meeting**

## **March 2013**

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### **Committee Members**

F. Ferrer, Acting Chairman

A. Capelli

M. Lebow

S. Metzger

C. Moerdler

D. Paterson

J. Sedore, Jr.

# MEETING AGENDA

## MTA CORPORATE GOVERNANCE COMMITTEE

March 11, 2013-2:45 p.m.

347 Madison Avenue  
Fifth Floor Board Room  
New York, New York

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<u>AGENDA ITEMS</u>	<u>PAGE</u>
Public Comment Period	
Approval of Minutes	2
1. Review and Approval of Mission Statement and Measurement Report (Action item)	4
2. Review and Approval of certain MTA Policies in connection with Provisions of the Public Authorities Law (Action Items)	32
a. Travel Policy	
b. Procurement Guidelines	
3. Presentation on Developments in Corporate Governance	
4. Board Self-Assessment Survey (Executive Session)	

**MINUTES OF THE MEETING**  
**MTA Corporate Governance Committee**  
**September 19, 2012**  
**347 Madison Avenue**  
**New York, New York**

The following MTA Corporate Governance Committee members were present:

Hon. Joseph Lhota, Chair  
Hon. Jeffrey Kay  
Hon. Susan Metzger  
Hon. David Paterson  
Hon. Andrew Saul  
Hon. James Sedore, Jr.

The following MTA Corporate Governance Committee member was absent:  
Hon. Charles Moerdler

MTA Board member Hon. Robert C. Bickford also attended the meeting.

The following MTA staff attended the meeting:

Catherine Rinaldi, Chief of Staff  
James Henly, General Counsel  
Paul Fleuranges, Sr. Director of Corporate and Internal Communications  
Lamond W. Kears, Chief Compliance Officer

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Chairman Lhota called the September 19, 2012 meeting of the MTA Corporate Governance Committee to order at 8:32a.m.

**Public Comments Period**

There were no speakers in the public comments portion of the meeting.

**Approval of Minutes**

Upon motion duly made and seconded, the Committee approved the minutes of the Committee meeting held on March 26, 2012.

**1. Review and Approval of Board Meeting Schedule and Committee Structure**

Chairman Lhota presented the committee with a staff summary setting forth proposed changes to the Board and Committee meeting calendar and committee structure to become effective January 1, 2013. Under the proposal the Board and Committee meeting cycle would be adjusted to provide for regular meetings of the Board and certain Committees eight times per year, or approximately every six weeks. Changes to the By-Laws and Committee charters would be made to reflect these changes as well as to permit meetings by videoconference.

In addition, he recommended the rescission of the charters of the Bus and Security Committees, amendment of the New York City Transit Committee charter to incorporate the key responsibilities contained in the Bus Committee charter, and amendment of certain Committee charters to add the key responsibility of oversight over security matters.

Chairman Lhota also advised the Committee that beginning in 2013 there would be a resumption of separate Long Island Railroad Committee and the Metro-North Committee meetings with the exception of the April and November committee meetings, which shall be held jointly. In addition in 2013 the Audit, Corporate Governance and Diversity Committee would be meeting at different times to maximize the use of Board member and staff time.

Chairman Lhota advised the Board that he intends to initiate two additional public forum meetings to be held over the course of the year at which the public would be able to address and ask questions of a panel consisting of the chairman and the agency presidents.

Upon motion duly made and seconded, the Committee approved the foregoing proposed changes, as outlined in the staff summary.

## **2. Review of Corporate Governance Committee Charter**

Mr. Kearse noted that after the annual review there were no recommended changes to the Corporate Governance Committee Charter at this time.

## **3. Review – MTA Whistleblower Protection Policy**

Mr. Kearse stated that MTA Whistleblower Protection Policy had been reviewed and there were no recommended changes to the Policy at this time.

## **4. Review – MTA Code of Ethics**

Mr. Kearse noted that the MTA Codes of Ethics had been reviewed and there are no recommended changes to the MTA All Agency or Board member Codes of Ethics at this time.

## **5. Presentation on Compliance with Procurement Lobby Law**

Mr. Kearse advised the Board that agency wide investigation found no impermissible contacts under the Procurement Lobbying Law.

## **6. Review and Approval of 2013 Committee Work Plan**

Upon motion duly made and seconded the Committee approved the 2013 Committee Work Plan.

## **Adjournment**

Upon motion duly made and seconded, Chairman Joseph Lhota adjourned the September 17, 2012 meeting of the Corporate Governance Committee at 9:04am.

Respectfully submitted

Lamond W. Kearse  
MTA Chief Compliance Officer

# Staff Summary



Metropolitan Transportation Authority

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<b>Subject</b> Mission Statement & Performance Indicator Report
<b>Department</b> Chief of Staff
<b>Department Head Name</b> Catherine A. Rinaldi
<b>Department Head Signature</b> 
<b>Project Manager Name</b>

<b>Date</b> March 13, 2013
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
	Corporate Governance	3/11/13			
	Board	3/13/13			

Internal Approvals			
Order	Approval	Order	Approval
2	Legal		
1	Chief of Staff		
3	Chief Compliance Officer		

## Purpose:

To obtain Board approval of the MTA's mission statement and performance measurements and to authorize submission of the annexed 2012 Mission Statement and Performance Measurement Report to the State Authorities Budget Office.

## Discussion:

Section 1269-f and Section 2824-a of the Public Authorities Law require MTA annually to reexamine its mission statement and selected performance measurement indicators and to submit a report based on the performance indicator results from the past year to the State Authorities Budget Office.

The MTA and its Board engages in oversight of agency operating performance throughout the year. The Board, through its transit, rail and bridge/tunnel operation committees, closely monitors agency operating performance. Each operating agency reports its most recent performance data in posted monthly reports and in committee books distributed in advance of public MTA operating committee meeting, which are conducted at least eight times a year. At these public meetings, operating agency results are reviewed and discussed by Board members and agency senior staff. In addition, presentations focused on particular areas of performance are made by the agency staff to the Board operating committees periodically through the year, in accordance with the work plan schedule of each operating committee. The MTA website also contains a "Performance Dashboard" for each of the MTA operating agencies, updated monthly, summarizing the agencies' leading performance measurements.

The attached report (the "2012 Mission Statement and Performance Measurement Report") compiles the MTA mission statement and the measurements from 2012 for the performance indicators listed in the MTA mission statement. The operating agencies have each submitted, within the Report, a summary that evaluates agency performance on the applicable indicators in the past year. The Report also contains a copy of the MTA mission statement, to facilitate the Board's annual review.

## Recommendation:

It is recommended that the MTA Board approve the annexed 2012 Mission Statement and Performance Measurement Report for submission to the Authorities Budget Office.



**Metropolitan Transportation Authority**

**Metropolitan Transportation Authority  
Mission Statement, Measurements, and Performance  
Indicators Report Covering Fiscal Year 2012**

**In Compliance with New York State Public Authorities Law §1269-f and §2824-a**

***Submitted as Part of the MTA 2012 Annual Report to the Governor***



## **MTA Mission Statement**

The Metropolitan Transportation Authority (MTA) preserves and enhances the quality of life and economic health of the region it serves through the cost-efficient provision of safe, on-time, reliable, and clean transportation services.

## **Stakeholder Assessment**

The main stakeholders of the MTA are its customers; the businesses, residents, and taxpayers of our service area and the State; the MTA's employees and unions; and its government partners. A set of goals for each group has been defined, along with performance indicators to measure the attainment of these goals.

### **Customers**

Our customers are those who ride our trains and buses or cross our bridges and tunnels. They include the residents in our region, as well as tourists and visiting business persons. Our customers expect service that is safe, on-time, reliable, and that provides good value for their money.

<b>MTA Goals</b>	<b>Performance Indicators</b>
Ensure our customers' safety	✓ Customer injury rates ✓ Bus collision rate
Provide on-time and reliable services	✓ On-time performance (subway and commuter railroads) ✓ Subway wait assessment ✓ Bus trips completed ✓ Mean distance between failures
Provide services to people with disabilities	✓ Elevator availability ✓ Escalator availability ✓ Bus passenger wheelchair lift usage (does not include paratransit) ✓ Paratransit ridership
Repair, replace, and expand transportation infrastructure	✓ Capital Program commitments ✓ Capital Program completions

### Businesses, Residents, and Taxpayers

The businesses, residents, and taxpayers in our service area want the MTA to spend its resources efficiently and appropriately, while enhancing the mobility of the region.

MTA Goals	Performance Indicators
Perform services in an efficient manner	<ul style="list-style-type: none"><li>✓ Farebox operating ratio</li><li>✓ Operating cost per customer</li><li>✓ Total support to mass transit</li></ul>
Maximize system usage	<ul style="list-style-type: none"><li>✓ Ridership</li><li>✓ Traffic volume</li></ul>
Repair, replace, and expand transportation infrastructure	<ul style="list-style-type: none"><li>✓ Capital Program commitments</li><li>✓ Capital Program completions</li></ul>

### Employees and Unions

Our employees and unions expect a safe workplace, skills training relevant to their roles, and opportunities for growth.

MTA Goals	Performance Indicators
Ensure our employees' safety	<ul style="list-style-type: none"><li>✓ Employee lost time and restricted duty rate</li></ul>
Maintain a workforce that reflects the regional availability of all races, nationalities, and genders for our industry	<ul style="list-style-type: none"><li>✓ Female representation in MTA workforce</li><li>✓ Minority representation in MTA workforce</li></ul>

### Government Partners (Federal, State, and Local Governments)

Our government partners expect us to enhance regional mobility by providing excellent service, while spending our resources in a cost-effective and appropriate manner.

MTA Goals	Performance Indicators
Provide on-time and reliable services	<ul style="list-style-type: none"><li>✓ On-time performance (subway and commuter railroads)</li><li>✓ Subway wait assessment</li><li>✓ Bus trips completed</li><li>✓ Mean distance between failures</li></ul>
Maximize system usage	<ul style="list-style-type: none"><li>✓ Ridership</li><li>✓ Traffic volume</li></ul>
Perform services in an efficient manner	<ul style="list-style-type: none"><li>✓ Farebox operating ratio</li><li>✓ Operating cost per customer</li></ul>
Repair, replace, and expand transportation infrastructure	<ul style="list-style-type: none"><li>✓ Capital Program commitments</li><li>✓ Capital Program completions</li></ul>



## **Note**

Because of the timing of this report, the performance indicators against which the MTA agencies measure their performance are preliminary and subject to subsequent reconciliation and adjustment as data is finalized over the course of the year. For that reason, some of the 2011 data that was reported in last year's report has been adjusted, and our 2012 performance is being measured against this more recent and accurate data, even if it differs only slightly from the data in last year's report. Similarly, our 2012 preliminary data is also subject to subsequent adjustment, and our 2013 report will similarly measure performance against the most recent and accurate data available.

# MTA New York City Transit

Performance Indicator	2011 Actual	2012 Actual
<b>Service Indicators</b>		
On-Time Performance – Terminal	85.4%	83.7%
Subway Wait Assessment	78.8%	79.0%
Elevator Availability – Subways	96.2%	97.7%
Escalator Availability – Subways	93.7%	96.2%
Total Ridership – Subways	1,640,434,672	1,654,157,543
Mean Distance Between Failures – Subways (miles)	172,700	162,138
Mean Distance Between Failures – Staten Island Railway (miles)	201,523	74,773
On-Time Performance – Staten Island Railway	95.1%	93.1%
% of Completed Trips – NYCT Bus	98.1%	98.9%
Total Paratransit Ridership – NYCT Bus	8,947,191	9,343,283
Bus Passenger Wheelchair Lift Usage – NYCT Bus	1,280,678	1,416,967
Total Ridership – NYCT Bus	665,312,549	662,247,180
Mean Distance Between Failures – NYCT Bus (miles)	3,340	4,546
<b>Safety Indicators</b>		
Customer Injury Rate – Subways (per million customers)	2.91	2.79
Customer Accident Injury Rate – NYCT Bus (per million customers)	1.17	1.15
Collisions with Injury Rate – NYCT Bus (per million vehicle miles)	6.94	6.60
Employee Lost Time and Restricted-Duty Rate (per 100 employees)	3.32	3.09
<b>Workforce Indicators</b>		
Female Representatives in NYCT Workforce	17.4%	17.3%
Minority Representatives in NYCT Workforce	73.1%	73.9%
<b>Financial Indicators</b>		
Farebox Operating Ratio	59.5%	56.4%
Operating Cost per Passenger	\$2.78	\$2.89
<b>Capital Program Indicators</b>		
Commitments in \$ Millions (% of planned value)	\$1,819 (50%)	\$2,287 (58%)
Completions in \$ Millions (% of planned value)	\$1,794 (60%)	\$2,560 (86%)

**MTA GOAL: Ensure Customer Safety**

**PERFORMANCE INDICATORS: Customer Injury Rate**

MTA New York City Transit (NYCT) saw a continued decline in customer injury rates on both subways and buses during 2012. Subway injuries declined for the third consecutive year to 2.79 injuries per million customers, down from 2.91 for the previous year. NYCT bus customer injuries fell 0.8 percent, from 1.16 to 1.15 per million customers in 2012. In addition, bus collisions with injury fell by 4.6 percent in 2012, from 6.92 injuries to 6.60 injuries per million vehicle miles.

The NYCT Bus Department, jointly with MTA Bus Company, introduced a new Bus Accident Safety Improvement Coordination System (BASICS) in March 2012. The program, which involves bus depots, road control management, and bus operators, seeks to improve basic safety and customer service skills. NYCT also continues to conduct a number of safety and public awareness campaigns, in addition to providing supplemental training for bus operators. In addition, NYCT, with support from all represented unions, continues its “zero-tolerance” ban against the use of cell phones or other electronic devices by bus operators on duty.

It is worth noting that although bus collisions with injuries declined during 2012, it remains challenging to interpret collision data, due to inconsistencies in some multiple injury reports. This perspective is shared by the New York State Public Transportation Safety Board (PTSB), which has observed frequent disconnects between multiple injury reports and physical evidence at the scene. NYCT vigorously defends against injury claims it has reason to believe are without factual basis.

**MTA GOAL: Provide On-Time and Reliable Services**

**PERFORMANCE INDICATORS: On-Time Performance, Mean Distance Between Failures, Subway Wait Assessment, Bus Trips Completed**

NYCT Subways on-time performance (OTP) declined by 1.7 percent, from 85.4 percent in 2011 to 83.7 percent in 2012, largely as a result of extensive maintenance and continued rebuilding throughout the system. For the same reasons, the subway “wait assessment” rate increased slightly, by 0.2 percent in 2012 over the previous year. The subway “mean distance between failures” (MDBF) fell from 172,700 miles in 2011 to 162,138 miles in 2012 due to the aging of the subway fleet.

At Staten Island Railway (SIR), the 2012 MDBF fell by over 58 percent, from 201,523 miles in 2011 to 74,773 miles in 2012. This significant decline, the second in as many years, is attributable to failing converters and door systems and other problems on a rail fleet nearly 40 years old. Correspondingly, SIR’s 2012 OTP fell by about 2.0 percent to 93.1 percent. The decline was attributable, in part, to the effects of Superstorm Sandy, as well as a number of capital projects affecting SIR bridges and a Department of Transportation (DOT) rehabilitation of the St. George ramps.

