

CODE OF **ETHICS**



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MTA Corporate Compliance



Code of Ethics - Building Trust

The Metropolitan Transportation Authority is committed to conducting all our activities with integrity consistent with our Code of Ethics. The adherence to a strict code of ethics is central to gaining and keeping the trust of our stakeholders.

This Code of Ethics is our combined commitment to all our stakeholders that we will conduct ourselves in a manner to maintain and build the public trust. Our ethical standards are based upon doing the right thing even when it is difficult or unpopular. Our Code of Ethics is a guide, therefore as an Employee of the MTA you are expected not only to comply with the letter of the Code but its spirit as well.

We must foster an atmosphere that encourages Employees to seek assistance if faced with ethical dilemmas and to be alert to potential ethical issues. I encourage you to speak up if you see something that does not seem right.

If you have an ethics-related question, you should reach out to MTA Corporate Compliance for guidance.



Table of Contents

CHAPTER 1: DEFINITIONS/STRUCTURE..... 4

SECTION 1.01 DEFINITIONS..... 4

SECTION 1.02 CHIEF COMPLIANCE OFFICER..... 7

SECTION 1.03 ETHICS & FINANCIAL DISCLOSURE QUESTIONS..... 7

SECTION 1.04 REVOCATION OF AGENCIES’ ETHICS POLICIES..... 8

SECTION 1.05 DUTY TO DISCLOSE 8

SECTION 1.06 NON-REPRISAL/WHISTLEBLOWER PROTECTION 9

SECTION 1.07 COOPERATION WITH AUDITS AND INVESTIGATIONS 9

SECTION 1.08 MANDATORY ETHICS TRAINING 9

SECTION 1.09 ETHICS CERTIFICATIONS..... 9

CHAPTER 2: GIFTS, AWARDS AND HONORARIA10

SECTION 2.01 GIFT PROHIBITION-ZERO TOLERANCE..... 10

SECTION 2.02 MONETARY GIFTS AND KICKBACKS 11

SECTION 2.03 TIPS..... 12

SECTION 2.04 REPORTING GIFT OR GIFT OFFERS..... 12

SECTION 2.05 AWARDS, PLAQUES AND HONORS..... 12

SECTION 2.06 HONORARIA..... 12

CHAPTER 3: PROHIBITED-SOURCE SPONSORED EVENTS, RECEPTIONS, AND MEALS.....13

SECTION 3.01 BUSINESS MEALS..... 13

SECTION 3.02 EDUCATIONAL SEMINARS 13

SECTION 3.03 ATTENDANCE AT PROHIBITED-SOURCE/INDUSTRY-SPONSORED EVENTS AND RECEPTIONS 14

SECTION 3.04 SENIOR MANAGEMENT ATTENDANCE AT PROHIBITED-SOURCE SPONSORED EVENTS 15

SECTION 3.05 ATTENDANCE AT BANQUETS, GALAS AND FUND-RAISING EVENTS 15

SECTION 3.06 CHARITABLE/POLITICAL BENEFITS CONTRIBUTIONS..... 16

SECTION 3.07 EVENTS HONORING AN EMPLOYEE 16

SECTION 3.08 REIMBURSEMENT OF TRAVEL EXPENSES FOR OFFICIAL DUTIES..... 16

CHAPTER 4: CONFLICTS OF INTEREST, OTHER EMPLOYMENT AND POLITICAL ACTIVITIES.....17

SECTION 4.01 CONFLICTS OF INTEREST/RECUSAL 17

SECTION 4.02 PUBLIC TRUST 18

SECTION 4.03 CONFIDENTIAL INFORMATION 19

SECTION 4.04 FINANCIAL INTEREST..... 19

SECTION 4.05 EMPLOYEES ENGAGED IN SELECTION, AWARD AND ADMINISTRATION OF CONTRACTS 19

SECTION 4.06 REPRESENTATION OF OTHER PARTIES AND CERTAIN APPEARANCES AND SERVICES..... 20

SECTION 4.07 OTHER EMPLOYMENT AND OUTSIDE ACTIVITIES 21

SECTION 4.08 POLITICAL ACTIVITIES OF EMPLOYEES..... 21

SECTION 4.09 OTHER STATE EMPLOYMENT..... 23

CHAPTER 5: FUTURE EMPLOYMENT RESTRICTIONS23

SECTION 5.01 RESTRICTIONS ON FUTURE EMPLOYMENT-PURPOSE 23

SECTION 5.02 RESTRICTIONS ON FUTURE EMPLOYMENT – LIMITED AND LIFETIME BARS 23

SECTION 5.03 NEGOTIATIONS FOR FUTURE EMPLOYMENT 25

SECTION 5.04 NOTICE OF FUTURE EMPLOYMENT RESTRICTIONS..... 26



Metropolitan Transportation Authority Code of Ethics

SECTION 5.05	RESTRICTIONS RELATED TO PRIOR PRIVATE SECTOR EMPLOYER.....	26
CHAPTER 6: FINANCIAL DISCLOSURE		27
SECTION 6.01	COVERED EMPLOYEES.....	27
SECTION 6.02	DATES FOR FILING AND RELATED PENALTIES	28
CHAPTER 7: BOOKS AND RECORDS		28
SECTION 7.01	ACCURACY AND COMPLETENESS OF FINANCIAL RECORDS.....	28
SECTION 7.02	FINANCIAL STATEMENTS AND ACCOUNTS	28
CHAPTER 8: OTHER ETHICS ISSUES		29
SECTION 8.01	NEPOTISM.....	29
SECTION 8.02	BUSINESS RELATIONSHIPS BETWEEN EMPLOYEES.....	29
SECTION 8.03	FINANCIAL TRANSACTIONS BETWEEN EMPLOYEES	29
SECTION 8.04	PROHIBITION AGAINST THE USE OF MTA PROPERTY	30
CHAPTER 9: DISCIPLINE/PENALTY FOR VIOLATION OF THIS CODE OR STATE ETHICS LAWS		31
SECTION 9.01	GENERAL	31
SECTION 9.02	CIVIL PENALTIES	31
SECTION 9.03	CRIMINAL PENALTIES.....	31



Chapter 1: Definitions/Structure

Section 1.01 Definitions

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

Annual Statement of Financial Disclosure means the financial disclosure statement required to be filed with the Commission on Ethics and Lobbying in Government by certain Employees pursuant to Public Officers Law Section 73-a and this Code.