The NYCT Bus 2012 MDBF was 4,546 miles, an increase of 36.1 percent over the previous year. New maintenance initiatives, begun in late 2011, contributed to the improved performance. The percentage of “bus trips completed,” which depends on both vehicle and operator availability, increased from 98.1 percent to 98.9 percent in 2012. The increase is primarily attributable to improved bus performance.

**MTA GOAL: Provide Services to People with Disabilities**

**PERFORMANCE INDICATORS: Elevator Availability, Escalator Availability, Bus Passenger Wheelchair Lift Usage, Paratransit Ridership**

NYCT elevator availability improved by 1.5 percent in 2012 to 97.7 percent. Escalator availability improved by 2.5 percent to 96.2 percent. The improvements were due to several internal changes. After a reorganization in 2012, NYCT’s Division of Elevators and Escalators

modified its maintenance and repair schedules, which now include round-the-clock work on major repairs to speed the return to service.

Wheelchair ridership at NYCT Department of Buses increased by 10.6 percent in 2012 to a total of 1.4 million passengers. NYCT received over 200 new low-floor buses in 2012 that provide easier boarding and more reliable service for wheelchair passengers. Also contributing to the increase in wheelchair ridership was the milder weather experienced in the first half of 2012.

NYCT Paratransit's Access-A-Ride program saw 1.6 percent more requests for service in 2012, which was offset by a 0.5 percent decline in "no show" customers, resulting in a 4.24 percent increase in annual ridership.

#### **MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure**

#### **PERFORMANCE INDICATORS: Capital Program Commitments and Completions**

NYCT committed nearly \$2.3 billion of its Capital Programs funds in 2012, representing 58 percent of the 2012 total commitment goal of \$3.9 billion. This is slightly higher than the 50 percent of goal awarded in 2011. In terms of numbers, 116 projects out of 142 planned projects, or 82 percent, were awarded in 2012, as compared to 93 out of 101 projects, or 92 percent, during the previous year. The shortfall in 2012 commitments was due largely to delays in awarding a small number of high value projects, including two signal projects (\$356 million), several bus procurements (\$715 million), and station renewals on the Pelham line (\$89 million) and the Liberty Avenue line (\$124 million).

NYCT achieved capital project completions in 2012 worth nearly \$2.3 billion, or 86 percent of the year's \$3.0 billion completion goal. This compares with a 60-percent completion value in 2011. In terms of the number of projects, NYCT completed 72 percent of 174 planned projects for 2012, versus 66 percent of 98 planned projects in 2011. Overall, NYCT's Capital Program completions fell short of the agency's 2012 goal by about \$402 million. Notable delays in 2012 capital project completions included improvement projects at stations on the Broadway/7th Avenue line, the Culver line, and the Rockaway line (\$205 million combined), as well as two major bus purchases (\$135 million).

**MTA GOAL: Perform Services in an Efficient Manner**

**PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger**

NYCT's farebox operating ratio declined in 2012 to 56.4 percent of operating costs from 59.5 percent for the previous year. The 2012 "operating cost per passenger" rose to \$2.89, representing a 4.0 percent increase over the previous year's cost of \$2.78 per passenger. Both trends were driven largely by the increasing cost to NYCT of pensions, fringe benefits, and traction power.

**MTA GOAL: Maximize System Usage**

**PERFORMANCE INDICATORS: Ridership**

NYCT subways continued to experience strong subway ridership in 2012, surpassing total rides for the previous year and the system's peak ridership in the 1950s, with some lines now running near peak levels for much of the day. Total subway ridership increased by over 10 million rides from the previous year to over 1.65 billion rides in 2012 – this despite millions of rides lost due to Superstorm Sandy. NYCT Bus ridership continued to stabilize in 2012 after years of decline, with a small loss from the previous year due mainly to the impact of Superstorm Sandy.

**MTA GOAL: Ensure Our Employees' Safety**

**PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate**

Employee "lost time" injury rates declined in 2012 from 3.33 to 3.09 per 100 employees. Preliminary analysis suggests that a combination of factors contributed to the improvement, including mild winter weather, increased focus on existing internal safety programs, and the introduction of the new FASTRACK maintenance program, which is intended to speed maintenance work and reduce worker exposure to the risk of accidents. In addition, NYCT Bus and MTA Bus have launched major initiatives aimed at protecting MTA bus operators from assault, including oversight by an executive task force, enhanced training, and the ongoing installation of bus operator shields.

**MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races,  
Nationalities, and Genders**

**PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce**

Female representation agency-wide continues to be below the estimated percentage of women available for work within NYCT's recruiting area. A contributing factor is the low percentage of women who apply for what are generally considered nontraditional jobs. NYCT will continue to increase its outreach and recruitment efforts to improve female representation within its workforce. The percentage of minority representation, which grew slightly in 2012, from 73.1 percent to 73.9 percent, exceeds the estimated percentage of minorities available for work within NYCT's recruiting area.

## **MTA Long Island Rail Road**

<b>Performance Indicator</b>	<b>2011 Actual</b>	<b>2012 Actual</b>
<b>Service Indicators</b>		
On-Time Performance	93.7%	94.3%
Elevator Availability	97.2%	97.4%
Escalator Availability	95.8%	72.6%
Total Ridership	81,027,281	81,754,143
Mean Distance Between Failures (miles)	169,724	194,382
<b>Safety Indicators</b>		
Customer Injury Rate (per million customers)	5.91	6.13
Employee Lost Time and Restricted-Duty Rate (per 200,000 worker hours)	2.90	2.50
<b>Workforce Indicators</b>		
Female Representatives in LIRR Workforce	15.2%	15.7%
Minority Representatives in LIRR Workforce	32.0%	32.6%
<b>Financial Indicators</b>		
Farebox Operating Ratio	50.5%	47.0%
Operating Cost per Passenger	\$14.03	\$15.18
<b>Capital Program Indicators</b>		
Commitments in \$ Millions (% of planned value)	\$181.33 (101%)	\$291.64 (120%)
Completions in \$ Millions (% of planned value)	\$336.72 (119%)	\$286.02 (108%)

### **MTA GOAL: Ensure Customer Safety**

#### **PERFORMANCE INDICATORS: Customer Injury Rate**

In 2012, the customer injury rate for MTA Long Island Rail Road (LIRR) was 6.13 per million customers, representing an increase of 3.7 percent over 2011. The LIRR conducted an analysis of customer injuries with the goal of determining targeted interventions for reducing these injuries. As a result of the analysis a new multimedia customer safety awareness campaign was launched focusing on the leading cause of customer injuries: slips, trips, and falls. The new campaign, which builds on the success of LIRR's "Be TrainSmart" campaign, promotes safe riding practices, with an emphasis on those customer behaviors that contribute to slips, trips, and falls.



**MTA GOAL: Provide On-Time and Reliable Services**

**PERFORMANCE INDICATORS: On-Time Performance, Mean Distance Between Failures**

The LIRR's on-time performance (OTP) for 2012 was 94.3 percent across all fleets, an improvement of 0.6 percent over the previous year. The improvement was primarily driven by fewer track- and signal-related delays and fewer mechanical failures associated with the rolling stock.

The agency's 2012 mean distance between failures (MDBF) set a new record at 194,382 miles, a 14.5 percent improvement over the 2011 MDBF of 169,724 miles. This increase was largely attributable to the efforts of the Reliability Centered Maintenance program, the M3 Performance Improvement Team (which enhances performance on LIRR's oldest fleet), and initiatives targeting the entire diesel fleet. The year-end MDBF exceeded the goals set for each of the LIRR fleets.

**MTA GOAL: Provide Services to People with Disabilities**

**PERFORMANCE INDICATORS: Elevator Availability, Escalator Availability**

Elevator availability rose to 97.4 percent in 2012, up 0.2 percent from the previous year. In 2012, the LIRR initiated a comprehensive project to refurbish the safety features of its older escalators. Eleven LIRR escalators underwent major rehabilitations, resulting in a significant but temporary decline in escalator availability during 2012. Ten escalators were returned to service by the end of the year. The rehabilitations included updated safety sensors, new or refurbished steps, new step chains, new brake assemblies, and new comb plates and controllers. In addition, the LIRR established a new Elevator & Escalator Operations group staffed with certified "Qualified Elevator-Escalator Inspectors." The new group oversees rehabilitation work and is developing a remote monitoring system that will automatically notify the LIRR of any unit that goes out of service.

**MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure**

**PERFORMANCE INDICATORS: Capital Program Commitments and Completions**

The LIRR's 2012 capital commitments totaled nearly \$292 million. Commitments that exceeded the anticipated capital expenditures included new elevators for the Flushing-Main Street Station, and initiation of the design for a second track on the LIRR Main Line between Farmingdale and Ronkonkoma.

The LIRR's 2012 capital completions totaled \$286 million. Highlights include completion of the new state-of-the-art Babylon Train Wash and the Direct Fixation Track Fastening System at the Merrick and Bellmore stations on the Babylon Branch.

**MTA GOAL: Perform Services in an Efficient Manner**

**PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger**

The LIRR's farebox operating ratio decreased from 50.5 percent in 2011 to 47.0 percent in 2012. This relative decrease was driven by cost increases, in particular costs relating to pensions, fringe benefits, and electric power. These were only partly offset by an increase in farebox revenue due to ridership growth.

The LIRR's operating cost per passenger increased from \$14.03 in 2011 to \$15.18 in 2012. Again, the increase stemmed largely from higher costs relating to pensions, fringe benefits, and electric power.

**MTA GOAL: Maximize System Usage**

**PERFORMANCE INDICATORS: Ridership**

LIRR's ridership rose from 81.0 million customers in 2011 to over 81.7 million in 2012, a 0.9 percent increase. The ridership growth can be attributed to many factors, including an improving economy, the popularity of added train service to the Barclays Center in Brooklyn, LIRR's successful 2012 marketing initiatives, more reliable service as reflected by improved MDBF, the restoration of half-hourly midday service on the Port Washington Branch, and new weekend trains on the Ronkonkoma Branch. Prior to Superstorm Sandy, the LIRR experienced 13 consecutive months of ridership growth, suggesting that 2012 ridership would have been even higher if not for the storm.

**MTA GOAL: Ensure Our Employees' Safety**

**PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate**

The employee "lost time and restricted-duty" rate, based on reported incidents per 200,000 worker hours, decreased from 2.9 in 2011 to 2.5 in 2012. This decrease was attributable to planning at both the corporate and departmental levels. Emphasizing safety as the agency's number-one priority, LIRR's Safety Management System approach stresses the implementation of comprehensive, sustainable, and measurable safety initiatives at every level of the organization. Areas addressed included corporate policies; goal setting; classroom training; technology-based training and resources; trend analysis and data-driven decision making; observations; and reinforcement.

**MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders**

**PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce**

Over the course of 2012 the number of women represented in the LIRR workforce increased from 15.2 percent to 15.7 percent. Minority representation also increased in 2012 from 32.0 percent to 32.6 percent. These gains can be attributed to the LIRR's aggressive efforts to reach and recruit qualified women and minorities.

The percentage of minority representation exceeds the estimated percentage of minorities available in LIRR's recruiting area. The percentage of women in the LIRR workforce continues to be below the estimated percentage of women available for work in the area. Despite LIRR's recruitment efforts, many of the positions that became available in 2012 are still considered nontraditional jobs for women, and as a result, a low percentage of the applicants for these positions are women.

## **MTA Metro-North Railroad**

<b>Performance Indicator</b>	<b>2011 Actual</b>	<b>2012 Actual</b>
<b>Service Indicators</b>		
On-Time Performance (East of Hudson)	96.9%	97.6%
On-Time Performance (West of Hudson)	96.6%	97.1%
Elevator Availability	99.3%	98.9%
Escalator Availability	95.5%	94.7%
Total Ridership	82,037,784	82,953,628
Total Ridership on Connecting Services Provided by MNR Contractors	555,281	550,223
Mean Distance Between Failures (miles)	114,347	165,694
<b>Safety Indicators</b>		
Customer Injury Rate (per million customers)	3.20	2.58
Employee Lost Time and Restricted-Duty Rate (per 200,000 worker hours)	2.04	1.90
<b>Workforce Indicators</b>		
Female Representatives in MNR Workforce	12.4%	12.6%
Minority Representatives in MNR Workforce	32.5%	32.8%
<b>Financial Indicators</b>		
Farebox Operating Ratio	61.1%	60.9%
Operating Cost per Passenger	\$11.70	\$12.00
<b>Capital Program Indicators</b>		
Commitments in \$ Millions (% of planned value)	\$399 (61%)	\$293 (71%)
Completions in \$ Millions (% of planned value)	\$138 (74%)	\$214 (83%)

### **MTA GOAL: Ensure Customer Safety**

#### **PERFORMANCE INDICATORS: Customer Injury Rate**

Customer injuries at MTA Metro-North Railroad (Metro-North) decreased in 2012 from 3.20 to 2.58 per million customers, below the year's goal of 2.70. This decrease was due in part to Metro-North's continued focus on reducing passenger injuries and maintaining the physical environment of trains and stations in a safe condition. The railroad continued its safety information programs, communicating directly with the public through safety reminders in customer publications, social media, and the MTA website. Also in 2012, Metro-North's Safety

Department worked with the FDNY and Con Edison, as well as other emergency responders, to conduct a preparedness drill simulating a steam release in Grand Central to better enhance the railroad's emergency response capabilities for customers.

**MTA GOAL: Provide On-Time and Reliable Services**

**PERFORMANCE INDICATORS: On-Time Performance, Mean Distance Between Failures**

Metro-North's 2012 on-time performance (OTP) totaled 97.6 percent systemwide, a significant increase over the 96.9 percent OTP in 2011, despite a relatively poor November result due to the impact of Superstorm Sandy. The railroad also achieved the highest quarterly OTP in its history. From January to March, Metro-North attained a systemwide OTP of 98 percent. For five months of the year, OTP was above 98 percent; for three months it was at 97 percent or better; and for another three months it was at 96 percent or better. Out of the 211,014 trains operated by Metro-North in 2012 (as compared to 209,020 in 2011) a total of 205,866 trains were on time.

In 2012, Metro-North's fleet attained a record "mean distance between failures" (MDBF) of 165,694 miles. That represents a 23 percent increase over the 2011 MDBF of 114,347 miles and is well above the agency's 2012 goal of 135,000 miles. The condition of equipment and the number of cars available for service continues to improve to meet Metro-North's record ridership growth. The railroad commits a significant amount of funding to the revitalization of its fleet by purchasing new equipment and by remanufacturing selected cars, coaches, and locomotives.

**MTA GOAL: Provide Services to People with Disabilities**

**PERFORMANCE INDICATORS: Elevator Availability, Escalator Availability**

At 98.9 percent, Metro-North's elevator availability remained at a high service level. The railroad is currently focusing on escalator repairs, particularly in Grand Central Terminal, with the aim of improving escalator availability in 2013 and increasing that category's 94.7 percent rating for 2012.

Following major rehabilitation work now underway, Metro-North plans to replace all eleven escalators in Grand Central with a new, heavy-duty model that has been designed to handle the terminal's high pedestrian traffic. Many of the existing escalators are over 15 years old, and while they remain safe, the original vendor is no longer in business, making parts for repairs

impossible to find. Replacement of these escalators will begin by 2015 and will be completed by 2018.

In addition to ensuring that elevators and escalators are functioning as intended, Metro-North posts the current status of station elevators and escalators online to provide customers with up-to-date information.

**MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure**

**PERFORMANCE INDICATORS: Capital Program Commitments and Completions**

Metro-North's Capital Program commitments and completions for 2012 came in at 71 percent and 83 percent of the year's goal, respectively, an increase of over 60 percent and 74 percent of goal in 2011.

The shortfall in completions was caused, in part, by the fact that the M-8 project accepted 104 cars in 2012 versus a goal of 120 cars. Additionally, the Tagging Relay project continued to be delayed due to the incorporation of site-specific modifications that were required for several of the relays.

**MTA GOAL: Perform Services in an Efficient Manner**

**PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger**

Metro-North's 2012 farebox operating ratio of 60.9 percent is 0.1 percent higher than the 2011 ratio. This change is due to higher farebox revenues from a roughly 1.0 increase ridership, as well as a January 2012 fare increase in the State of Connecticut and lower car maintenance material requirements. This added revenue was largely offset by a net increase in expenses related to employee benefits and power and fuel costs.

The railroad's 2012 "cost per passenger" of \$12.00 is \$0.23 higher than the 2011 cost per passenger. This unfavorable change is largely due to a net increase in expenses related to employee benefits and propulsion costs, which were only partly offset by lower car maintenance material requirements and ridership growth of approximately 1 percent.

**MTA GOAL: Maximize System Usage****PERFORMANCE INDICATORS: Ridership**

In 2012, Metro-North ridership totaled approximately 83 million rides, a 0.8 percent increase over the previous year. It was the railroad's second highest ridership ever, surpassed only by the record 83.6 million rides in 2008. Total East-of-Hudson ridership increased 0.9 percent to 81.3 million rides. Ridership increased on all three East-of-Hudson lines, with the largest increase occurring on the New Haven Line, where ridership set a new record of 38.8 million rides in 2012, an increase of 1.3 percent over the previous record of 38.3 million rides in 2011.

Several factors contributed to the ridership boost in 2012, including the reputation and reliability of Metro-North service, as measured in OTP and MDBF; the beginnings of an economic recovery; and the comparatively high price of gasoline, parking, and tolls. It is worth noting that these increases occurred despite severe ridership losses resulting from Superstorm Sandy. The railroad estimates that it lost almost 1.8 million rides due to the storm, by far the most severe weather event in Metro-North's history. As of 2012, total Metro-North ridership has increased by 100 percent since 1983.

Ridership on the West-of-Hudson lines, which New Jersey Transit operates under contract with Metro-North, was 1.61 million in 2102. Ridership on the Port Jervis Line continued to be impacted by the three-month suspension of service during 2011 due to damage from Tropical Storm Irene. However, ridership showed an increase on the Pascack Valley Line.

The three Metro-North-operated connecting services (Haverstraw-Ossining Ferry, Newburgh-Beacon Ferry, and Hudson Rail Link) decreased slightly during 2012, due largely to the impact of Superstorm Sandy. Combined ridership on the three services was approximately 550,223, a decrease of 1.3 percent from 2011. Ridership increased by 6 percent on the Haverstraw-Ossining Ferry and by 2 percent on the Newburgh-Beacon Ferry, but decreased by 4 percent on the Hudson Rail Link.

**MTA GOAL: Ensure Our Employees' Safety**

**PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate**

Metro-North's employee "lost time and restricted-duty" rate for 2012 was 1.90 reported incidents per 200,000 worker hours, a 6 percent drop from 2011. The Safety & Security Department was reorganized, and key positions were added to better serve the safety and security needs of employees and the railroad.

In the field, safety and security training was expanded to support the efforts of Metro-North's highly successful Local Safety Committees. This contributed, in part, to a new low of 11 injuries in September of 2012, a record for that month and 54 percent lower than the injury rate for the previous September. Local and district safety committees continued to hold Safety Awareness Days in their locations, enhancing safety communications, which are crucial to spreading Metro-North's "Priority One" safety message in the workplace. Yard and facility "clean-ups" were carried out in various district locations to remove safety hazards and further reduce the chance of injury.

**MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders**

**PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce**

Metro-North's minority workforce representation of 32.8 percent exceeds the estimated availability of minorities in a majority of its EEO job categories. Female workforce representation falls below the estimated availability for women in a majority of its EEO job categories. The railroad will continue its outreach and recruitment efforts to attract qualified women and minorities.



## **MTA Bridges and Tunnels**

<b>Performance Indicator</b>	<b>2011 Actual</b>	<b>2012 Actual</b>
<b>Service Indicators</b>		
Total Traffic	283,574,861	282,646,972
<b>Safety Indicators</b>		
Collisions with Injury Rate (per million vehicles)	0.88	0.89
Employee Lost Time Rate (per 200,000 work hours)	5.4	4.3
<b>Workforce Indicators</b>		
Female Representation in B&T Workforce	21.0%	21.3%
Minority Representation in B&T Workforce	50.8%	50.7%
<b>Financial Indicators</b>		
E-ZPass Market Share	79.4%	81.0%
Total Support to Transit (\$ millions)	\$939.6	\$892.7
<b>Capital Program Indicators</b>		
Commitments in \$ Millions (% of planned value)	\$367 (59%)	\$477.2 (83%)
Completions in \$ Millions (% of planned value)	\$109 (129%)	\$359.3 (126%)

### **MTA GOAL: Ensure Customer Safety**

#### **PERFORMANCE INDICATOR: Customer Injury Rate**

MTA Bridges and Tunnels (Bridges and Tunnels) reported 252 customer accidents with injuries in 2012, the second lowest number on record, only slightly higher than the record low of 248 in 2011. As a result, the number of accidents with injuries per million vehicles increased slightly from 0.88 in 2011 to 0.89 in 2012. The agency continues to make safety its top priority through safety training and protocols, monitoring and enforcement of speed limits and laws against driving while intoxicated, as well as interdepartmental reviews of all accidents.

### **MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure**

#### **PERFORMANCE INDICATORS: Capital Program Commitments and Completions**

In 2012, Bridges and Tunnels committed to 83 Capital Program projects, as opposed to its goal of 75 project commitments. While the agency exceeded the number of planned commitments, the

total value of the awards was \$477.2 million. This represents 83 percent of the 2012 goal, as compared with \$367 million and 59 percent of the goal committed in 2011. The actual awards in 2012 were \$101.4 million less than their planned values, due to favorable market conditions. Major project commitments in 2012 included: replacement of the upper-level span deck on the Verrazano-Narrows Bridge; upgrading of the Queens Midtown Tunnel ventilation building; deck replacement of the Manhattan-to-Queens ramp of the Robert F. Kennedy Bridge; anchorage repairs at the Bronx-Whitestone Bridge; design for the replacement of the upper- and lower-level plazas and the southbound approach of the Henry Hudson Bridge; and the Robert F. Kennedy Bridge maintenance facility.

The value of Capital Program projects completed in 2012 totaled \$359.3 million, versus planned completions of \$285.8 million, representing 126 percent of the 2012 goal. In 2011, by comparison, a total of \$108.5 million was completed, representing 129 percent of goal. Major projects completed in 2012 included: replacement of the Bronx approaches and repairs to the Queens anchorage at the Bronx-Whitestone Bridge; the tower painting and removal of toll booths at the Verrazano-Narrows Bridge; substructure and underwater work at the Cross-Bay Bridge; and the design for the rehabilitation of the suspended span decks of the Verrazano-Narrows bridge.

**MTA GOAL: Perform Services in an Efficient Manner**

**PERFORMANCE INDICATORS: Total Support to Transit**

A total of \$892.7 million in surplus revenue from Bridges and Tunnels was provided for MTA transit services.

**MTA GOAL: Maximize System Usage**

**PERFORMANCE INDICATORS: Traffic Volume**

Bridges and Tunnels saw a total of 282.6 million crossings in 2012, a decrease of about 0.4 percent or 1.0 million fewer crossings than in 2011. Favorable weather earlier in 2012 and an additional leap-year day contributed toward a year-to-year traffic growth of 1.4 percent through October 26. However, the onset of Superstorm Sandy on October 29 and a declared state of emergency brought unfavorable impacts lasting through the end of the year, with traffic from

October 27 through December down by 1.9 percent. Overall E-ZPass usage in 2012 increased to 81.0 percent from 79.4 percent in 2011.

**MTA GOAL: Ensure Our Employees' Safety**

**PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate**

Bridges and Tunnels experienced 69 lost-time injuries in 2012, a decrease from 87 in 2011. This represented a decreasing injury rate in 2012, from 5.4 to 4.3 per 200,000 work hours, continuing a downward trend. Analysis of the injury accidents, which were overwhelmingly slips, trips, and falls, did not reveal any pattern or hazardous condition. The agency's Health and Safety staff is working closely with facility managers and has increased safety inspections. Employee safety programs include roll call discussions on injury prevention, safety meetings, safety audits, safety interactions, and incident investigations by supervisory personnel. Bridges and Tunnels has invited unions to participate in a partnership to reduce injuries and address specific safety concerns.

**MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders**

**PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce**

The percentage of minority representation in the Bridges and Tunnels workforce exceeds the estimated percentage of minorities available for work within the agency's recruiting area. The percentage of female representation is below the estimated percentage of women available for work, and Bridges and Tunnels is continuing its efforts to recruit qualified women. Extensive outreach and recruitment efforts were made this year for a new management training program and for the maintenance civil service exam, and a record 340 applicants took the test. The exam results are pending.

## **MTA Bus Company**

Performance Indicator	2011 Actual	2012 Actual
<b>Service Indicators</b>		
% of Completed Trips	97.42%	98.84%
Bus Passenger Wheelchair Lift Usage	42,935	58,582
Total Ridership	118,281,292	119,731,634
Mean Distance Between Failures (miles)	3,430	5,300
<b>Safety Indicators</b>		
Customer Accident Injury Rate (per million customers)	1.52	1.25
Collisions with Injury Rate (per million vehicle miles)	4.72	5.39
Employee Lost Time Rate (per 100 employees)	9.25	8.36
<b>Workforce Indicators</b>		
Female Representation in MTA Bus Workforce	12.3%	12.4%
Minority Representation in MTA Bus Workforce	67.0%	69.4%
<b>Financial Indicators</b>		
Farebox Operating Ratio	36.8%	35.9%
Operating Cost per Passenger	\$4.42	\$4.47
<b>Capital Program Indicators</b>		
Commitments in \$ Millions (% of planned value)	\$113.3 (64%)	\$23.5 (51%)
Completions in \$ Millions (% of planned value)	\$7.5 (13%)	\$84.5 (65%)

### **MTA GOAL: Ensure Customer Safety**

#### **PERFORMANCE INDICATORS: Customer Injury Rate**

MTA Bus Company (MTA Bus) saw a 17.0 percent decrease in its customer accident injury rate in 2012, as compared to 2011. By implementing its new Bus Accident Safety Improvement Coordination System (BASICS), the agency is taking steps to continue that favorable trend. The BASICS program, initiated in March 2012, is a joint effort between bus depot and road control management designed to reinforce basic safety and customer service skills. It is being carried out in conjunction with supplemental training for bus operators and in-service safety performance observation campaigns.

Although the 14.2 percent increase in the 2012 collision injury rate is being addressed, analyzing performance and establishing operational solutions remains challenging. MTA Bus continues to see collisions where the multiple reported injuries are not necessarily consistent with the circumstances. This perspective is shared by the New York State Public Transportation Safety Board (PTSB), which has found frequent discrepancies between the purported injuries sustained in an accident and the physical evidence at the scene. MTA Bus vigorously challenges injury claims it has reason to believe are without factual basis.

MTA Bus continues to incorporate relevant accident findings into its safety and training initiatives. Additionally, MTA Bus, in joint agreement with all represented labor unions, continued to emphasize a “zero-tolerance” policy banning cell phones and other electronic devices for bus operators on duty.

**MTA GOAL: Provide On-Time and Reliable Services**

**PERFORMANCE INDICATORS: Mean Distance Between Failures, Bus Trips Completed**

MTA Bus had a “mean distance between failures” (MDBF) for 2012 of 5,300 miles, which represents an increase of 54.5 percent from the 2011 MDBF of 3,430 miles. Maintenance initiatives started in late 2011 and continuing throughout 2012 were prime contributors to this significant improvement in bus performance and reliability.

The number of trips completed depends on the availability of both buses and bus operators. The percentage of trips completed increased from 97.42 percent in 2011 to 98.84 percent in 2012, primarily attributable to improved bus performance.

**MTA GOAL: Provide Services to People with Disabilities**

**PERFORMANCE INDICATORS: Bus Passenger Wheelchair Lift Usage**

Wheelchair ridership on MTA buses was 58,582 passengers in 2012, an increase of 26.7 percent from the 2011 result of 42,935 passengers. In 2012, MTA Bus received new low-floor local buses that provide easier boarding and more reliable service for wheelchair passengers. Also contributing to the increase in wheelchair ridership was the milder weather experienced in the first half of 2012.

**MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure**

**PERFORMANCE INDICATORS: Capital Program Commitments and Completions**

In 2012, MTA Bus committed \$23.5 million in capital project funds. This represents 51 percent of planned commitments, compared to 64 percent committed in 2011. The planned commitments not achieved in 2012 consist of various small facility projects that fell behind schedule.

In terms of the number of projects committed, 5 out of 10 planned projects, or 50 percent, were awarded in 2012, compared to 11 out of 18 planned projects, or 61 percent, in 2011. Notable 2012 commitments included the award of bus cameras on 79 compressed natural gas (CNG) buses, fuel tanks and a bus washer at the Eastchester Depot, and construction of a new storage building at the College Point Depot.

In 2012, MTA Bus completed \$84.5 million in capital projects. This represents 65 percent of the value of planned completions for the year, as compared to 12.7 percent of planned completions in 2011. Notable completions for the year included two purchases totaling 124 CNG buses (\$64 million) and a new roof and ventilation system at the Baisley Park Depot (\$8.5 million). The shortfall in 2012 is primarily a result of delays to roofing, ventilation, and fire protection projects at four depots.

**MTA GOAL: Perform Services in an Efficient Manner**

**PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger**

The farebox operating ratio was 35.9 percent in 2012, down from 36.8 percent in 2011. Fare collections from increased ridership in 2012 were largely offset by increased operating expenses, primarily attributable to higher pension, health, and welfare costs. The operating cost per customer was \$4.42 in 2011, compared to \$4.47 in 2012. The \$0.05 increase is the result of increased operating costs.

**MTA GOAL: Maximize System Usage**

**PERFORMANCE INDICATORS: Ridership**

Total MTA Bus ridership increased by 1 percent in 2012 to 120.9 million riders, as compared to 119.4 million riders in 2011. Bus ridership in 2011 had been negatively affected by severe winter weather and Tropical Storm Irene.

**MTA GOAL: Ensure Our Employees' Safety**

**PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate**

MTA Bus saw a 9.6 percent improvement in the employee lost-time accident rate in 2012. This favorable trend is, in part, the result of the safety programs recently implemented at MTA Bus. These include an oversight group which focuses on preventing injuries through increased safety awareness campaigns, as well as a continuing focus on the root causes of incidents leading to injuries. The agency will continue to closely monitor its performance in this area. In addition, NYCT Bus and MTA Bus have launched major initiatives aimed at protecting MTA bus operators from assault, including oversight by an executive task force, enhanced training, and the ongoing installation of bus operator shields.

**MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders**

**PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce**

Women and minorities are underrepresented within certain job categories, some of which may be considered nontraditional for women. One contributing factor is the low percentage of female applicants for open positions still perceived as nontraditional for women. MTA Bus will continue to conduct its outreach and recruitment efforts to attract qualified women and minority candidates.

## **MTA Capital Construction**

Performance Indicator	2011 Actual	2012 Actual
<b>Workforce Indicators</b>		
Female Representatives in MTACC Workforce	28.6%	28.2%
Minority Representatives in MTACC Workforce	51.2%	51.6%
<b>Capital Program Indicators</b>		
Commitments in \$ Billions (% of planned value)	\$1.844 (63%)	\$1.176 (60%)
Completions in \$ Millions (% of planned value)	\$387 (83%)	\$1,744 (91%)

### **MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure**

#### **PERFORMANCE INDICATORS: Capital Program Commitments and Completions**

MTA Capital Construction (MTACC) had a total commitment goal of \$2.1 billion in capital funds for 2012, of which approximately \$1.17 billion, or nearly 60 percent, was awarded. The shortfall resulted from delays in placing contracts for certain East Side Access projects. Notable MTACC commitments in 2012 included the finishes contract for the 96th Street Station of the Second Avenue Subway; the construction of a secondary station entrance on the 7 Line Extension; and the 55th Street ventilation plant for the East Side Access project.

MTACC's goal for capital project completions in 2012 was \$1.9 billion, of which \$1.7 billion, or 91 percent, was achieved. Notable completions during the year included the contracts for running tunnels and station structures on the 7 Line Extension; the tunnels and shafts contract on the Second Avenue Subway; and a station rehabilitation and several finishes contracts at the Fulton Center.

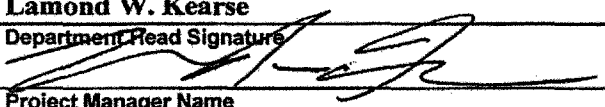
### **MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders**

#### **PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce**

The percentage of female representation exceeds the estimated availability of women available for work within the MTACC recruitment area. The percentage of minorities falls below the estimated availability of minorities within a few job categories. Capital Construction will continue its outreach and recruitment efforts to attract qualified minority candidates.


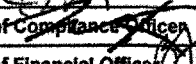
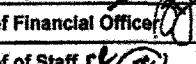



# Staff Summary

<b>Subject</b> <b>Travel and Business Expense Policy</b>
<b>Department</b> <b>Corporate Compliance</b>
<b>Department Head Name</b> <b>Lamond W. Kears</b>
<b>Department Head Signature</b> 
<b>Project Manager Name</b> <b>Lamond W. Kears</b>

<b>Date</b> <b>March 13, 2013</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Governance	3/11/13	X		
2	Board	3/13/13	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 		
2	Chief Compliance Officer 		
3	Chief Financial Officer 		
4	Chief of Staff 		

## Purpose:

To obtain Board authorization of proposed revisions to the All-Agency Travel and Business Expense Policy, as set forth on Attachment A to this staff summary.

## Discussion:

Pursuant to Public Authorities Law Section 2824, Board members of state authorities are to establish written policies and procedures regarding travel. Based upon a recent review of the existing MTA All-Agency Travel and Business Expense Policy by the Agency Comptrollers, one substantive revision to the Policy is proposed.

The substantive revision (contained on page 9 of the proposed Policy) would establish the MTA's maximum per diem allowance for domestic travel based upon U.S. General Services Administration rates. This approach is consistent with how the MTA establishes maximum per diem allowances for foreign travel as well as with travel guidelines established by the New York State Comptroller.

## Recommendation:

It is recommended that the Board approve the proposed revisions to the All-Agency Travel and Business Expense Policy.

# All Agency Policy Directive

## TRAVEL AND BUSINESS EXPENSE

Policy Number	Responsible Agency/Department	Effective Date	Page
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### I. PURPOSE

The purpose of this All-Agency Policy ~~instruction~~ Directive is to establish a standardized policy for employees of MTA Headquarters and its Constituent Agencies (collectively, to be referred to as the "Authority") when incurring, recording, approving and claiming reimbursement for eligible travel and business expenses.

### II. SCOPE

This Policy Directive applies to all employees of the MTA including MTA Headquarters, MTA (including the Business Service Center), MTA Long Island Rail Road, MTA Capital Construction, MTA Bridges and Tunnels, MTA Bus Company, MTA Metro-North Railroad, MTA New York City Transit, and all future subsidiary/affiliated entities of the MTA.

### III. DEFINITIONS

1. Agency Head: An "Agency Head" is defined as including: the Chairman/Chief Executive Officer and Agency Presidents.
2. Authorized Signer: An individual who has been granted the authority to approve employee expense documents and travel authorization requests.
3. Business Meal: A meal (breakfast, lunch, dinner, or other) whereby the attendees' principal function is to conduct Authority business.
4. Constituent Agencies: For the purposes of this policy, the group of agencies referred to as "Constituent Agencies" include: MTA Long Island Rail Road; MTA Metro-North Commuter Railroad; MTA New York City Transit; MTA Staten Island Railway; MTA Bridges and Tunnels; MTA Capital Construction; MTA Bus Company and all future subsidiary/affiliated entities of the MTA.
5. Foreign Travel: Travel outside the Continental United States is considered "Foreign Travel."
6. Local Travel: Travel inside the New York Metropolitan area is considered "Local Travel."

# All Agency Policy Directive

## TRAVEL AND BUSINESS EXPENSE

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7. Official Station: A location within 35 miles of the office where an employee is regularly assigned is her/her "Official Station."
8. Out-of-Area Travel: Travel outside the New York Metropolitan area or an employee's Official Station; and beyond the boundaries of the States of New York, New Jersey and Connecticut is considered "Out-of-Area Travel."
9. Per Diem Allowance: A payment made to reimburse, without receipts, the personal meal expenses of an Authority employee, payable under certain conditions on days when the employee is in travel status is a "Per Diem Allowance." ~~It is the policy of the Authority that lunch expenses while in travel status shall remain the obligation of the employee. An employee who has been included in a business meal for which reimbursement is sought under the employee expense policy is not eligible for a per diem allowance for the same meal.~~
10. Travel Status: An employee who travels outside his/her Official Station for at least three consecutive hours on Authority business on a regular workday, authorized holiday or weekend is in "Travel Status." Employees of the Long Island Rail Road and Metro-North Commuter Railroad must see "SPECIAL NOTE", below, for proper determination of travel status designation.

### SPECIAL NOTE:

Long Island Rail Road employees must travel outside of their Official Station and outside of the Borough of Queens and the Counties of Nassau and Suffolk to be considered in any type of travel status.

Metro-North Commuter Railroad employees must travel at least 35 miles beyond Metro-North territory to qualify for any type of travel status designation.

## IV. POLICY

### A. GENERAL

1. Policy Authority: This policy takes precedence over all other policies of any MTA Constituent Agency regarding reimbursement of employee travel and

# All Agency Policy Directive

## TRAVEL AND BUSINESS EXPENSE

Policy Number	Responsible Agency/Department	Effective Date	Page
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business expenses..

2. Categories of Expenditures: This policy instruction covers the general categories of expenditures related to business travel and meal expenses, such as, transportation, lodging, per diem meals, business meals, and other miscellaneous expenses.
3. Actual and Necessary Expenses: Reimbursement for travel and business expenses will be made only for actual and necessary expenses incurred in the performance of official duties and upon submission of properly documented and approved employee expense reports as outlined in this policy instruction.
4. Travel Arrangements through Travel Agent: Except as set forth herein, employees must make all arrangements for lodging and transportation (excluding local travel) through the Authority's official Travel Agent. Amtrak train tickets may be purchased directly from Amtrak without use of the Travel Agent provided such tickets are purchased at a widely available discount rate. Employees can make lodging reservations directly at a location if they are attending conferences, seminars or meeting at that location and the travel agent is unable to book alternative lodging that is cost effective (after taking into account the cost of travel to alternative lodging). Travel arrangements secured by any other means must be fully explained and justified in writing by the employee and approved according to the Agency-specific procedures covered in Section VII.
5. Discounted, No Cost or Reimbursed Travel: Prior to accepting discounted or no cost travel arrangements or travel arrangements reimbursed by a source other than MTA, Employees should review Sections 2.01, 3.03, and 3.08 of the MTA All Agency Code of Ethics or consult their Agency Ethics Officer.
6. Emergency Situations: During an emergency situation or under extraordinary circumstances, expenses which normally would be disallowed may be considered for reimbursement. The employee must provide a complete explanation of the emergency and the need for the expense, and obtain approval from the respective Agency Head or his/her designee. This documentation must be submitted along with the employee's expense report.

### B. AUTHORIZATION

Issued: MTA Board

MTA Corporate Compliance

Internal Control Number: GRC002222

# All Agency Policy Directive

## TRAVEL AND BUSINESS EXPENSE

Policy Number	Responsible Agency/Department	Effective Date	Page
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1. General: All employee travel and business expense reports must be approved by the employee's Supervisor or, if the Supervisor is not authorized to approve such expenses, by the next highest individual in the employee's chain of command designated as the Authorized Signer to approve expense documents.
2. Expense Reports of Agency Heads: Travel and business expense reports of Agency Heads must be approved by the MTA Chairman/CEO or his/her designee.
3. Reports Covering Business Meals for More than One Employee: Travel and business expense reports covering business meals for more than one employee must be submitted by the highest-ranking employee and approved according to this policy.
4. Expenditures Requiring Prior Approval: All business travel must be approved in advance. Requests for travel must be made by an employee by completing an Agency-designated travel request form. In addition, prior approval is required for cash advance requests; expenses to be directly billed to the Authority; interview and relocation expenses; and other special circumstances as described in this policy instruction. See the respective section of this policy to determine the approval requirements.

### C. METHODS OF PAYMENT

1. Payment by Employees: Employees are expected to pay for their business and travel expenses at the time they are incurred. Payment in advance is permitted if necessary to secure reservations and/or advantageous rates.
2. Direct Billing: Direct billing to the Authority is permitted when advantageous to the Authority. Arrangements for direct billing are subject to prior approval. See Section VII, Agency-specific procedures for the required approvals.
3. Cash Advances: An Employee may request a cash advance to cover anticipated business and travel expenditures eligible for reimbursement under this policy instruction. No cash advances will be granted for interview and relocation expenses. Requests for cash advances must be made using an Agency-designated form and must be approved according to the Agency-specific procedures. Cash

# All Agency Policy Directive

## TRAVEL AND BUSINESS EXPENSE

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advances needed for out-of-area travel must be approved by the Agency Head, or designee.

Cash advances will be ~~made by check~~ disbursed through payroll. Refunds of unused portions of cash advances from employees will be accepted only by personal check, money order, or bank check. Cash will not be accepted.

If the trip is canceled or postponed, appropriate documentation must be filed and the cash advance must be returned within five business days of notification of the cancellation or postponement.

4. Credit Cards: Employees who have been authorized to purchase goods and services for business and travel purposes with an Authority credit card must account for these purchases by filing expense reports. Expense reports must be filed even in those instances when no additional business expenses are incurred. Authority credit cards are not to be used for personal items.

### D. DOCUMENTATION

1. Use of Travel Request Form: Plans for travel must be documented and requested, in specific detail, by the employee on an Agency-designated travel request form.
2. Use of Expense Report Form: Travel and business expenses must be reported on an Agency-designated employee expense report form.
3. Actual Expenditures: Unless specifically exempted herein, all reimbursements for employee expenses must be based on actual expenditures and must be supported by receipts or other acceptable documentation.
4. Acceptable Documentation: Acceptable documentation may include ticket stubs; paid receipts; invoices indicating dates and amounts of payment; original cardholder's copies of validated credit card charge vouchers; or copies of the employee's canceled checks. With the exception of canceled checks, original documents, not copies, must be submitted.
5. Statement of Purpose: A specific statement of the business purpose must be included on the employee's expense report. General statements such as "on

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official business,” “by direction of supervisor,” or “in connection with duties as director of division” will not suffice.

6. Conventions and Conferences: Travel vouchers for expenses incurred when attending conventions and conferences must be supported by program literature setting forth the opening and closing dates of the convention.
7. Documentation of Authorization: Copies of any documents approved by an appropriate Agency official authorizing the travel must be attached to the employee’s expense report.
8. Cash Advances: Cash advances must be requested using an ~~Agency-designated~~ the appropriate BSC cash advance request form. The approved form must be attached to the expense report along with related schedules and other documentation.
9. Separate Reports: Separate reports should be filed for each business trip. Requests for reimbursement for different types of expenses (local business meals; business travel and out-of-town business meals; interview and relocation expenses) should be submitted on separate employee expense report forms.
10. Timeliness of Report Submission: Employee expense reports must be submitted in accordance with the time frames established by the respective Agency Head or his/her designee. See Section VII, Agency-specific Procedures, for timing requirements regarding the filing of expense reports.

### E. TRAVEL (GENERAL POLICY)

1. Official Business: Reimbursement for travel and business expenses of employees will be made only for actual and necessary expenses in the performance of official duties upon proper documentation.
2. Out-of-Area Travel: Employees who are planning out-of-area travel for business must obtain prior written approval of their respective Agency Head or his/her designee. Employees, who usually travel to Washington, D.C. or other out-of-area locations, should request blanket approval from their Agency Head or his/her designee. Out of area travel costing more than \$1,500 or by an Agency Head

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requires the prior written approval of MTA's Chief of Staff.

3. **Travel:** Except as provided above in Section IV. A.4, all Authority business travelers must make arrangements for all lodging and transportation needs (excluding local travel) through the Authority's official Travel Agent. Travel must be by the most cost effective route reasonably possible, and must be by either coach, economy, or equivalent discount fare unless (a) the trip is of an emergency nature and coach, economy or equivalent discount fares are not available; or (b) a business purpose necessitates late night and/or over-night travel or requires continuous air travel in excess of six hours in duration. Any travel by other than coach, economy, or equivalent fare must be approved in writing in advance by the Agency Head or his/her designee. Unless so approved, an employee shall assume any extra expense incurred.

It is important that travelers make airline reservations as much in advance as possible to secure the lowest possible fare.

### F. BUSINESS MEALS

1. **Business Purpose:** Business meal expenses are reimbursable only when the principal purpose of the meeting or meal is to transact Authority business. A statement of the business purpose must be set forth on the expense report.
2. **Attendance:** A list of attendees present at the business meal must be included with the expense report.

The cost of food at a business meeting attended only by Authority employees must be approved by an Agency Head or his/her direct reports to be eligible for reimbursement. If a business meal involves consultants and/or contractors hired by the Authority, prior approval is required to be eligible for reimbursement.

3. **Responsibility to Report Meals:** Business meal expenses must be reported by the highest-ranking employee in attendance.
4. **Documentation:** Original receipts must be attached to the travel and business expense report.



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5. Maximum Allowance: Business meal expenses are reimbursed at actual but reasonable cost.

### G. PER DIEM MEAL ALLOWANCE (DOMESTIC TRAVEL)

1. Eligibility: Employees in travel status are eligible for a per diem allowance (or a portion thereof) to cover certain meals, subject to the following limits on time of departure and return:

When departing from home or office at the beginning of a trip before the following hours:

Breakfast	6:00 a.m.
Dinner	6:00 p.m.

When returning to home or office at the conclusion of a trip after the following hours:

Breakfast	8:00 a.m.
Dinner	8:00 p.m.

Foreign travelers should see Foreign Travel Expense section for per diem allowance discussion.