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

Code means this MTA All-Agency Code of Ethics.

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

Conflicts of Interest means a situation in which the financial, familial, or personal interests of an Employee come into real or apparent conflict with their duties and responsibilities to the MTA. Apparent Conflicts of Interest are situations where there is the appearance that an Employee can personally benefit from actions or decisions made in their official capacity, or where an Employee may be influenced to act in a manner that does not represent the best interests of the MTA. The appearance of a conflict may occur if circumstances would suggest to a reasonable person that an Employee may have a conflict. The appearance of a conflict and a real conflict should be treated in the same manner for the purposes of this Code.

Compensation means the financial consideration benefit, gain or loss avoidance received in exchange for services rendered, e.g., wages, salaries, benefits, professional fees, royalties, bonuses, or commissions on sales. Compensation shall also include income received from any business venture, whether or not incorporated, that is owned or controlled by an Employee. Notwithstanding the foregoing, income received from transactions involving such individual's own securities, personal property, or real estate (not conduct through a business) is not included in the term Compensation.

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

Employee means an officer or employee of the MTA, including but not limited to all full time, part-time, or contingent employees.

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



Metropolitan Transportation Authority Code of Ethics

Family Member means (i) an Employee's spouse, domestic partner, child or sibling; (ii) a person who is a direct descendant (or the spouse of a direct descendant) of a grandparent of the Employee or a grandparent of the Employee's spouse or domestic partner; or (iii) a person living in the same household as an Employee.

Fundraising means the raising of funds for an organization through solicitation of funds or sale of items or participation in the conduct of an event.

Gift(s) means the transfer, without equivalent consideration, of anything or benefit, tangible or intangible, having more than nominal value, including, but not limited to, loans, forbearance, services, travel, gratuities of any kind, favors, money, meals, refreshments, entertainment, hospitality, promises, tickets to entertainment or sporting events, weekend trips, golf outings, loans of equipment, or other thing or benefit. **(See definition of "Items of Nominal Value" below.)** Note: The State Legislature has determined that provision of local transportation by a Prohibited Source for purposes of inspection or touring of facilities, operations or property located in New York State, where such inspection or tour is related to an Employee's official duties or responsibilities, does not constitute a Gift.

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

Items of Nominal Value means items such as mugs, key rings, calendars, pens and the like that are of minimal value unless such items are being given under circumstances where it reasonably can be inferred that such item was intended to influence the Employee in the performance of such Employee's official duties. For purposes of determining value, an item is not deemed reduced in value by virtue of its being embossed or otherwise marked with a company logo, identification, or advertising.

Commission on Ethics and Lobbying in Government means the Commission established pursuant to the Ethics Reform Act of 2022.

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



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

Outside Activity and Activities (“Outside Activities”) is any employment or activity (including self-employment) performed by an MTA employee outside of their MTA job for compensation or other financial benefits. Outside Activity in some cases include volunteer work such as serving as a volunteer fire fighter or police officer when you receive benefits such as property tax breaks, health insurance, housing allowances or other benefits. In addition, serving as a member of a governing board of a charitable or civic organization may also be considered an Outside Activity. However, most volunteer work, including religious volunteer work, is not considered an Outside Activity, employees should seek guidance from Corporate Compliance if there is any question whether these provisions apply.

Participation in the Conduct of an Event means active and visible participation in the promotion, production or presentation of the event and includes serving as honorary chairperson or committee member or sitting at the head table during the event. The term does not mean the mere attendance at the event, provided the Employee’s attendance is not being used by the non-profit to promote the event.

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

Prohibited Source means:

- (a) a Vendor including any person, seller of goods or services, bidder, proposer, consultant, contractor, trade, contractor or industry association, or any other person/entity with which the MTA is doing business, as well as those persons and business entities who have expressed an interest in doing business with the MTA, whose activities directly or indirectly benefit the MTA, or who have a history of doing business with the MTA in the recent past; or
- (b) a tenant or licensee of the MTA; or



Metropolitan Transportation Authority Code of Ethics

- (c) any person or entity who on his, her or its own behalf, or on behalf of any other person or entity, satisfies any one of the following:
- (1) is regulated by, negotiates with, appears before in other than a ministerial matter, seeks to contract with or has contracts with, or does other business with: (i) the Employee, in his or her official capacity; (ii) the MTA; or (iii) any other New York State Agency when the MTA is to receive the benefits of the contract; or
 - (2) is required to be listed on a statement of registration pursuant to Section 1-e(a)(1) of article 1-A of the Legislative Law and lobbies or attempts to influence actions, decisions, or policies of the MTA; or
 - (3) is the Family Member of any individual satisfying the requirements of subsection (c)(2) above; or
 - (4) is involved in any action or proceeding, in which administrative and judicial remedies thereto have not been exhausted, and which is adverse to either: (i) the Employee in his or her official capacity; or (ii) the MTA; or
 - (5) has received or applied for funds from the MTA at any time during the previous 12 months up to and including the date of the proposed or actual receipt of the item or service of more than Nominal Value. This does not include a request for funds received by the MTA in the ordinary course of business. For example, this does not include a customer's request for a refund or MTA's purchase of tickets or a table to an event.

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

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

Section 1.02 Chief Compliance Officer

MTA's Chief Compliance Officer shall designate Corporate Compliance staff members to render guidance on ethics-related matters or issues.

MTA's Chief Compliance Officer will periodically review and assess the current state of ethics at the MTA and provide a report to the Audit Committee, pursuant to the Audit Committee Charter.

Section 1.03 Ethics & Financial Disclosure Questions



Metropolitan Transportation Authority Code of Ethics

Questions concerning this Code or potential conflicts of interest may be directed to Corporate Compliance at the phone number listed below. It is not the function of any Corporate Compliance staff member to act as counsel to any individual Employee.

Information regarding violations of this Code or questions concerning ethics-related matters, may also be directed to:

MTA Corporate Compliance
Metropolitan Transportation Authority
2 Broadway, 16th Floor
New York, New York 10004
888-U-ASK-MTA (888-827-5682)

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

Office of the Inspector General
Metropolitan Transportation Authority
One Penn Plaza, 11th Floor Suite 1110
New York, New York 10119
800-MTA-IG4U (800-682-4448)

Section 1.04 **Revocation of Agencies' Ethics Policies**

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

Section 1.05 **Duty to Disclose**

- (a)** Employees must promptly report any violation or potential violation of the MTA's Codes of Ethics (All-Agency Code of Ethics, Board Member Code of Ethics or Vendor Code of Ethics) as well as any actual or potential violation of law, regulations, or policies and procedures, relating to the MTA, whether committed by an Employee or by a person doing business with the MTA to Corporate Compliance. Employees should report to the MTA Inspector General allegations or information involving corruption, fraud, criminal activity or abuse.
- (b)** Employees should report to the MTA's Chief Compliance Officer or to the MTA Inspector General, all other violations or potential violations. Employees should feel free to discuss their concerns initially with their supervisor, but no supervisor may discourage an Employee from making a report.