2. Ineligibility within Employee's Official Station: No per diem meal allowance shall be allowed while an employee is within his or her official station or place of residence, regardless of the departure or arrival times of a particular trip.
3. Ineligibility of Meal Reported as Business Meal: An employee who has been included in an employee expense report requesting reimbursement for a business meal is not eligible for a per diem allowance for the same meal.
4. Documentation: The per diem allowance is payable upon approval of an employee expense report. No receipts are required. The per diem allowance pertains only to an employee's personal meal expenses; business meals involving non-MTA Headquarters or Constituent Agency personnel are discussed in Section IV-F.

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5. Maximum Allowance: The Authority uses the maximum allowable per diem meal allowances for domestic travel ~~{See these set by U.S. General Service Administration (GSA)}~~. Current and prior year rates are available from the GSA website at <http://www.gsa.gov/portal/content/104877> ~~for the maximum per diem allowance rate.~~ GSA rates are established based upon a fiscal year beginning October 1. Authority employees must use the rates that were in effect during the ~~period~~ date of travel. (Example: if you travel on November 1, 2013 use the GSA rate that would be in effect on that date which would be for fiscal year 2014)
6. It is the policy of the Authority that lunch expenses while in domestic travel status shall remain the obligation of the employee.
7. An employee who has been included in a business meal for which reimbursement is sought under the employee expense policy is not eligible for a per diem allowance for the same meal.

### H. TRANSPORTATION

1. Intercity Travel: (Plane, Train, or Bus)
  - a. Travel must be arranged through the authorized MTA Travel Agency except as authorized above in Section IV.A.4. Travel generally shall be by either coach, economy, or equivalent discount fare. All other travel at rates other than coach, economy, or equivalent rates must be approved in advance by the Agency Head or his/her designee to secure reimbursement.
  - b. The employee must attach the passenger's portion of used tickets and must return any unused tickets.
2. Local Travel: (Mass Transit, Taxicabs, etc.)
  - a. The use of established mass transit lines is encouraged.
  - b. If it is necessary to use taxicabs, receipts must be submitted for expenses of \$10 or more (including tips).

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- c. If receipts are not available for individual taxicab rides or mass transit fares of \$10 or more, the employee must explain the circumstances when submitting his/her expense report.

### 3. Automobiles

- a. Official Cars: If travel by an automobile is required, employees are encouraged to use official vehicles. The MTA All-Agency Policy, 41-002, regarding use of official automobiles must be followed.
- b. Personal Cars: Employees, with approval of their supervisors, will be reimbursed for the use of personal cars at the mileage rate established at intervals by the Authority. This mileage rate, as calculated, includes costs for depreciation, gasoline, oil, maintenance and repairs, and insurance. See Section VI, Attachment B, for the mileage rate in force at the time of publication of this policy instruction.
- c. Tolls and Parking Fees: Tolls and parking fees are reimbursable at actual cost. Receipts must be submitted for expenses of \$10 or more. Long-term parking fees (4 or more consecutive days) must be justified as cost effective and reimbursement for long-term fees requires pre-approval.

### 4. Rental Cars

- a. Justification: Car rental expenses will not be reimbursed unless cost savings based on alternative modes of transportation and/or business necessity can be substantiated. Compact cars should be chosen unless a larger car is justified.
- b. Arrangements: If an employee has been approved to use a rental car while on a business trip, arrangements to rent a car must be made through the Authority's official Travel Agent.
- c. Documentation: The signed car rental agreement, other appropriate receipts and the justification must be submitted with documentation.
- d. Drop-Off Charges: Drop-off charges for one-way rentals should be avoided, if possible, by obtaining a vehicle assigned to the destination city. Advance reservations and/or early inquiry will assist in obtaining such vehicles.

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- e. Insurance: When renting a car in a domestic location, collision insurance and third-party liability insurance coverage available through the car rental company should not be selected and will not be reimbursed. Employees are covered for any accidents that occur through:

MTA Self Insurance  
Risk Management  
347 Madison Avenue  
New York, New York 10017

This address should be given to the rental car agency if it is requested.

When renting a car in a foreign location, employees are advised to purchase collision insurance and third-party insurance coverage if available through the rental company. These insurance costs are reimbursable to the employee.

- f. Weekly or Discount Rates: If the use is sufficiently long to justify a weekly or other discount rate, efforts should be made to secure such a rate.

### I. LODGING

1. Official Business: Hotel and motel room expenses shall be reimbursed when incurred in the conduct of official business.
2. Arrangements: Reservations for hotel/motel stays should be made through the Authority's official Travel Agent.
3. Government Rates: State or Government discount rates shall be secured whenever possible.
4. Weekly or Monthly Rates: If the stay is sufficiently long to justify a weekly or monthly rate, efforts should be made to secure such rates.
5. Documentation: Original hotel bills and receipts for hotel and motel room expenses must be attached to the travel and business expense report.
6. Tax-Exemption: Lodging accommodations on official business are exempt from

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payment of occupancy tax in New York State. In addition, Metro-North Commuter Railroad employees are exempt from paying occupancy tax in the State of Connecticut. Employees will not normally be reimbursed for any ineligible taxes included in their bills for lodging. Employees can obtain tax exemption forms to supply to vendors from their respective Agency Comptroller's Office (Accounts Payable Manager).

7. Advance Payment: Requests for a check from MTA Headquarters or a Constituent Agency to make an advance payment for hotel accommodations or registration fees must be made by submitting the applicable agency form to the Agency Comptroller and approved in advance.
8. Ineligible Costs: When the cost of lodging has been included in the cost of a program reimbursable under this policy, no reimbursement will be made for lodging substituted at additional cost.
9. Maximum Allowance: Lodging costs are reimbursed at actual but reasonable cost.

### J. EXTENDED OR WEEKEND STAYS; TRAVELING WITH SPOUSE OR OTHERS

1. Extended or Weekend Stays: Any extension of business travel to include weekends or any days prior or following the minimum time necessary to accomplish Authority business is subject to prior written approval. Such approval must be attached to the related employee expense reports. If such an extension will result in increased costs for the Authority, prior approval must be requested from the respective Agency Head or his/her designee. Reimbursement for meals and lodging for authorized extended or weekend stays would apply.
2. Extensions Resulting in Cost Savings: If the extension of business travel beyond the normal length of time necessary will result in overall savings to the Authority when all costs are considered, an analysis of the cost savings using the lowest rates available must be included in the request for approval of the extension. Expenses incurred during the extended portion of trip will be reimbursed only when savings to the Authority can be substantiated.
3. Traveling with Spouse or Others: Expenses incurred on behalf of a spouse or

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other person who is not involved in the conduct of Authority business, or expenses incurred while on vacation or personal leave, will not be reimbursed. Such expenses should be deducted from the related expense reports.

### K. TELEPHONE AND SIMILAR SERVICES

- Business Calls and Similar: Employees will be reimbursed for all business calls, telegrams, express mail, facsimile transmissions, or similar expenditures required in the performance of their official duties. Receipts for these expenses must be included as supporting documentation with the employee's expense report.
- Personal Calls: Reimbursement for personal telephone calls is limited to two per day while in travel status. The calls must be reasonable in length in order to obtain full reimbursement.

### L. FOREIGN TRAVEL-BUSINESS TRAVEL

- Foreign travelers can use a per diem rate for reimbursement of meals and incidental travel costs such as laundry and dry cleaning. The Authority uses the foreign travel per diem rates of the U.S. State Department. The rates are available from the MTA Comptroller's Department or from the following Internet website: [http://aoprals.state.gov/web920/per\\_diem.asp](http://aoprals.state.gov/web920/per_diem.asp) Reimbursement for partial day travel should follow the same allocation method as defined for the domestic per diem allowance.
- Other allowable expenses related specifically to foreign travel include the cost of passports and visas, the cost of immunizations and inoculations (if required or recommended), the cost of car rental insurance coverage, travelers' check fees, currency exchange fees, travel fees and taxes, and airport fees and taxes.
- It is important that all currency exchange transactions are supported by documentation which reflects the exchange rates used for the transactions. Acceptable documentation will include the exchange rate per the credit card statement or, if not available, the Wall Street Journal rate on the last day of the trip.
- Lodging costs are reimbursed at actual but reasonable cost.

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### M. OTHER REIMBURSABLE EXPENSES

Expenses not specifically listed in the preceding paragraphs shall be reimbursable when incurred for business purposes as follows:

1. Laundry and Dry Cleaning: On domestic trips lasting more than three days, employees will be reimbursed for the actual cost of such services when incurred and paid for after the third day in travel status. Foreign travelers are reimbursed for laundry and dry cleaning costs through the per diem allowance which includes a portion of the rate for incidental cost items.
2. Baggage Checking and Tips: Baggage checking, tips, and normal gratuities are reimbursable. Tips related to another expense such as meals, taxi fare, etc. should be reported in the total cost of the related expenses.
3. Other Miscellaneous Expenses: Reimbursement for any other category of expenditures is subject to the interpretation of the Agency Comptroller.

### N. INTERVIEW & RELOCATION EXPENSES

Employees and job candidates eligible for the reimbursement of certain travel, lodging, meal, or other expenses pursuant to the All-Agency Interview and Relocation Policy (11-001) should refer to that policy instruction for further details. Nothing in the Travel and Business Expense Policy shall be interpreted as in any way superseding or mitigating the requirements of the Interview and Relocation Policy.

### O. UNALLOWABLE EXPENSES

The following categories of expenditures are eligible for reimbursement only on an exceptional basis, or under the special circumstances outlined in this policy instruction.

1. Direct Billing: No employee may incur business expenses to be billed directly to the Authority, except for the authorized use of Authority credit cards for air travel or gasoline, or as otherwise authorized in advance.
2. Expenses Incurred on Behalf of Spouse or Others: The costs of travel, lodging,

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meals, or other expenses for a spouse, dependent, or other person who is not performing official Authority business and who accompanies an employee on a business trip are not reimbursable.

3. Personal, Recreational or Entertainment Expenses: Costs incurred for personal, recreational or entertainment purposes, or while on vacation or personal leave, even when such leave has been approved as an extension of approved business travel, are not reimbursable.
4. Commuting Costs: Transportation costs incurred for commuting between the employee's residence and official work station are not reimbursable.
5. Expenses Eligible for Third-Party Recovery: Business expenses which are legitimately recoverable from a third-party are not reimbursable. Such expenses and recovery must be explained on the employee's expense report.
6. Personal Losses: Reimbursement is not allowed for losses of personal property or the loss of funds or tickets.
7. Substituted Lodging: Costs for this item included in a seminar or other package is not allowed.
8. Clothing, Valet Service, and Similar: Reimbursement for clothing, toiletries, barbering, or similar personal goods or services is not allowed. Laundry and dry cleaning or valet services are reimbursed at actual cost for domestic trips only after an employee has been in travel status for at least three consecutive days, as explained in Section IV-M.1., and as part of the per diem allowance for foreign trips.
9. Alcoholic Beverages: The cost of alcoholic beverages, of any kind, are not reimbursable.
10. Personal Car Expenses: Repairs or maintenance costs of any kind are not reimbursable. Expenses for gasoline, motor oil and other automobile fluids are not reimbursable. These types of expenses are included when the standard mileage rate of reimbursement is calculated and determined.



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11. Insurance, Fines and Fees: Reimbursement is not allowed for personal credit cards fees, fines for traffic/parking violations, third-party liability insurance on automobile rentals, or travel insurance.

### P. RESPONSIBILITIES

1. Agency Comptrollers: Each Agency Comptroller is responsible for overall administration of this Policy ~~instruction~~Directive for his/her respective agency, and for ensuring that all expenditures included in employee expense reports are in accordance with Authority policy.
2. MTA Comptroller: The MTA Comptroller is responsible for administration of this policy for MTA Headquarters, for providing policy interpretation to the Constituent Agencies, and for establishing effective reimbursement rates.
3. Agency Heads: Exceptions to this policy may be approved in writing by the respecting Agency Head or his/her designee based on the recommendation of the Agency Comptroller.
4. MTA Chairman and Chief Executive Officer: The MTA Chairman/CEO or his/her designee has the authority to grant exceptions to this policy without the recommendation or approval of another Agency Head in circumstances deemed by the MTA Chairman/CEO to warrant special consideration.
5. Authorized Signers: Authorized Signers are responsible for informing their staffs of this policy instruction; for controlling expenditures by careful examination of travel requests and expense reports; and for insuring that only reasonable expenses actually incurred and directly related to Authority business are reported.
6. All Employees: Employees are responsible, prior to incurring any expenses or submitting expense reports, for seeking appropriate authorization from their supervisors and/or clarification from their respective Agency Comptroller's Office of any exceptional circumstances or expenditures.

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### V. ADDITIONAL REQUIREMENTS

MTA Headquarters and each of its Constituent Agencies shall issue Agency-specific procedures consistent with this Policy ~~instruction~~Directive for the recording and claiming of reimbursement for eligible employees travel and business expenses.

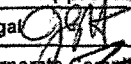
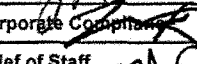

~~Each Agency shall issue its own reporting forms and/or authorizing documents which will allow their employees to obtain pre-approval for all travel requests and cash advances, and for the recording and filing for reimbursement of travel and business expenses. Detailed instructions for completing and filing these forms/documents should also be provided.~~

# Staff Summary

Subject <b>All Agency Procurement Guidelines</b>
Department <b>Legal</b>
Department Head Name <b>James Henly</b>
Department Head Signature
Project Manager Name <b>Roberta Bender</b>

Date <b>March 13, 2013</b>
Vendor Name <b>N/A</b>
Contract Number <b>N/A</b>
Contract Manager Name <b>N/A</b>
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Corporate Governance				
2	Board				

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 		
2	Corporate Compliance 		
3	Chief of Staff 		

## Purpose:

To obtain MTA Board approval of revisions to the All Agency Procurement Guidelines and the All Agency Guidelines for Procurement of Services (together, the "Procurement Guidelines"), pursuant to Public Authorities Law Section 2879.

## Discussion:

As announced during the January 2013 Board meeting, the MTA and its Agencies have adopted as a new standard operating procedure the posting of notices on the MTA website of proposed sole source purchases. The revisions to the All Agency Procurement Guidelines reflect this new standard operating procedure. In addition, references to the Metropolitan Suburban Bus Authority are being removed from the Procurement Guidelines.

## Recommendation:

It is recommended that the Board approve the annexed revised All Agency Procurement Guidelines and the All Agency Guidelines for the Procurement of Services.

ALL AGENCY GUIDELINES FOR  
PROCUREMENT OF SERVICES

These guidelines apply to the Metropolitan Transportation Authority ("MTA"), the New York City Transit Authority ("Transit"), the Long Island Rail Road Company ("LIRR"), the Metro-North Commuter Railroad Company ("MNCRR"), Staten Island Rapid Transit Operating Authority ("SIRTOA"), Metropolitan Suburban Bus Authority ("LI Bus"), Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), MTA Capital Construction ("MTACC"), MTA Bus Company ("MTA Bus") and to the Triborough Bridge and Tunnel Authority ("Bridges and Tunnels") insofar as they are consistent with the provisions of law applicable to Bridges and Tunnels (each of which is referred to as the "Authority").

**Article 1-Applicability of guidelines**

This policy applies to contracts for services. A contract for services is either a personal service contract or a miscellaneous service contract.

A. Personal services contracts generally involve retaining a consultant who specializes in one of the following:

- (1) Legal
- (2) Financial
- (3) Accounting
- (4) Auditing
- (5) Management
- (6) Human Resources
- (7) Investment
- (8) Bonds
- (9) Planning
- (10) Analysis
- (11) Training
- (12) Data Processing
- (13) Computer Systems
- (14) Statistics
- (15) Research
- (16) Public and corporate relations
- (17) Architecture
- (18) Engineering
- (19) Surveying
- (20) Labor Relations

- (21) Real Estate
- (22) Legislation
- (23) Public Affairs
- (24) Marketing
- (25) Advertising
- (26) Records Management
- (27) Office services requiring specialized skills
- (28) Printing where editorial services predominate
- (29) Other Consulting, Professional or Technical Services

- B. A miscellaneous service contract is any contract for service which is not a: i) personal service contract; ii) public work contract; or iii) a miscellaneous procurement contract. Examples include but are not limited to contracts for guard service, custodial service and maintenance work performed by laborers, workers or mechanics which does not result in a substantial improvement to a building or other fixed asset.
- C. In the event a proposed contract contains elements of more than one type of contract under these guidelines or the All Agency Procurement Guidelines, the elements which predominate shall determine the type of contract for purposes of both Guidelines.

## **Article II - Delegation of Authority**

The Chairman, the presidents of the Authorities or the designated representative or representatives thereof (each defined for purposes of these guidelines as an "Authorized Officer") are hereby empowered with respect to service contracts to be entered into by his/her respective Authority acting on its own behalf or as agent for the MTA, as follows:

- A. to implement these guidelines.
- B. to establish procedures which shall be in accordance with these guidelines to the extent deemed practicable by the Authorized Officer, for the award of: (i) a miscellaneous service contract estimated to involve the expenditure of \$15,000 or less; and (ii) a personal service contract estimated to involve the expenditure of \$25,000 or less, provided that the contract shall be advertised, Board approval of the award obtained and reported if otherwise required under these guidelines.
- C. to determine whether a miscellaneous service contract shall be awarded pursuant to the provisions of these guidelines or the provisions of the All Agency Procurement Guidelines, provided that, notwithstanding the vote otherwise required by the All Agency Procurement Guidelines, the vote of approval of a majority of the members of the Board present at a meeting at which a quorum is present shall in any event be required for the award of the following miscellaneous service contracts:
  - i) Without regard to whether or not the contract was awarded pursuant to

sealed competitive bidding, the actual or estimated amount of the contract is \$15,000 or more and the services will be rendered over a period in excess of one year.

- ii) Without regard to the period of performance of the services, the miscellaneous service contract provides for the expenditure of more than \$25,000 and was not awarded pursuant to sealed competitive bidding.

### **Article III - Policy**

It is the policy of the Authority to contract for personal and miscellaneous services when, because of factors such as timing, costs, qualifications or the nature of the services to be rendered, it is more beneficial for such services to be contracted for than performed by employees of the Authority.

Contractors shall be selected on a competitive basis except when competition is not required pursuant to these Guidelines or is waived as impractical or inappropriate.

### **Article IV - Advertising**

- A. Regardless of the selection process used, notice of a contract for the acquisition of services of any kind in the actual or estimated amount of \$15,000 or more shall be published at least one time in New York State Contract Reporter, except as provided in paragraph C of this Article. The publication shall be no less than fifteen business days prior to the planned date on which a bid or proposal is due, provided that if the contract is to be awarded without bids or proposals and advertising is required, the timing of the publication shall be, determined by an Authorized Officer.
- B. The notice must contain, as applicable, a statement of: i) the name of the contracting Authority; ii) the contract identification number; iii) a brief description of the services sought, the location where services are to be provided and the contract term; iv) the address where bids or proposals are to be submitted; v) the date when bids or proposals are due; vi) a description of any eligibility or qualification requirement or preference; vii) a statement as to whether the contract may be fulfilled by a subcontracting, joint venture or co-production arrangement; viii) any other information which the Authority deems useful to potential contractors; ix) the name, address and the telephone number of the person to be contacted for additional information; and x) a statement as to whether the services sought had, in the immediately preceding three year period, been supplied by a foreign business enterprise as that term is defined in Article 4-C of the Economic Development Law.
- C. The advertisement is not required under the following circumstances:
  - i) In the event of an emergency or critical need for the services as determined by an Authorized Officer;

- ii) The contract is re-bid or re-solicited for substantially the same services within forty-five business days after the date bids or proposals were originally due;
- iii) The contract is awarded to a not-for-profit provider of human services;
- iv) The contract is awarded pursuant to the provisions of Article V(C)(1) or (2) (single or unique source) of these Guidelines.

D. In addition to the above advertisements, the Authority shall provide notice to professional and other organizations that regularly notify certified minority and women owned business enterprises ("MWBEs") of the type of procurement opportunity that is the subject of the solicitation.

## **Article V - Selection of Personal Services Contractors**

### **A. Requirements**

The following are the requirements to be followed for selection of contractors for personal services, except for: i) contracts for architectural, engineering, and survey services (which are subject to paragraph B); ii) contracts equal to or less than \$25,000 (which may be entered into pursuant to the provisions of this paragraph or pursuant to procedures established by an Authorized Officer which shall be competitive to the extent deemed practicable by the Authorized Officer); and iii) contracts for services for which a competitive selection process is inappropriate pursuant to the provisions of paragraph C.

1. The Division/Department of the Authority requiring the services shall prepare a written statement containing a description of the services, the reasons why they are required, and the required or estimated schedule or duration of the services.
2. A request for proposals ("RFP") to perform the required services shall be sent to three or more firms to assure competition, including any DBE/WBE/MBE firms selected to receive the RFP pursuant to applicable Authority or New York State DBE/WBE/MBE programs, unless there are only two qualified firms or unless competition is waived as hereinafter provided. The RFP or notice thereof shall also be provided to professional and other organizations that represent or regularly notify certified MWBEs of the type of procurement opportunity that is the subject of the RFP notice.
3. The RFP shall describe the services to be performed, any completion dates or time requirements, DBE/WBE/MBE requirements, if applicable, and the criteria to be utilized by the Authority in evaluating proposals and shall contain a requirement for a cost proposal and the date, time and place when proposals must be received.

4. The Authority may select one or more proposers with which to negotiate after evaluation of the proposals received. The award shall be made to the proposer or proposers whose proposal(s) will be the most advantageous to the Authority, price, qualifications and other factors considered, using the evaluation criteria specified in the RFP as the basis for the decision.

B. Architectural- Engineering and Survey Contracts

1. In the procurement of architectural, engineering and surveying services, the Authority shall determine whether to comply with the RFP procedures set forth in paragraph A or the "Brooks" method set forth in this paragraph, provided that if federal assistance is involved, the decision shall take into account applicable federal requirements.
2. The Authority shall encourage professional firms engaged in the lawful practice of the profession to submit an annual statement of qualifications and performance data. For each proposed project identified in accordance with Article V(A)(1), the Authority shall evaluate current statements of qualifications and performance data on file with the Authority. If desired and to the extent appropriate if federal assistance is involved, the Authority may conduct discussions with three or more professional firms regarding anticipated design concepts and proposed methods of approach to the assignment.
3. The Authority shall then evaluate whether a modification to the written statement prepared in accordance with subparagraph 1 of Paragraph A is appropriate, and shall then comply with the provisions of subparagraphs 2 and 3 of Paragraph A.
4. The Authority shall select from the proposals submitted, in order of preference, based upon the criteria established by the Authority, no less than three professional firms deemed to be the most highly qualified to provide the services required.
5. The Authority shall negotiate a contract with the highest qualified professional firm for architectural, engineering or surveying services at compensation which the Authority determines in writing to be fair and reasonable. In making this decision, the Authority shall take into account the estimated value of the services to be rendered, the scope, complexity, and professional nature thereof. Should the Authority be unable to negotiate a satisfactory contract with the professional firm considered to be the most qualified, at a fee it determines to be fair and reasonable, negotiations with that professional firm shall be formally terminated. The Authority shall then undertake negotiations with the second most qualified professional firm. Failing accord with the second most qualified professional firm, the Authority shall formally terminate negotiations.



The Authority shall then undertake negotiations with the third most qualified professional firm. Should the Authority be unable to negotiate a satisfactory contract with any of the selected professional firms it shall select additional professional firms, in order of their competence and qualification and it shall continue negotiations in accordance with this subparagraph until an agreement is reached.

6. The provisions of this paragraph B shall apply only to engineering, architectural, or surveying services contracts in excess of \$25,000.00. Contracts for engineering, architectural or surveying services involving lesser amounts may be entered into pursuant to the provisions of this paragraph or pursuant to procedures established by an Authorized Officer which shall be competitive to the extent deemed practicable by the Authorized Officer.

- C. It is hereby determined that a competitive selection process is inappropriate and that a competitive process shall not be required in the following instances:

1. When the services are obtainable from one source only.
2. When the provider of the services has unique or otherwise outstanding qualifications.
3. When an emergency or other circumstances exist which make competition impracticable or inappropriate.
4. Legal Services.

- D. Pursuant to Section 2879(3)(b)(i) of the Public Authorities Law, a contract in an amount not to exceed \$200,000, that is not federally funded, for personal services or miscellaneous services may be awarded without competitive procedures otherwise required by law or these Guidelines, where the proposed award is to a small business concern or a certified minority or women-owned business enterprise ("MWBE"). Contracts may be designated for solicitation and award pursuant to Section 2879(3)(b)(i) by the Chairman or the Chairman's designee in consultation with the Authorized Officer of the appropriate agency. In the case of contracts that are designated pursuant to Section 2879(3)(b)(i) for award to eligible small business concerns or MWBEs, there shall be notice of the proposed contract on the Authority website inviting responsive bids or proposals from qualified small business concerns and MWBEs. Notice of such procurements shall also be provided to identified organizations that represent or regularly notify small business concerns or MWBEs, of the type of procurement opportunity that is the subject of the award. Awards pursuant to Section 2879(3)(b)(i) shall be made to the bidder or proposer determined to have submitted the bid or proposal that is most advantageous to the Authority, price and any other relevant factors considered. An award proposed to be made to a bidder or proposer other than the lowest responsible, responsive bidder or proposer, shall require approval by a majority of the Board at a meeting at which a quorum is present; in addition, the approval of the Board is required in any other instance in which it is required by law. The Chairman or his designee, in consultation with the Authorized Officer

of the appropriate agency, may reject all offers and withdraw the designation of a contract as one to be awarded pursuant to Section 2879(3)(b)(i) if the Chairman or his designee determines that an award will result in the payment of an unreasonable price or otherwise not be advantageous to the Authority. The requirements of Article IV and of Article V(B) shall not apply to contracts awarded in accordance with Section 2879(3)(b)(i).

- EE. The Chairman, President, General Counsel, or Chief Procurement Officer of the Authority, or such individuals as they may designate, may give verbal authorization to contractors or consultants to commence the performance of contracts entered into pursuant to the provisions of this paragraph EE, where prior written agreement is impracticable, provided, however, that the contract shall be reduced to writing as soon as practicable. Prior to issuing a verbal authorization for a federally assisted contract, consideration should be given to the steps which may be taken to assure that federal assistance is not jeopardized.

#### **Article VI – Minority/Women Owned and Disadvantaged Business Enterprises**

The potential exists for disadvantaged/minority/women owned business enterprise involvement in personal service and miscellaneous service contracts. The Authority shall use its best efforts to maximize the utilization, as applicable, of DBEs under the Authority's federal program, and MBEs/WBEs under the New York State program set forth in Public Authorities Law §2879, Article 15-A of the Executive Law and these guidelines.

- A. The MTA Chief Diversity Officer ("Chairman's Designee") is responsible for overseeing the programs established by the MTA to promote and assist: i) the participation by certified MWBEs in procurement opportunities and facilitation of the award of procurement contracts to such enterprises; ii) the utilization of certified MWBEs as subcontractors to Authority prime contractors; and iii) the utilization of partnerships, joint ventures ("JVs") or other similar arrangements between certified MWBEs and prime contractors. The Chief Diversity Officer reports directly to the Chairman in connection with the responsibilities set forth herein, and will participate in the procurement process either directly or through his or her designees.
- B. For contracts awarded pursuant to these Guidelines, the Authority shall establish appropriate goals for participation by certified MWBEs and for the utilization by prime contractors of MWBEs as subcontractors and suppliers. Statewide numerical participation target goals will be established by the Authority based on the findings of the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study.
- C. The Authority will conduct non-federally funded procurements in a manner that enables the Authority to achieve the maximum feasible portion of the goals set pursuant to Article VI(B) including taking the following actions: (i) establishing measures and procedures to ensure that certified MWBEs are given the opportunity for maximum feasible participation in the performance of Authority

contracts and to assist in the identification of those contracts that are best suited for which certified MWBEs may best bid to actively and affirmatively promote and assist their participation in the performance of Authority contracts so as to facilitate the Authority's achievement of the maximum feasible portion of the MWBE goals; (ii) designating the New York State Division of Minority and Women-owned Business Development ("DMWBD") to certify and decertify MWBEs for purposes of these guidelines; (iii) setting forth in each contract solicitation the expected degree of MWBE participation based on potential subcontracting opportunities and the availability of certified MWBEs to respond competitively to those opportunities; (iv) providing to prospective contractors in writing or by identifying a link to a specific web site a current list of MWBEs; (v) with regard to JVs, allowing a bidder to count toward meeting its MWBE participation goal, the MWBE portion of the JV; (vi) waiving a contractor's obligation relating to MWBE participation after a showing of good faith efforts to comply with the participation goal; and (vii) verifying that MWBEs listed in a successful bid or proposal are actually participating to the extent listed in the project for which the bid or proposal was submitted. The Authority will also consider, where practicable: (i) the severability of service requirements and other bundled service contracts; (ii) the implementation of a program that will enable the Authority to evaluate each contract to determine the appropriateness of the goal pursuant to the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study; (iii) compliance with the requirements of any federal law concerning opportunities for any MWBEs which effectuates the purpose of this section; and (iv) consultation of the most recent disparity study.

#### **Article VII-Types of Provisions to be Contained in Service Contracts**

- A. The following types of provisions shall be contained in all personal services contracts, except that it is not necessary to include any provision which is inapplicable or unnecessary because of the nature or duration of the services to be performed, the location or locations where they are to be performed or the type of compensation being paid.
1. Description of Services
  2. Compensation
  3. Time for  
Performance or  
Date of  
Completion
  4. Liability of Contractor or Consultant; Indemnification of Authority
  5. Reports of Contractor or Consultant
  6. Ownership of Plans, Drawings or Other Products of the Performance of the Services
  7. Assignments; Subcontracts
  8. Maintenance of Records, Accounts
  9. Right of Authority to Inspect and/or Audit Books and Records of Contractor or Consultant

10. Insurance Requirements
  11. Termination
  12. Monitoring of the Performance of Services
  13. Use of Authority Supplies, Facilities or Property
  14. Use of Authority Personnel
  15. All Provisions required to be included in Authority contracts by Federal, State or Local Laws Ordinances, Codes, Rules or Regulations.
  16. Such modifications and additions as are appropriate in light of the specific circumstances presented.
- B. To the extent practicable, a verbal authorization to commence work and a writing which is not intended to constitute the final agreement, at a minimum shall:
1. Describe the services to be performed;
  2. Specify the amount of compensation to be paid or the rates or fees which will be utilized to determine such compensation; and
  3. Specify a date for completion or the anticipated duration of the services (except in instances where the nature of the services makes an estimate of the time required impossible or impracticable or where the contract is a retainer for the performance of services over an extended period of time on an "as-needed" basis and contains provisions allowing termination by the Authority at any time without cause).
- C. Miscellaneous service contracts shall contain those provisions of paragraph A and of other standard forms of contract deemed appropriate by an Authorized Officer.