NOTE: To obtain answers to questions or increase their understanding, Employees are encouraged to discuss particular situations or concerns they have regarding violations or potential violations of



Metropolitan Transportation Authority Code of Ethics

this Code or any laws, regulations or policies or procedures with Corporate Compliance, the MTA Chief Compliance Officer or the MTA Inspector General.

Section 1.06 **Non-Reprisal/Whistleblower Protection**

Employees who report violations or potential violations of this Code or any actual or potential violations of laws, regulations or policies and procedures are protected under MTA All Agency Whistleblower Protection Policy, No. 11-041 and will not be subjected to punitive sanctions, reprisals, or other penalties solely for reporting such violations. Employees who file an intentionally false report may be subject to appropriate disciplinary penalty, up to and including dismissal as well as civil or criminal charges.

Section 1.07 **Cooperation with Audits and Investigations**

Employees must cooperate fully and honestly with audits and investigations conducted by the MTA Inspector General's Office, the Commission on Ethics and Lobbying in Government, Auditor Services, Corporate Compliance, other authorized MTA or MTA Agency personnel, or other governmental agencies. Failure to so cooperate will subject an Employee to appropriate disciplinary penalty, up to and including dismissal.

Section 1.08 **Mandatory Ethics Training**

All new and current Employees must attend mandatory ethics training as required by the MTA Chief Compliance Officer.

Section 1.09 **Ethics Certifications**

- (a) Code of Ethics Certification: Employees upon hire must certify to the MTA Code of Ethics by signing an Acknowledgment Form. Additionally, Employees are required to annually sign a certification attesting to their familiarity and compliance with the MTA Code of Ethics.
- (b) Outside Activity Certification: Employees shall complete a certification attesting to the fact (1) they are not engaged in an Outside Activity or (2) that there have been no material changes to either their approved outside activity or their current job responsibilities which would require a new evaluation of their outside activity approval. The certification will be conducted at a minimum annually for non-represented employees and at a minimum every three years for represented employees. Based upon an Employee's position certification maybe required more frequently. Failure to complete a required certification will result in the revocation of the outside activity approval.
- (c) Conflict of Interest Certification: Employee's in Policy Making positions shall complete an annual conflict of interest certification.



Chapter 2: Gifts, Awards and Honoraria

Section 2.01 Gift Prohibition-Zero Tolerance

- (a) Employees are prohibited from soliciting or receiving Gifts, directly or indirectly, from any Prohibited Source. The defined term “Gift” does not include items of truly nominal value. (See definitions of “Gifts” and “Items of Nominal Value.”)
- (b) However, Employees may accept Gifts from employees of a Prohibited Source if these Gifts are reflective of a personal relationship independent of the relationship between the Prohibited Source and the MTA. For example, if the sibling of the MTA Employee worked for a Prohibited Source, the Employee could nonetheless accept a Gift that reflects this personal relationship. In addition, an Employee can accept a modest, reasonable, and customary offering on an extraordinary occasion, such as a wedding, retirement, funeral, or serious illness. A Gift shall not be considered representative of a personal relationship— if the donor seeks to charge or deduct the value of the Gift as a business expense or seeks reimbursement from a Prohibited Source or when gifts from the same Prohibited Source are offered to multiple Employees at or about the same time.
- (c) Employees are permitted to accept discounts or special offers from a Prohibited Source so long as those discounts or special offers are generally available to similarly situated employees of other public and private sector organizations. Employees should check with Corporate Compliance before accepting such discounts or special offers from a Prohibited Source.
- (d) Under no circumstances may an Employee accept an item, even an Item of Nominal Value, under circumstances in which it could be reasonably inferred that the item was intended to influence the Employee, or could reasonably be expected to influence the Employee, in the performance of the Employee’s official duties or was intended as a reward for any official action on such Employee’s part.

Reminders:

Employees should avoid accepting numerous items of nominal value from the same Prohibited Source because their aggregate value is likely to make the items as a whole no longer nominal.

Accepting Gifts in connection with the performance of official duties from persons or entities ***other than*** Prohibited Sources could still be a violation of State law and this Code, if it could be reasonably inferred that the Gift was intended to influence the Employee, or could reasonably be expected to influence the Employee, in the performance of the Employee’s official duties or was intended as a reward for any official action on such Employee’s part.



Metropolitan Transportation Authority Code of Ethics

Proof that an Employee was actually influenced by a Gift is not necessary for a finding of a violation of this Code or State Ethics Law.

Employees should use caution in accepting such items they believe are of nominal value because it may not always be easy to determine if an item is truly of nominal value.

An Employee may not designate a friend, Family Member, or entity (such as a charity) to receive a Gift that the Employee would not be permitted to receive.

Examples:

A Prohibited Source offers an Employee a briefcase with the Prohibited Source's logo embroidered on it. Because that briefcase, without such logo, would have a retail cost greater than nominal value, the Employee is prohibited from accepting it, even if the Employee considers it valueless because of the logo.

Common Gift Issues:

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

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

Section 2.02 Monetary Gifts and Kickbacks

- (a) Monetary gifts to an Employee from a Prohibited Source are prohibited regardless of amount and shall be deemed to be a kickback or bribe intended to influence the Employee in the performance of the Employee's official duties.
- (b) Employees may not give or promise to give any portion of their compensation or any money or valuable thing to any person, nor shall any person accept any such money, or valuable thing, in connection with appointment, employment, promotion, assignment, or reassignment by the MTA. Employees may not, directly or indirectly, make (or request that other Employees make) any contribution or pay any assessment in order to secure promotion, compensation, or to affect job status, duties, or functions, or in consideration of being appointed or employed at the MTA.



Section 2.03 **Tips**

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

Section 2.04 **Reporting Gift or Gift Offers**

An Employee to whom a Gift is offered or given in violation of Section 2.01 above shall promptly report such offer or Gift to Corporate Compliance and, in the case where a Gift has been given, the Employee shall promptly return the Gift to the person or entity giving the Gift with a copy of the MTA Gift return letter. A copy of the executed gift return letter shall be sent to MTA Corporate Compliance.

Section 2.05 **Awards, Plaques and Honors**

- (a) Awards and plaques publicly presented in recognition of an Employee's service to the MTA or non-job-related public service may be accepted. Employees must notify and seek the approval of Corporate Compliance prior to accepting an award, plaque, or honor presented by a Prohibited Source.
- (b) However, awards or plaques presented by a Prohibited Source in recognition of job-related MTA service and valued at more than seventy-five dollars (\$75) shall become the property of the MTA. Corporate Compliance can determine the disposition of the award or plaque.

Section 2.06 **Honoraria**

- (a) An Employee may not accept an honorarium for services related to his or her duties for the MTA. In such circumstances, payment for services related to official MTA duties must be made directly to the MTA.
- (b) An Honorarium may not be accepted by any Employee from a Prohibited Source without the written approval of Corporate Compliance.
- (c) Employees must obtain written approval from Corporate Compliance prior to accepting an Honorarium. The approval request should be submitted electronically using the MTA's Ethics and Compliance Portal no less than thirty (30) days prior to the time performance of the service for which the Honorarium is being offered is due to occur or thirty (30) days prior to the receipt of the honorarium. A detailed statement of all the circumstances in which an Employee may accept an honorarium from a third party can be found on the MTA Policy Portal.
- (d) Irrespective of whether approval was obtained in advance, any receipt of an Honorarium in excess of \$1000 must be included in the Employee's annual financial disclosure statement.



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

Section 3.01 Business Meals

- (a) In general, Employees are prohibited from accepting a meal from a Prohibited Source. However, an Employee may accept free modest meals or refreshments from a Prohibited Source under the following limited circumstances:
- (1) in the course of and for the purpose of conducting MTA business at a Prohibited Source's facility, when offered unexpectedly during a meeting which the Employee is attending for official reasons, or when offered at a company cafeteria or other company facility at the Prohibited Source's place of business and individual payment is impractical; or
 - (2) when attending a seminar or conference in connection with MTA business and meals or refreshments are provided to all participants.
- (b) A meal is considered modest for purposes of the foregoing if the food and beverage is valued at twenty dollars or less. Under the MTA Code of Ethics, an Employee may accept such a modest meal only under the circumstances noted above.
- (c) An Employee may not accept a meal from a Prohibited Source outside of a Prohibited Source's facility (except at a seminar or conference as set forth in Section 3.01(b) above). If an Employee has a meal with a Prohibited Source, the Employee shall pay the full value of such meal with his or her own funds with or without MTA reimbursement.

Reminders:

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

Section 3.02 Educational Seminars

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



- (b) However, Employees who manage the Prohibited Source's work or are involved in the review/approval of payments to the Prohibited Source must consult Corporate Compliance before accepting professional continuing education credits.

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

- (a) Employees are encouraged to continue to participate in events that will enhance their professional development. Employees frequently receive complimentary invitations to Prohibited Source/industry groups sponsored events that include receptions or hospitality suites sponsored by a Prohibited Source/industry group. Employees should evaluate any such invitations with caution and obtain prior approval from Corporate Compliance. Employees may attend complimentary Prohibited Source/industry-sponsored events, including receptions or hospitality suites only if all of the following conditions are met:
 - (1) Attendance at the event would further the interests of the MTA;
 - (2) The event relates to the Employee's official duties or responsibilities or allows the Employee to perform a ceremonial function appropriate to his or her position;
 - (3) The event is a "widely attended event" at which at least twenty-five individuals other than Employees attend or were, in good faith, invited to attend and the event is also complimentary to such other non-Employees attending or invited to attend;
 - (4) Any reception or hospitality suite is open to all event attendees;
 - (5) The event does not include a formal sit-down meal or involve recreational activities such as golf, tennis, or cruises; and
 - (6) Approval was obtained from Corporate Compliance.
- (b) In evaluating approval of such participation, Corporate Compliance will take into consideration a number of factors, including but not limited to: the nature of any pending matter affecting the sponsor or donor's interest, the importance of the event to the MTA, the significance of the Employee's role in the event and whether the MTA's interest in the Employee's participation outweighs the likelihood that such participation would be perceived as improperly influencing the Employee in the performance of his or her official duties, the timing of the event, the purpose of the event, the identity of other expected participants and the monetary value of the event.
- (c) In circumstances in which a significant activity at the event will be a speaker or attendee addressing an issue of public interest or concern, the State Legislature has determined the requirement that the event "relate to official duties or responsibilities" is satisfied.



Metropolitan Transportation Authority Code of Ethics

- (d) An Employee's travel expenses relating to attendance at an industry or Prohibited Source-sponsored event may not be reimbursed or paid for by the event sponsor or other Prohibited Source. (See Travel Reimbursement Section 3.08)
- (e) An Employee may attend a Prohibited Source-sponsored event at his or her own expense, but the cost paid by the Employee shall be based on the price paid by the other paying attendees or if there is no admission fee required, then based on the actual cost to the sponsor. It is prudent for Employees to obtain proof of payment.

Section 3.04 Senior Management Attendance at Prohibited-Source Sponsored Events

- (a) The Chair/Chief Executive Officer of MTA, the President of the MTA, or their designee(s) or other senior staff may attend functions sponsored and paid for by Prohibited Sources when attendance is related and appropriate to that attendee's official duties or when the purpose of attendance is the performance of a ceremonial or other function that is appropriate to that attendee's official duties with the MTA.
- (b) The attendee shall provide advance written notice of such invitation to **and obtain prior approval from** the Chief Compliance Officer or their designee.
- (c) In evaluating approval of such participation, Corporate Compliance will take into consideration a number of factors, including but not limited to: the nature of any pending matter affecting the sponsor or donor's interest, the importance of the event to the MTA, the significance of the Employee's role in the event and whether the MTA's interest in the Employee's participation outweighs the likelihood that such **participation would be** perceived as improperly influencing the Employee in the performance of his or her official duties, the timing of the event, the purpose of the event, the identity of other expected participants and the monetary value of the event.

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

- (a) Employees may purchase tickets using their own funds and may attend fund-raising and charitable events sponsored by Prohibited Sources on their own time, subject to compliance with the applicable provisions of the State Ethics Law, this Code, and any other applicable statutes, rules, regulations, policies, or procedures.
- (b) Employees are prohibited from using the MTA's name, resources, their official title, position or authority in any fundraising activity unless authorized by MTA's Chief Compliance Officer. Authorization may be granted only if the fundraising is in furtherance of the MTA's mission and does not create an appearance of or any actual conflict of interest.
- (c) Employees may attend fund-raising and charitable events with tickets purchased by the MTA in compliance with the applicable policies and procedures relating to such purchases.



- (d) Employees may not accept from any individual or firm, directly or indirectly, tickets to any banquet, gala, or fund-raising event by a Prohibited Source, if those tickets were subsidized or paid for directly or indirectly by the Prohibited Source including without limitation the Transit Museum Gala. Such tickets may not be donated by an individual or firm to the MTA and then distributed to Employees of the MTA.
- (e) Employees may engage in fundraising in a personal capacity provided they do not use their title, position or authority to further their fundraising activities and do not personally solicit funds from a subordinate or from persons known to the Employee to be a Prohibited Source.

Section 3.06 Charitable/Political Benefits Contributions

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

Section 3.07 Events Honoring an Employee

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

Section 3.08 Reimbursement of Travel Expenses for Official Duties

- (a) Under no circumstances shall an Employee accept reimbursement of travel expenses, including but not limited to, transportation costs, registration fees, food or lodging from a Prohibited Source.
- (b) Employees may accept reimbursement from entities other than Prohibited Sources for travel expenses related to the Employees' official duties if the purpose of the travel benefits the MTA in the conduct of its business and prior approval has been received in accordance with the procedures set by the MTA and this Code.
- (c) Employees must obtain approval from Corporate Compliance prior to accepting such travel reimbursement. The approval request must be in writing and received by Corporate Compliance reasonably in advance of the time the travel is to begin.
- (d) Employees required to file a financial disclosure statement must report any reimbursement for travel expenses which totals in excess of \$1,000.



Chapter 4: Conflicts of Interest, Other Employment and Political Activities

Section 4.01 Conflicts of Interest/Recusal

Conflict of Interest

- (a) Employees shall not have any interest, personal, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is or may be in conflict with the proper discharge of his or her duties.
- (b) Employees must notify Corporate Compliance directly regarding any possible Conflict of Interest.
- (c) Employees must not only avoid Conflicts of Interest with the MTA but also even the appearance of a conflict.

Reminders:

If an Employee is uncertain as to whether a given situation creates a real or apparent Conflict of Interest, such Employee should promptly disclose that situation to, and seek guidance from, his or her supervisor, Department Head, or Corporate Compliance.

With respect to all work an Employee performs, such Employee must be vigilant about the existence of any circumstances, interests, or relationships which might create or might be reasonably perceived by others as constituting a Conflict of Interest. If an Employee is uncertain as to whether a given situation creates a real or apparent Conflict of Interest, such Employee must promptly disclose that situation to, and seek guidance from Corporate Compliance. In order to avoid a Conflict of Interest or the appearance of one, it may be necessary for Employees to seek recusal from involvement with a matter creating the Conflict of Interest or the appearance of a Conflict of Interest. Employees must adhere strictly to the Conflict of Interest guidance they receive from Corporate Compliance.

Example:

It could be a Conflict of Interest if an Employee participated in a transaction involving the MTA in which the Employee or Family Member had, directly or indirectly, a financial or other interest (other than a small financial interest as discussed in Section 4.04 below).

It could be a Conflict of Interest if an Employee participates in a transaction or business decision in their official capacity involving someone with whom they have a personal relationship.



Recusal

- (d) If an Employee believes he or she has an actual or apparent Conflict of Interest involving the MTA, on a particular matter, the Employee shall not participate in the matter pending a determination by Corporate Compliance. Recusals are at the MTA's discretion and shall be approved only if practical and in the best interests of the MTA.
- (e) The recusal requires that the Employee not participate directly or indirectly in any discussion or decision that in any way relates to the matter that gives rise to the Conflict of Interest.
- (f) The recusal must be in writing and contain at a minimum:
 - (1) The nature of the actual or apparent Conflict of Interest;
 - (2) A delegation of authority to a non-subordinate employee;
 - (3) Any requirements and conditions of the recusal;
 - (4) The period of time the recusal will remain in effect; and
 - (6) The approval of the Chief Compliance Officer.
- (g) A copy of the recusal must be sent to all employees who are likely to work on the matter giving rise to the recusal.

Section 4.02 Public Trust

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

Example:

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

- (b) Employees shall not use or attempt to use their official position to secure unwarranted privileges or exemptions for themselves or others.
- (c) Employees shall not by their conduct give reasonable basis for the impression that any person can improperly influence them or unduly enjoy their favor in the performance of their official duties, or that they are affected by the kinship, rank, position, or influence of any party or person.



Section 4.03 Confidential Information

Employees shall not disclose Confidential Information without the permission of the MTA General Counsel or their designee for any purpose or use such information to further their personal interests.

Section 4.04 Financial Interest

- (a) An Employee, or firm or association of which such Employee is a member, or corporation, ten per cent (10%) or more of the stock of which is owned or controlled directly or indirectly by such Employee, shall not (1) sell any goods or services having a value in excess of twenty-five dollars (\$25) to any New York State Agency, or (2) contract for or provide such goods or services with or to any private entity where the power to contract, appoint or retain on behalf of such private entity is exercised, directly or indirectly, by a New York State Agency or officer thereof, unless such goods or services are provided pursuant to an award or contract let after public notice and competitive bidding.
- (b) Exception: This restriction does not apply to the publication of resolutions, advertisements, or other legal propositions or notices in newspapers designated pursuant to law for such purpose and for which the rates are fixed pursuant to law.
- (c) Employees shall not knowingly engage in any transaction on behalf of the MTA with any business entity in which they or a Family Member has a direct or indirect financial interest, excluding mutual funds or exchange traded funds, that might reasonably tend to conflict with the proper discharge of their official duties. These provisions may be waived if the Chief Procurement Officer, MTA General Counsel and Chief Compliance Officer state in writing that it is in the best interests of the MTA to waive the provisions.
- (d) In addition, New York Public Officers Law §74 provides for civil penalties in circumstances of self-dealing and makes it a misdemeanor offense for an Employee of NYCT to have any interest, direct or indirect, in any contract entered into by the Employee's Agency.

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

Employees shall not participate in the selection, award, or administration of a contract if the Employee knows that they or any of their Family Members, their business partner, or an organization that employs or is about to employ any of the above, has a financial or other interest, other than mutual funds or exchange traded funds, in any of the companies, their parent company, its affiliates or subsidiaries ("the company") that propose or bid on or are awarded such contract. The provisions of Section 4.05(a) may be waived if the Chief Procurement Officer, MTA General Counsel and Chief Compliance Officer state in writing that it is in the best interests of the MTA to waive the provisions of this Section for a specific procurement or contract.



- (a) If a waiver is granted, (1) the Employee engaged in the award or selection of a contract, shall not during the selection process and for two weeks after the award of the contract buy or sell any of the company's securities or (2) the Employee engaged in the administration of a contract shall not buy or sell any of the awarded company's securities for six months after the award of the contract.
- (b) An Employee shall not buy or sell any of the company's securities based upon information received as a result of their employment with the MTA or for two weeks after the public release of information by the MTA regarding the company.
- (c) No Employee may ask a current or former contractor, or any officer, director or employee thereof, to disclose: (i) the political party affiliation of such contractor, or any officer, director or employee thereof; (ii) whether such contractor, or any officer, director or employee thereof, has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether such contractor, or any officer, director or employee thereof, cast a vote for or against any elected official, candidate or political party. No Employee may award or decline to award any contract, or recommend, promise or threaten to do so, in whole or in part, because of a current or prospective contractor's refusal to answer any inquiry regarding the above.

Section 4.06 Representation of Other Parties and Certain Appearances and Services

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

Exceptions

- (a) Employees may appear before the MTA or any New York State Agency or tribunal (1) in a representative capacity on behalf of an Employee organization or association or (2) in connection with a ministerial matter, such as acting as a notary or translator.
- (b) Uncompensated work by Employees for not-for-profit entities doing Business with the State or a New York municipality is not automatically a conflict of interest if the Employee takes no part in such Business dealings and the entity in question is not subject to supervision, control, or regulation by the MTA. For example, an Employee might serve, without fee, on the Board of a community or church-sponsored day-care center that receives State funds. In such a case, the Employee



Metropolitan Transportation Authority Code of Ethics

cannot communicate with the State concerning receipt of those funds. (See Section 4.07 Other Employment and Outside Activities)

Section 4.07 **Other Employment and Outside Activities**

- (a) Outside employment/activities may pose ethical issues if there is a conflict between the Employee's duties as an Employee and the requirements of the outside employment/activity.
- (b) Employees are prohibited from engaging in outside employment, business, professional, or other outside activity (including volunteer work and service on a corporate board) that interferes or is in conflict with the proper and effective discharge of the individual's official duties or responsibilities.
- (c) Employees are required to devote appropriate time and attention to their duties and responsibilities with the MTA. Full-time employment with the MTA is deemed to be an Employee's primary employment. All Employees must be fit for duty during their work hours.
- (d) Employees who wish to engage in outside activities must obtain written approval pursuant to the MTA Outside Activity Policy. Employees should consult with the People Department or Corporate Compliance if they have any questions about Outside Activities.
- (e) In general, Employees may engage in outside employment/activity provided that (1) such employment/activity does not interfere with their ability to devote appropriate time and attention to their employment with the MTA; (2) such employment/activity does not violate the specific guidelines set by their MTA Agency; (3) they do not use any MTA resources (e.g., time, equipment, telephone, etc.) in connection with such employment; (4) the outside activity does not create the appearance of or an actual conflict of interest; (5) the outside activity would not undermine the public's trust in the MTA; and (6) they obtain the required approvals as set forth in the MTA Outside Activity Policy.
- (f) Employees holding Policy-Making Positions must comply with certain additional requirements in connection with engaging in outside employment/activities see the MTA Outside Activity Policy.
- (g) Employees with approved outside activities must inform their supervisor and Corporate Compliance if there is any material change to either their approved outside activity or their current job responsibilities which would require a new evaluation of their outside activity approval.

Section 4.08 **Political Activities of Employees**

- (a) An Employee interested in running for elective office shall give written notice of his or



Metropolitan Transportation Authority Code of Ethics

her intentions to Corporate Compliance, so that it may determine whether, and upon what conditions, seeking elective public office would be consistent with the ethics laws and regulations. Notice and approval of the Commission on Ethics and Lobbying in Government may also be required for Employees holding Policy-Making Positions pursuant to MTA Outside Activity Policy. In advance of running as a candidate in any election, the provisions of the Hatch Act should also be evaluated to determine whether such a candidacy is permitted under its terms.

- (b)** Employees shall not conduct political activities during work hours. MTA property, including, without limitation, telephone, copy machines, computers, and other MTA equipment, vehicles, office space, and services may not be used for political activities under any circumstances.
- (c)** Employees are prohibited from using federal funds for partisan political purposes of any kind in the administration of MTA programs, either directly or through individuals or organizations with whom the MTA contracts.
- (d)** Employees shall not use their positions or influence for the purpose of interfering with or affecting the result of an election. No Employee shall, directly or indirectly, use his or her official authority to compel or induce any other Employee or state official to make or promise to make any political contribution, whether by gift of money, service or other thing of value.
- (e)** Employees holding Policy-Making Positions shall not serve as: (1) officers of any political party or political organization or (2) members of any political party committee, including political party district leaders or as members of a political party national committee. "Political organization" means any organization affiliated with a political party but does not include a judicial nominating committee, an organization supporting a particular cause with no partisan activities, a campaign or fundraising committee, or serving as a delegate to a state or national party convention.
- (f)** Consistent with this Code, Employees are otherwise free to participate in the political process on their own time, but there must be a clear separation between their political activities and the discharge of their duties as Employees of the MTA.
- (g)** No Employee may during the consideration of an employment decision ask any applicant to disclose: (i) their political party affiliation; (ii) whether they made campaign contributions to any party, elected official or candidate for elective office; or (iii) whether the applicant cast a vote for or against any elected official, candidate or political party. The provisions of this paragraph shall not apply where such inquiry is necessary for the proper application of any state law or regulation.
- (h)** No Employee may decline to hire or promote, discharge, discipline, or in any manner change the official rank or compensation of any Employee, or applicant for employment, or promise or threaten to do so, based upon a refusal to answer any inquiry prohibited



by this section or for giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

- (i) The MTA's Chair and Chief Executive Officer and Agency Presidents shall not seek nomination or election to any compensated federal, state or local public office, or shall become a candidate for such office, unless such individual first resigns from their MTA employment, or requests and is granted a leave of absence without pay, such resignation or leave must commence before such individual engages in any campaign activities, including but not limited to, announcing a candidacy, circulating petitions, soliciting contributions, distributing literature, or taking any other action to actively promote oneself as a candidate for elective office.

Section 4.09 Other State Employment

Employees who are subject to the New York State Civil Service Law shall not accept appointment or employment on a full-time or part-time basis, in a State department or agency, or in the Legislature or the judiciary, for which compensation is payable, without the prior consent in writing of the Agency President and the Chief Compliance Officer.

Chapter 5: Future Employment Restrictions

Section 5.01 Restrictions on Future Employment-Purpose

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

Section 5.02 Restrictions on Future Employment – Limited and Lifetime Bars

- (a) Two-Year Bar

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

- (b) Lifetime Bar

No former Employee shall ever appear, practice, communicate, or otherwise render any services or receive compensation for such services rendered before an MTA Agency or any New York State Agency for, or on behalf of, any person, firm, corporation, or other



Metropolitan Transportation Authority Code of Ethics

entity in relation to any case, proceeding, or transaction with respect to which such person was directly concerned and in which he or she personally participated during the period of service or employment, or which was under their active consideration. The definition of what constitutes “ever appear, practice, communicate or otherwise render any services” is given a broad interpretation. Employees should contact Corporate Compliance regarding this definition before rendering any such service.

Exceptions:

These restrictions on future employment do not apply to subsequent services rendered in an official capacity as an elected official or an Employee of another governmental entity.

The MTA may seek a waiver with respect to a former Employee pursuant to Public Officer Law Section 73 if the Employee has expertise, knowledge, or experience with respect to a particular matter that meets the needs of the MTA and is otherwise unavailable at a comparable cost.

The MTA may seek a waiver with respect to a former Employee pursuant to Public Officer Law Section 73 if the services of such former officer or Employee are required in connection with the MTA’s response to a disaster emergency declared by the Governor pursuant to section twenty-eight of the Executive Law.

Reminders:

For purposes of the post-employment bars, certain Employees, particularly those at MTA Headquarters and MTA Construction and Development, may be considered Employees of multiple MTA Agencies based on the scope of their job responsibilities. For clarification of their particular circumstances, the Employees may seek guidance from Corporate Compliance.

The Commission on Ethics and Lobbying in Government may not consider not-for-profit entities in the transportation field and certain quasi-governmental organizations as governmental entities for purposes of the exception noted above and employment at such entities may be subject to the post-employment bars described above.

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

Example 1: No former Metro-North Employee, for a period of two years subsequent to his or her termination from employment (including retirement) may contract with Metro-North as a consultant to perform services of any kind on behalf of Metro-North, unless MNR has obtained a waiver from the Joint Commission on Public Ethics as set forth above.



Example 2: A former procurement representative in the procurement department at LIRR who was directly concerned with, or was responsible for, the negotiation of a contract during his or her LIRR employment may never appear before an MTA Agency or any other New York State Agency or render services on behalf of any outside person or firm, such as a contractor or subcontractor with regard to that contract, including but not limited to, the preparation or evaluation of claims, or the negotiations of change orders, relating to the contract.

Section 5.03 Negotiations for Future Employment

(a) Solicited

Employees are prohibited from soliciting, negotiating or having any arrangement concerning an employment opportunity with a non-governmental individual or entity that has a specific pending matter before the Employee.

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

- (1) 30 days from the time the matter before the Employee is closed, or
- (2) 30 days from the time the Employee has no further involvement with the matter because of recusal or reassignment.

(b) Unsolicited

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

- (1) they are recused from the matter and any further official contact with the entity or individual and
- (2) they wait 30 days from such recusal to enter into post-government employment communications with the entity or individual.

(c) Notification

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

(d) Recusal



Metropolitan Transportation Authority Code of Ethics

Recusals, pursuant to Section 4.01, shall be granted only if practical and in the best interests of the MTA. If recusal is not practical, and in the best interests of the MTA, or the Employee is prohibited from pursuing the solicitation.

(e) Exception

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

Remember:

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

Section 5.04 **Notice of Future Employment Restrictions**

- (a) An Employee who provides notice of leaving service at the MTA, either by retirement or resignation, or whose employment is terminated, will receive a memorandum summarizing the post-employment restrictions of the Ethics Law and of this Code.
- (b) Policy makers must complete a post-employment consultation with Corporate Compliance prior to their separation date.
- (c) All Employees in management and non-represented titles and Employees in certain represented titles designated by the applicable MTA Agency are required to sign a certification stating that they are aware of the policies outlined in the memorandum and will be comply with those restrictions. In addition, in order to avoid an actual or the appearance of a conflict of interest those Employees may be required to disclose the name of a new employer, if applicable.
- (d) Exception: From time to time, the Future-Employment restrictions have been legislatively modified to permit exceptions to these policies when Employees are laid off. An Employee in such a position should consult with Corporate Compliance if there is a question of whether such exceptions are in force.

Section 5.05 **Restrictions Related to Prior Private Sector Employer**

- (a) For two years from the commencement of employment with the MTA, an Employee shall not, directly or indirectly, do either of the following in relation to the Employee's immediate past non-governmental employer or an entity with which the employee has had a past Business relationship: (1) participate in the selection or award of a contract in which a bidder or proposer is such immediate past employer; or (2) administer a contract awarded to such immediate past employer.



- (b) For two years from the commencement of employment with the MTA, an Employee shall notify Corporate Compliance if they are required, as part of their job duties with the MTA, to deal with their immediate past non-governmental employer or an entity with which the Employee has had a past Business relationship. In such cases Corporate Compliance will determine if additional recusal is required.

Chapter 6: Financial Disclosure

Section 6.01 Covered Employees

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

Notes:

The Commission on Ethics and Lobbying in Government is required to make Annual Statements of Financial Disclosure available to the public upon request, except as to values and amounts, and except to the extent the reporting individual has obtained a ruling from the Commission on Ethics and Lobbying in Government preventing or limiting public disclosure.

The Annual Statement of Financial Disclosure solicits various items of information concerning the finances and employment of the Employee, the Employee's spouse, and unemancipated children.

- (b) Exceptions:
 - (1) Non-policy making Employees, or their bargaining or other representatives, may request that the Commission on Ethics and Lobbying in Government grant exemptions, either in whole or in part, from the reporting requirements. Appeals from denials of such an exception should be made to the Commission on Ethics and Lobbying in Government.
 - (2) Employees who are required to file an Annual Statement of Financial Disclosure based on their gross salary but do not hold Policy-Making Positions may be entitled to an exemption from the financial disclosure requirements, on the grounds that the public interest does not require disclosure and that the Employee is not involved with the discretionary, Business, or regulatory activities of the MTA.



(3) Employees may seek an exemption from any requirement to report one or more items of information pertaining to the financial status of their spouse or unemancipated child. An Employee may also request deletion of portions of information called for on the Annual Statement of Financial Disclosure form that could otherwise be publicly disclosed. Grounds supporting such requests are that the spouse or child (where applicable) objects to providing the information necessary to **make such disclosure and** that such information would have no material bearing on the discharge of the reporting Employee's duties.

Section 6.02 Dates for Filing and Related Penalties

- (a) Employees required to file pursuant to Section 6.01 must file their Annual Statement of Financial Disclosure by May 15th of each year, or within thirty (30) days of a covered Employee's appointment or promotion, whichever is later. An Employee may indicate with respect to any item of the Annual Statement of Financial Disclosure that information with respect thereto is lacking and will be supplied in a supplemental statement to be filed no later than the seventh (7th) day following the date to which that Employee could have received an automatic extension to file their income tax returns for that year. The Commission on Ethics and Lobbying in Government may also grant hardship applications.
- (b) If an Employee fails to file the Annual Statement of Financial Disclosure as required or omits relevant information, he or she shall be subject to discipline, up to and including dismissal. In addition, criminal or civil penalties may be imposed as set forth in Chapter 9 below.

Chapter 7: Books and Records

Section 7.01 Accuracy and Completeness of Financial Records

- (a) Employees who are involved in the preparation of the MTA's financial records must ensure that the accounting and financial records of meet the highest standards of accuracy and completeness. Reporting accurate and complete information about the MTA's financial condition is an essential responsibility of all Employees.
- (b) If you have reason to believe that any of the MTA's financial records are not being maintained in an accurate or complete manner, you are expected to report this immediately to the Chief Financial Officer, MTA General Counsel, or Chief Compliance Officer.

Section 7.02 Financial Statements and Accounts

Employees who are involved in the preparation of the MTAs financial statements must do so according to generally accepted accounting principles and other applicable accounting standards and



rules, so that the statements fairly and completely reflect the operations and financial condition of the MTA.

Chapter 8: Other Ethics Issues

Section 8.01 **Nepotism**

- (a) It is the policy of the MTA to ensure that all job opportunities at MTA are based on merit and qualifications. Employees are prohibited from participating in any hiring or employment decision relating to a Family Member. If a hiring or employment matter arises relating to a Family Member, then the Employee must advise his or her supervisor of the relationship and must be recused from any and all discussions or decisions relating to the matter. There will be no preferential treatment for Family Members of current or former Employees and/or union officials.
- (b) Employees are required to comply with and should consult the All Agency Policy Directive, Anti-Nepotism Employment Procedures.
- (c) Contracting opportunities are based only on merit and qualifications. There will be no preferential treatment for Family Members of current or former Employees and/or union officials. Employees are prohibited from taking part in any contracting decision: (i) relating to a Family Member; or (ii) relating to any entity in which either they or a Family Member is an officer, director or partner, or in which a Family Member owns or controls 10% or more of the stock (or 1% or more if in the case of a corporation whose stock is regularly traded on an established securities exchange) of such entity. If a contracting matter arises relating to a Family Member, then the Employee must advise his or her supervisor of the relationship and must be recused from any and all discussions or decisions relating to the matter.
- (d) An Employee cannot participate in any decision to invest MTA funds in any security of any entity in which that Employee or any Family Member of that Employee has a financial interest, is an underwriter, or receives any brokerage, origination or servicing fees.

Section 8.02 **Business Relationships between Employees**

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

Section 8.03 **Financial Transactions between Employees**

MTA managers and supervisors are prohibited from engaging in financial transactions with Employees whom they directly or indirectly supervise or manage. MTA managers and supervisors may not obtain or use or attempt to use the credit of any Employee whom they directly or indirectly



supervise or manage as applicant, maker, co-signer, or endorser of any credit instrument in any connection with a loan or similar transaction.

Section 8.04 Prohibition Against the Use of MTA Property

(a) MTA's names, logos, titles, supplies, equipment, computer resources, personnel, funds, and other resources may not be utilized for non-governmental purposes, including for personal purposes or for outside activities of any kind except as may be specifically authorized herein:

(1) Official stationery may not be used for non-governmental purposes, nor may MTA resources be used to mail personal correspondence. The designation "personal" on MTA stationery means only that the contents are meant for the personal viewing of the addressee and not that the sender is acting unofficially. All letters and other written materials printed on such official stationery are considered official, and thus the designation "unofficial" has no meaning and may not be used.

(2) Under no circumstances may MTA mail, postage, internal office mail, or inter-city couriers be used for non-governmental purposes.

(3) MTA telephones may not be used for non-governmental long-distance calls, except for toll-free calls, collect calls, and calls billed to a personal telephone number. MTA telephones may be used for incidental and necessary personal local calls that are of limited number and duration and do not conflict with the proper exercise of the duties of the Employee.

(4) MTA computer resources may be used for incidental and necessary personal purposes, such as sending personal electronic mail messages, provided that such use is in a limited amount and duration and does not conflict with the proper exercise of the duties of the Employee. (See MTA Computer Usage and Social Media Policy Directives)

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

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



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

Section 9.01 **General**

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

Section 9.02 **Civil Penalties**

A violation of Public Officers Law Sections 73(2), (3), (4), (5), (7), (8), (12), (14), (15), (16), (17) and Sections 73-a, may result in the Commission on Ethics and Lobbying in Government imposing a civil penalty of up to forty thousand dollars (\$40,000) and the value of any gift, compensation, or benefit received as a result of such violation. These sections include but are not limited to prohibitions concerning gifts, future employment, and financial interests in MTA contracts as well as obligations in connection with the filing of Annual Statements of Financial Disclosure.

A violation of Public Officers Law Section 74 may result in the Commission on Ethics and Lobbying in Government imposing a civil penalty of up to ten thousand dollars (\$10,000) and the value of any gift, compensation, or benefit received as a result of such violation.

Section 9.03 **Criminal Penalties**

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