#### **Article VIII - Responsibilities of Services Contractors**

A service contractor shall have the following responsibilities:

- A. To perform the contract in accordance with its terms;
- B. To perform the services required under the contract competently, efficiently, in a timely manner, at a reasonable cost and in a manner which is satisfactory to the Authority; and
- C. To cooperate with the Authority personnel who are directing, supervising or monitoring the performance of the services or who are assisting in their performance.

#### **Article IX - Contracts Involving Former Officers or Employees of the Authority**

The Authority may enter into contracts with any Authority's former officers or employees or with firms employing such officers or employees only to the extent permitted by Public Officers Law §73.

#### **Article X - Monitoring, of Service Contracts**

The Division/Department of the Authority requiring the services shall be responsible for monitoring the performance of the contract to assure that the contract is performed in accordance with its terms.'

#### **Article XI Reporting of Service and Purchase Contracts**

- A. Each Division/Department of an Authority shall maintain records, for each fiscal year, of the following contacts entered into by the Authority at the request of such Division/Department: i) personal service contracts in the actual or estimated amount of \$15,000 or more; ii) miscellaneous service contracts in the actual or estimated amount of \$15,000 or more; and iii) purchase contracts in an actual or estimated amount of \$15,000 or more.
- B. The Authority's Authorized Officer shall designate a Division or Department which shall be responsible for preparing a report at the end of each fiscal year with respect to the foregoing contracts. With respect to each such contract, the report shall contain the following information:
  - 1. Name of Contractor;
  - 2. Short description of the services involved;
  - 3. Amounts paid pursuant to the contract as of the end of such fiscal year;
  - 4. The selection process used;
  - 5. Status of the contract;
  - 6. If it was exempt from advertising in the New York State Contract Reporter pursuant to Article IV(C) of these Guidelines:
    - i) a statement to that effect; and
    - ii) the basis for such exemption; and
  - 7. Whether the contract was entered into with a New York State business enterprise or a foreign business enterprise, as those terms are defined in Public Authorities Law § 2879.
  - 8. Whether the contract was entered into with a New York State certified minority or women-owned business enterprise.
  - 9. Referrals to and penalties imposed by the Director of DMWBD pursuant to Executive Law § 316.
- C. Each Authority shall submit a copy of such report to the board of the Authority upon its completion.

#### **Article XII-Personal Service Contracts Requiring Approval of the Board**

The following personal service contracts shall require the approval of the Board of the Authority by resolution approved by a majority of the members present at a meeting at which a quorum is in attendance and shall be reviewed by the Board on an annual basis:

- A. Personal Service Contracts of all Authorities except for Bridges and Tunnels: All personal service contracts entered into by an Authority in the actual or estimated amount of \$20,000 or more;
- B. Personal Service Contracts of Bridges and Tunnels: All personal services contracts entered into by Bridges and Tunnels in the actual or estimated amount of \$15,000 or more where the services will be rendered over a period in excess of one year; and
- C. Miscellaneous service contracts: See Article II(C) of these guidelines.

### **Article XIII-Change Orders**

An Authority may enter into a change order or amendment to a personal service or miscellaneous service contract provided that approval of the Board of the Authority by a resolution approved by a majority of the members present at a meeting at which a quorum is in attendance, shall be required in the following circumstances:

- A. The contract did not equal or exceed the applicable monetary or durational threshold for board approval set forth in Article XII or Article II of these guidelines and the applicable threshold is equaled or exceeded as a result of the change order or amendment. This provision applies to all contracts subject to these Guidelines, including budget adjustments to estimated quantity contracts previously approved by the Board which exceed the threshold.
- B. The contract was approved by the Board and the change order or amendment, including any change orders or amendments since Board approval was last obtained, results in a substantial change in the contract as determined by an Authorized Officer.
- C. The miscellaneous service contract was awarded pursuant to the All-Agency Procurement Guidelines and the change order or amendment equals or exceeds the requirements for Board approval under Article IXVIII of the All Agency Procurement Guidelines.
- D. Notwithstanding the foregoing, an Authorized Officer may enter into a change order or amendment in any of the following situations as determined by an Authorized Officer,
  - 1. The existence of an emergency; or
  - 2. The risk of a substantial increase in cost or delay if prompt action is not taken.
- E. The Chief Operating Officer shall establish policies with respect to the delegation of responsibilities set forth in this Article.

#### Article XIV – Miscellaneous

- A. Any provision of these guidelines may be waived by the Chairman, an Authority President or the Board, or such individuals as they may designate, except to the extent prohibited by law. A waiver may also be in the form of a ratification. If a contract is federally assisted, prior to issuing a waiver, consideration should be given to the steps which may be taken to assure that federal assistance is not jeopardized.
- B. No Board committee procedure or action or Authority policy, other than one approved by the Chairman, shall be inconsistent with these Guidelines.
- C. A contract awarded by an Authority pursuant to the provisions of these Guidelines may provide that the contract includes the requirements of one or more other Authorities.
- D. An Authority may contract for a service available through an existing contract between a contractor and the State of New York or the City of New York or another Authority if: i) the existing contract was awarded pursuant to a process of competitive sealed bids or a competitive request for proposals; ii) the Authority's Authorized Officer determines that the price and other commercial terms specified in the contract are satisfactory; and iii) if board authorization would otherwise be required under these Guidelines, the Board adopts a resolution by a majority vote of the members of the Board present meeting at which a quorum is in attendance which sets forth the reasons why a competitive process is impractical or inappropriate and authorizes the Authority to enter into the contract.
- E. These Guidelines are intended for the guidance of officers and employees of the Authority only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under or by reason, of any requirement or provision thereof.
- F. Nothing contained in these Guidelines shall be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, the provisions of these Guidelines.
- G. Where applicable federal, state or local laws, ordinances, codes, rules or regulations contain requirements which are in conflict with or which impose greater obligations upon the Authority than these Guidelines, then such requirements shall take precedence over those contained herein.
- H. The Authority shall prepare a publicly available report no less frequently than annually, summarizing procurement activity by the Authority for the period of the report, in accordance with the reporting requirements of Section 2879(6) of the Public Authorities Law.

- I. Nothing in these guidelines shall preclude the Authority from accepting bids or proposals in an electronic format, to the extent permitted by law.



## **ALL AGENCY PROCUREMENT GUIDELINES**

These guidelines apply to the Metropolitan Transportation Authority ("MTA"), the New York City Transit Authority ("Transit"), the Long Island Rail Road Company ("LIRR"), The Metro-North Commuter Railroad Company ("MNCRR"), Staten Island Rapid Transit Operating Authority ("SIRTOA"), ~~Metropolitan Suburban Bus Authority ("LI Bus")~~, Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), MTA Capital Construction ("MTACC"), MTA Bus Company ("MTA Bus"), and to the Triborough Bridge and Tunnel Authority ("Bridges and Tunnels") insofar as they are consistent with the provisions of law applicable to Bridges and Tunnels (each of which is referred to severally and together, as the "Authority").

### **Article I - Applicability of Guidelines**

This policy applies to i) purchase contracts for supplies, materials or equipment ("purchase contracts"); ii) public work contracts ("public work contracts"); and iii) leases of equipment with or without an option to purchase, computer software licenses and maintenance agreements, printing contracts (where editorial services do not predominate), and to any other contract which is not otherwise classified under these guidelines or the All Agency Guidelines for Procurement of Services ("miscellaneous procurement contracts"). In the event a proposed contract contains elements of more than one type of contract under these Guidelines or the All Agency Guidelines for Procurement of Services, the elements which predominate shall determine the type of contract for purposes of both Guidelines.

### **Article II - Delegation of Authority**

The Chairman, the presidents of the Authorities, or the designated representative or representatives thereof (each defined for purposes of these guidelines as an "Authorized Officer") are hereby empowered with respect to purchase contracts, public work contracts, and miscellaneous procurement contracts to be entered into by the respective Authority acting on its own behalf or as agent for MTA, as follows:

- A. to establish procedures which shall be competitive to the extent deemed practicable by the Authorized Officer, for the award of purchase contracts estimated to involve the expenditure of \$15,000 or less and public work contracts estimated to involve the expenditure of \$25,000 or less;
- B. to establish procedures for the award of miscellaneous procurement contracts regardless of the estimated expenditure, which procedures shall provide for Board approval of the award if the contract provides for the estimated expenditure of more than \$25,000 and is not awarded pursuant to sealed competitive bidding. A majority of the members of the Board in

attendance at a meeting at which a quorum is present shall be required to approve the resolution authorizing such award;

- C. for purchase contracts estimated to involve the expenditure of more than \$15,000 and public work contracts estimated to involve the expenditure of more than \$25,000:
  - 1. to determine the criteria for the evaluation of bids which may include but are not limited to unit or aggregate amount bid, life cycle costs or savings (including but not limited to costs or savings associated with installation, energy use, maintenance, operation, salvage and disposal), discounts and costs of maintenance and inspection services;
  - 2. to determine whether a contract required to be advertised in the New York State contract reporter is exempt from such requirement on the basis of a need to award the contract on an emergency or critical basis;
  - 3. to advertise for, solicit and open bids;
  - 4. to record the name of each bidder and the amount(s) bid;
  - 5. to determine the lowest responsive and responsible bidder, including, in the event two or more responsible bidders submit identical bids which are the lowest bids, to award the contract to any of such bidders or obtain new bids from such bidders;
  - 6. to reject all bids when it is determined to be in the public interest to do so;
  - 7. to award the contract.
- D. to determine whether a bidder or prospective bidder should be ineligible to act or bid as a contractor or act as a subcontractor for a fixed or indefinite period of time with respect to contracts of the Authority in question.
- E. in addition to the other authorizations set forth elsewhere in this document, to establish guidelines governing the qualifications of bidders for public works and public contracts, and to fix the standards for the prequalification of bidders entering into such contracts, for the East Side Access Project in accordance with Section 1265-a.2(c) of the Public Authorities Law.

### **Article III - Award of Contracts Without Competitive Bidding**

- A. A purchase contract estimated to involve the expenditure of more than \$15,000 and a public work contract estimated to involve the expenditure of more than \$25,000 may be awarded without competitive bidding under the circumstances set forth below, provided that the Authorized Officer recommends such an action and the Board adopts a resolution declaring competitive bidding to be impractical or inappropriate and states the

reasons therefore, and summarizes any negotiations that have been conducted. Except in a situation specified in Article III (A) (1), such resolution shall be approved by two-thirds of the members of the Board then in office. A declaration under Article III (A) (1) shall require approval by a majority of the members of the Board in attendance at a meeting at which a quorum is present.

1. The existence of an emergency involving danger to life, safety or property which requires immediate action and cannot await competitive bidding; or when the item to be purchased is essential to the efficient operation of or the adequate provision of service and, as a consequence of an unforeseen circumstance, such purchase cannot await competitive bidding. Competitive bidding is hereby declared to be impractical and inappropriate in any of the foregoing situations where an Authorized Officer must take appropriate action and cannot await action by the Board; provided, however, that notice of such action shall be given to the Board at its next scheduled meeting together with a statement of the reasons for such action and a request for ratification by the Board.
2. The item to be purchased is available only from a single responsible source provided, however, that a notice of the Authority's intent to purchase such item without competitive bidding shall be posted on the Authority's website, and, if bids have not been solicited for such item within the preceding twelve months, a notice must be published pursuant to Article VI(A) hereof. Any notices required by this paragraph shall ~~which sets~~ forth the Authority's intent to purchase the item without competitive bidding because the item is available from only one source and invites any firm which believes it can provide the item to so inform the Authority and to provide the Authority with additional information which confirms that it can supply the item.
3. Competitive bids are solicited and
  - a. no responsive bid is received; or
  - b. only a single responsive bid is received, and the Authorized Officer rejects the bid.
4. With respect to a product or technology, the Authority wishes to:
  - a. experiment with or test it;
  - b. experiment or test a new source for it; or
  - c. evaluate its service or reliability.

Such a contract may not be awarded until at least thirty days after the date the Board has declared competitive bidding to be impractical or inappropriate.

5. The item is available through an existing contract between a vendor and any of the following and the resolution adopted by the Board includes a determination that, and the reasons, why, it is in the public interest to do so:
  - a. An Authority or any other public authority provided such contract had been awarded through a process of competitive bidding or a competitive request for proposals;
  - b. The State of New York, The City of New York, or (except for Transit and MaBSTOA) the County of Nassau.

It is hereby determined that competitive bidding is inappropriate and, because of the likelihood that a competitive process will not result in better commercial terms, that it is in the public interest to purchase an item through an existing contract of the State of New York, The City of New York or an Authority, or in regard to LI Bus, the County of Nassau, where price and other commercial terms specified in such contract are satisfactory to the Authorized Officer. Such a determination shall be documented in writing by the Authorized Officer.

6. The Authority determines that it is in the public interest to award the contract through a competitive request for proposals ("RFP") in accordance with the procedures set forth in Article IV. For purposes of this subsection, a competitive RFP shall mean a method of soliciting proposals and awarding a contract on the basis of a formal evaluation of the characteristics which are deemed relevant to the Authority's operations, such as quality, cost, delivery schedule and financing, against stated selection criteria. Where the RFP involves the purchase or rehabilitation of rail cars, transit cars or buses, the selection criteria may also include the extent to which the performance of all or a portion of the contract will involve the use of sites within the State of New York or the use of goods produced or services provided within the State of New York.

- B. Under the MTA Small Business Mentoring Program, a non-federally funded public work contract that is designated by the Authority as a small business mentoring program contract within the meaning of Section 1265-b(1)(e) of the Public Authorities Law, may be awarded in accordance with the provisions of Section 1265-b of the Public Authorities Law, notwithstanding any other provision of law or these guidelines. A public work contract that is partially or wholly federally funded, subject to Department of Transportation regulations and estimated to involve an

expenditure of not more than \$3 million, may be awarded pursuant to the MTA Small Business Federal Program established under 49 CFR 26.39 in accordance with the competitive procedures established under that Program, notwithstanding any other provision of law or these guidelines. The Chairman or his designee is authorized to designate which eligible public work contracts shall be small business mentoring program or small business federal program contracts.

- C. A contract, in an amount not to exceed \$200,000 for the purchase of goods, for public works or for a miscellaneous procurement that is not federally funded, may be awarded pursuant to Section 2879(3)(b)(i) of the Public Authorities Law without competitive bidding or other formal competitive process, notwithstanding any other provision of law or these guidelines, where either (i) the contract involves goods or technology that are recycled or remanufactured or (ii) the proposed award is to a small business concern or a certified minority or women-owned business enterprise ("MWBE"). The Chairman or his designee shall determine which contracts are appropriate for such types of procurements in consultation with the Authorized Officer of the appropriate agency. In the case of contracts that are designated pursuant to Section 2879(3)(b)(i) for award to eligible small business concerns or MWBEs, there shall be notice of the proposed contract on the Authority website inviting responsive bids or proposals from qualified small business concerns and MWBEs. Notice of such procurement shall also be provided to identified organizations that represent or regularly notify small business concerns or MWBEs of the type of procurement opportunity that is the subject of the award. Awards pursuant to Section 2879(3)(b)(i) shall be made to the bidder or proposer determined to have submitted the bid or proposal that is most advantageous to the Authority, price and any other relevant factors considered. An award proposed to be made to a bidder or proposer other than the lowest responsible, responsive bidder or proposer shall require approval by a majority of the Board at which a quorum is present. The Chairman or his designee, in consultation with the Authorized Officer of the appropriate agency, may reject all offers and withdraw the designation of a contract as one to be awarded pursuant to Section 2879(3)(b)(i) if the Chairman or his designee determines that an award will result in the payment of an unreasonable price or otherwise not be advantageous to the Authority.

#### **Article IV - Requests for Proposals**

A contract authorized pursuant to Article III (A)(6) may be awarded after the issuance of an RFP in the following manner:

- A. Public notice shall be given of the RFP in accordance with the procedures specified in Article VI(A) and (B). In addition to the information required

under Article VI(C), the public notice must include a statement of the selection criteria. Such notice shall also be provided to professional and other organizations that represent or regularly notify certified MWBEs of the type of procurement opportunity that is the subject of the RFP. The Authority may engage in a selection process involving multiple steps such as requests for qualifications, requests for technical proposals and requests for quotations. After the publication of the notice, any or all of the selection criteria specified in the advertisement may be changed, provided that, if the change is material, proposers and potential proposers who, prior to the deadline for the receipt of proposals, have expressed an interest in the RFP, shall be informed of the change and afforded the opportunity to modify their proposals.

B. After receipt of the proposals, an Authority may:

1. change the selection criteria provided that, if the change is material, all proposers are informed of the change and afforded the opportunity to modify their proposals;
2. request that any of the proposers make a presentation. If it does so, it is not required to afford such opportunity to all proposers;
3. negotiate with any of the proposers. If it does so, it is not required to negotiate with all proposers;
4. reject any proposal at any time; and
5. reject all proposals, in which event the Authority may decide to take no further action, solicit new proposals or solicit bids.

C. A contract may be awarded pursuant to an RFP only after adoption of a resolution by a 2/3 vote of the Board members then in office (the "award resolution").

The award resolution:

1. must be recommended to the Board by the Authority's Authorized Officer;
2. must identify all proposers;
3. must set forth the substance of the proposals received;
4. must, as applicable, summarize the negotiation process including the opportunities, if any, available to proposers to present and modify their proposals; and
5. must set forth the criteria upon which the selection was made.

D. The award resolution may be adopted simultaneously with or subsequent to the adoption of the resolution declaring that competitive bidding is impractical or inappropriate because it is in the public interest to use the RFP process specified in the opening paragraph of Article III hereof (the "RFP authorizing resolution"), provided that, if the RFP authorizing resolution and the RFP award resolution are adopted simultaneously or

within less than thirty days of each other, the contract may be executed by the Authority no less than thirty days after the adoption of the RFP authorizing resolution.

#### **Article V - Qualified Products Lists ("QPL")**

The Board hereby determines that for reasons of efficiency, economy, compatibility or maintenance reliability, there is a need for standardization as to various supplies, materials and equipment which are purchased by the Authorities and authorizes the establishment of a qualified products list ("QPL") identifying such supplies, materials and equipment as hereinafter provided. A purchase contract for an item which has been included on a QPL duly established and maintained by an Authority, may be entered into by that Authority as hereafter set forth:

- A. The Authorized Officer of the Authority determines as to a specific item that, for reasons of efficiency, economy, compatibility or maintenance reliability, there is a need for standardization.
- B. The QPL is reviewed no less than two times per year. The purpose of this review is to evaluate whether to add or delete items or vendors to or from the QPL.
- C. A notice is published by the Authority no less than one time per year in a general circulation newspaper and in the New York State contract reporter which:
  - 1. advertises the existence of the QPL;
  - 2. states that the QPL is available for public inspection; and
  - 3. specifies the name and address of the Authority's office which may be contacted in regard to the procedure for the compilation of the QPL.
- D. A contract for an item on the QPL may be awarded:
  - 1. without competitive bidding if only one source for the item is specified on the QPL;
  - 2. by competitive sealed bidding but without advertising provided the invitation to bid is sent to all vendors listed on the QPL for the particular item;
  - 3. by competitive sealed bidding after advertising the bid pursuant to Article VI (A) of these procedures.
- E. Two or more Authorities may utilize the same QPL provided that such Authorities jointly comply with the provisions of this Article.

## **Article VI - Advertising**

Except as provided in subsection D of this Article and Article II(C)(2), in those instances where advertising is required under these Guidelines:

- A. For purchase contracts in the actual or estimated amount in excess of \$15,000 for all Authorities and for public work contracts in the estimated amount in excess of \$25,000, the advertisement shall be published at least once in a newspaper of general circulation in the area served by the Authority and in the New York State contract reporter provided that, if the contract is to be awarded without the solicitation of competitive bids or RFP, the timing of the publication in the New York State contract reporter shall be determined by an Authorized Officer;
- B. The first publication shall be no less than fifteen business days prior to the planned bid opening date and the second publication shall be within a reasonable period prior to the planned bid opening date.
- C. The advertisement must contain, as applicable, a statement of: (i) the time and place where bids received will be publicly opened and read; (ii) the name of the contracting Authority; (iii) the contract identification number; (iv) a brief description of the public work supplies, materials, or equipment sought, the location where work is to be performed, goods are to be delivered or services provided and the contract term; (v) the address where bids or proposals are to be submitted; (vi) the date when bids or proposals are due; (vii) a description of any eligibility or qualification requirement or preference; (viii) a statement as to whether the contract requirement may be fulfilled by a subcontracting, joint venture or co-production arrangement; (ix) any other information which the Authority deems useful to potential contractors; and (x) the name, address, and telephone number of the person to be contacted for additional information. In addition, if a purchase contract is involved, the advertisement in the New York State contract reporter shall also include a statement as to whether the goods sought had in the immediately preceding three year period been supplied by a foreign business enterprise as that term is defined in Article 4-C of the Economic Development Law.
- D. Advertisement in a general circulation newspaper and in the New York State contract reporter is not required if the Authority regularly purchases the particular supplies, material or equipment and bids are solicited from a list of potential suppliers for the item which has been established and maintained as set forth in Article VII hereof.
- E. In addition to the above advertisements, the Authority shall provide notice to professional and other organizations that regularly notify certified



MWBEs of the type of procurement opportunity that is the subject of the solicitation.

## **Article VII - Contractor Outreach**

The Authority shall encourage firms to be interested in competing for Authority contracts. The Authority shall do so in the following manner:

- A. Suppliers Lists for Purchase Contracts: The Authority shall compile a list of potential sources of supplies, materials or equipment which it regularly purchases. Such list must be compiled in accordance with the following procedures:
  1. Advertisements must be periodically placed in one or more publications which are likely to be read by manufacturers, suppliers and others who deal in the item including firms which may be minority or woman owned businesses, which set forth a general description of categories of items which are regularly procured by the Authority and invites firms to advise the Authority in writing of their interest in being placed on the suppliers list for specific items or categories of items.
  2. A periodic effort:
    - i) must be undertaken to identify potential bidders for the item who are not on the list including minority or woman owned businesses. Such effort shall include the use of the Authorities' websites, use of appropriate publications, including those that serve minority and women's business communities, other sources of information, and cooperation with federal, state and local agencies and other Authorities. Where appropriate, a print or electronic letter shall be sent to a new potential bidder which invites it to request that it be added to the list and, if it does not wish to be added, requests that it indicate why.
    - ii) where appropriate, must be undertaken to identify firms which have not responded to bids or expressed an interest in remaining on a list. An effort should be made to contact such firms to determine why they have not bid, whether they are interested in remaining on the list and, if not, why not. A firm may be deleted from the list where it requests deletion, or where the circumstances indicate that it is unlikely that the firm is interested in remaining on the list.
  3. The Authority will maintain lists of qualified and certified MWBEs, including professional firms that have expressed an interest in doing business with the Authority and ensure that such

lists are updated regularly. The Authority will also consult the lists of certified MWBEs maintained by the New York State Department of Economic Development ("DED").

4. An advertisement must be placed quarterly in the State Register and in the New York State contract reporter.
5. In the event it is not practicable to maintain a suppliers list for a specific item, such item shall be included in a broader category or other appropriate classification which reasonably includes the item, and a suppliers list shall be maintained with respect to the category or classification.

- B. Capital Program Purchase and Public Work Contracts: The Authority shall place an advertisement in the New York State contract reporter no less than four times per year which sets forth a general list of anticipated capital program purchase contracts and public work contracts, and the address of the Authority's office which may be contacted in order to be afforded the opportunity to compete for such contracts and for other Authority contracts. Advertisements will also be placed in publications that serve minority and women's business communities.

#### **Article VIII – Minority/Women Owned and Disadvantaged Business Enterprises**

The potential exists for disadvantaged/minority/women owned business enterprise involvement in Authority contracts. The Authority shall use its best efforts to maximize the utilization, as applicable, of DBEs under the Authority's federal program, and MBEs/WBEs under the New York State program set forth in Public Authorities Law §2879, Article 15-A of the Executive Law and these guidelines.

- A. The MTA Chief Diversity Officer ("Chairman's Designee") is responsible for overseeing the programs established by the MTA to promote and assist: i) the participation by certified MWBEs in procurement opportunities and facilitation of the award of procurement contracts to such enterprises; ii) the utilization of certified MWBEs as subcontractors and suppliers to Authority prime contractors; and iii) the utilization of partnerships, joint ventures ("JVs") or other similar arrangements between certified MWBEs and prime contractors. The Chief Diversity Officer reports directly to the Chairman in connection with the responsibilities set forth herein, and will participate in the procurement process either directly or through his or her designees.
- B. For contracts awarded pursuant to these Guidelines, the Authority shall establish appropriate goals for participation by certified MWBEs and for

the utilization by prime contractors of MWBEs as subcontractors and suppliers. Statewide numerical participation target goals will be established by the Authority based on the findings of the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study.

- C. The Authority will conduct procurements in a manner that enables the Authority to achieve the maximum feasible portion of the goals set pursuant to Article VIII (B) above, including by taking the following actions: i) establishing measures and procedures to ensure that certified MWBEs are given the opportunity for maximum feasible participation in the performance of Authority contracts and to assist in the identification of those contracts that are best suited for which certified MWBEs may best bid to actively and affirmatively promote and assist their participation in the performance of Authority contracts so as to facilitate the Authority's achievement of the maximum feasible portion of the MWBE goals; ii) designating the New York State Division of Minority and Women-owned Business Development ("DMWBD") to certify and decertify MWBEs for purposes of these guidelines; iii) setting forth in each contract solicitation the expected degree of MWBE participation based on potential subcontracting opportunities and the availability of certified MWBEs to respond competitively to those opportunities; iv) providing to prospective contractors in writing, or by identifying a link to a specific web site, a current list of MWBEs; v) with regard to joint ventures, allowing a bidder to count toward meeting its MWBE participation goal, the MWBE portion of the joint venture; vi) waiving a contractor's obligation relating to MWBE participation after a showing of good faith efforts to comply with the participation goal; and vii) verifying that MWBEs listed in a successful bid or proposal are actually participating to the extent listed in the project for which the bid or proposal was submitted. In implementing its MWBE programs, the Authority will also consider, where practicable: i) the severability of construction projects and other bundled contracts; ii) the implementation of a program that will enable the Authority to evaluate each contract to determine the appropriateness of the goal pursuant to the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study; iii) compliance with the requirements of any federal law concerning opportunities for any MWBEs which effectuates the purpose of this section; and iv) consultation of the most recent disparity study.

#### **Article IX - Change Orders**

- A. A change order which exceeds the lesser of \$250,000 or \$50,000 in the event such change order exceeds 15% of the adjusted contract value, may be entered into by an Authorized Officer, upon the approval of the Board pursuant to a resolution adopted in accordance with Article IX hereof. The submission to the Board shall include an explanation of the need for the change order. All other change orders shall be approved by an

Authorized Officer. For purposes of this Article, the "adjusted contract value" shall mean the original amount of the contract plus the aggregate amount of all prior change orders (whether or not approved by the Board). This provision applies to all contracts subject to these Guidelines, including budget adjustments to estimated quantity contracts previously approved by the Board which exceed the threshold.

- B. Notwithstanding the foregoing, an Authorized Officer may enter into a change order in any of the following situations as determined by an Authorized Officer:
  - 1. The existence of an emergency; or
  - 2. There is a risk of a substantial increase in cost or delay if prompt action is not taken.
- C. The Chief Operating Officer shall establish policies with respect to the delegation of responsibilities set forth in this Article.

#### **Article X - Form of Board Resolution**

- A. Except as otherwise required in Article III and Article IV(C), the procedure for the adoption by the Board and the format of a resolution pursuant to this policy shall be determined by the MTA Chairman. Provided, however, that any Board resolution sought pursuant to these Guidelines shall (i) identify the contract by vendor; (ii) briefly describe the substance of the contract; (iii) specify all the information required under the applicable provisions of this policy; and (iv) specify the estimated or actual cost to the Authority.
- B. To the extent practicable, the request for the resolution shall first be submitted to the standing committee of the Board responsible for the Authority.
- C. The MTA Chairman may modify the procedures in this Article for all Authorities.

#### **Article XI - Miscellaneous**

- A. Any provision of this policy may be waived by the Chairman, an Authority President, or the Board except to the extent prohibited by law. A waiver may also be in the form of a ratification.
- B. No Board Committee action or Authority policy, other than one approved by the Chairman, shall be inconsistent with these Guidelines.
- C. An Authority may not divide or split any contract or series of contracts for the purpose of avoiding the requirements of these Guidelines.

- D. If prior to the commencement of an Authority fiscal year, an Authorized Officer reasonably anticipates that, during the next fiscal year, the Authority will expend, in the aggregate, in excess of fifteen thousand dollars for a series of purchase contracts for the same or substantially similar good: i) such requirement shall be met pursuant to a requirements contract awarded pursuant to the applicable provisions of these guidelines; or ii) each such contract shall be awarded pursuant to the provisions of Article II(C), III, IV, V or Article VII of these Guidelines.
- E. If prior to the commencement of an Authority fiscal year, an Authorized Officer reasonably anticipates that, during the next fiscal year, the Authority will expend, in the aggregate, in excess of twenty-five thousand dollars for a series of contracts for same or substantially the same type of public work: i) such requirements shall be met pursuant to a requirements contract awarded pursuant to the provisions of Article II(C), III, or IV or a procedure determined by an Authorized Officer to be comparable to Article V or VII of these Guidelines; or ii) each such contract shall be awarded pursuant to the provisions of Article II(C), III, or IV or a procedure determined by an Authorized Officer to be comparable to Article V or VII.
- F. Nothing in these Guidelines shall preclude the Authority from accepting bids or proposals in an electronic format, to the extent permitted by law.
- G. A contract awarded by an Authority pursuant to these Guidelines may provide that the contract includes the requirements of one or more other Authorities.
- H. The Authority shall prepare a publicly available report no less frequently than annually, summarizing procurement activity by the Authority for the period of the report in accordance with the reporting requirements of Section 2879(6) of the Public Authorities Law.
- I. These guidelines are intended for the guidance of officers and employees of the Authority only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof.