

PTSC

**Public
Transportation
Services
Corporation**

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Plaza, Los
Angeles, CA 90012

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PTSC Board
September 8, 2005

SUBJECT: POLICIES, PROCEDURES AND CODES OF CONDUCT

ACTION: ADOPT UPDATED POLICIES, PROCEDURES AND CODES OF CONDUCT FOR PTSC

RECOMMENDATION

- Adopt MTA Policies, Procedures and Guidelines including without limitation: Accounting, Administration, Communications, Drug and Alcohol, Equal Employment Opportunity, Finance and Budget, General Services, Human Resources, and Procurement, including all future amendments.
- Adopt for PTSC Board Members, Contractors and Consultants, and Employees, MTA's Codes of Conduct, including all future amendments.

BACKGROUND

The co-location and integrated working relationship between MTA and PTSC Directors, contractors, consultants and employees prompted the PTSC Board in August 1997 to adopt MTA's Policies, Procedures and Codes of Conduct in their entirety. Since August 1997, MTA has amended its policies and Codes in response to legislative enactments and management directives. For example, legislation (Hayden bill) enacted after 1997 imposes new requirements and prohibitions on MTA's Board of Directors. Accordingly, PTSC should update its Policies, Procedures and Codes of Conduct to remain in conformance with MTA.

For the PTSC Board's convenience, the recommended action also provides for automatic updates to these Policies, Procedures and Codes of Conduct whenever changes are made by MTA. Thus, the recommended actions will allow PTSC Directors and employees to function immediately under practices that are consistent throughout MTA/PTSC until such time as the need for specific separate policies for certain functions is identified.



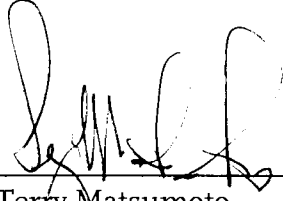
Metropolitan Transportation Authority

Metro

ATTACHMENTS

1. Board of Directors Code of Conduct
2. Contractor Code of Conduct
3. Employee Code of Conduct
4. Listing of all current MTA Policies and Procedures

Prepared by Ronald Stamm, County Counsel

A handwritten signature in black ink, appearing to read 'Terry Matsumoto', written over a horizontal line.

Terry Matsumoto
Chief Financial Officer, PTSC

Board of Director's Code of Conduct Consisting of:

ADMINISTRATIVE CODE 5-10

&

PUBLIC UTILITIES CODE

§130051.20, §130051.25 & §130600-130730

5-10-010 Incorporation of Statutory Provisions. The provisions of Chapter 6, entitled *Code of Conduct for the Board of the Los Angeles County Metropolitan Transportation Authority*, of Division 12 of the Public Utilities Code (commencing with Section 130600), and Public Utilities Code Section 130051.20, along with such other provisions as are included in this chapter, shall constitute the code of conduct for members of the Board of Directors. Any other code of conduct for Board Members which is in existence on the effective date of this chapter is repealed.

5-10-020 Enforcement and Sanctions.

A. An alleged violation of this chapter by any member of the Board of Directors or by a member or his or her staff shall be referred to the Inspector General for investigation. Upon completion of the investigation, and if the matter has been determined not to be criminal in nature and can be disclosed, the Inspector General shall report the findings to the Board of Directors. If the matter is determined to be criminal in nature, the Inspector General shall refer the matter to the appropriate enforcement authorities for prosecution.

B. For any matter reported to the Board of Directors under paragraph A., the Board shall determine the appropriate sanction, if any, to be imposed. The sanction imposed should depend upon the severity of the violation and may be progressive unless the violation is determined to be so egregious as to warrant more severe action as an initial sanction.

C. The Board of Directors may consult with the Inspector General, the Ethics Officer and/or the General Counsel for an opinion regarding the sanctions appropriate for any violation. The sanctions imposed may include any of the following:

1. Public or private censure by the Board of Directors;
2. Disqualification from participation in any discussion or vote on the matter related to the violation;
3. Removal of the Board member from one or more Board committees for a specified period of time;
4. Permanent removal of the Board member from one or more Board committees;
5. Suspension from all Board of Director actions for a period of time;
6. A monetary fine in an amount determined by the Board of Directors, including but not limited to, forfeiture of the stipend for participation as a member of the Board of Directors; and

7. Any other sanction determined by the Board of Directors to be appropriate and reasonable based upon the nature of the violation.
- D. In an instance where a violation of this chapter has been committed by a person who is staff to a member of the Board of Directors, in addition to any sanction imposed on the staff member, a sanction may be imposed on the member of the Board of Directors to whom that staff member reported if the Board of Directors determines that the member of the Board of Directors knew or reasonably should have known of the conduct of the staff member which violated this chapter.
- E. If a violation of this chapter results in a criminal prosecution or the imposition of civil liability, the Board of Directors may recommend additional sanctions after the criminal or civil proceedings are completed.

130051.20. (a) (1) No construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the Los Angeles County Metropolitan Transportation Authority shall give to a member, alternate member, or employee of the authority, or to any member of their immediate families, a contribution of over ten dollars (\$10) in value or amount. A "contribution" includes contributions to candidates or their committees in any federal, state, or local election. (2) Neither the owner, an employee, or any member of their immediate families, of any construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the authority shall make a contribution of over ten dollars (\$10) in value or amount to a member, alternate member, or employee of the authority, or to any member of their immediate families. (3) No member, alternate member, or employee of the authority, or member of their immediate families, shall accept, solicit, or direct a contribution of over ten dollars (\$10) in value or amount from any construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the authority. (4) No member, alternate member, or employee of the authority shall make or participate in, or use his or her official position to influence, a contract decision if the member, alternate member, or employee has knowingly accepted a contribution of over ten dollars (\$10) in value in the past four years from a participant, or its agent, involved in the contract decision. (5) No member, alternate member, or employee of the authority, or member of their immediate families shall accept, solicit, or direct a contribution of over ten dollars (\$10) in value or amount from a construction

company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. (b) A member, alternate member, or employee of the authority who has participated as a decisionmaker in the preparation, evaluation, award, or implementation of a contract and who leaves the authority shall not, within three years of leaving the authority, accept employment with any company, vendor, or business entity that was awarded a contract as a result of his or her participation, evaluation, award, or implementation of that contract.

130051.25. (a) For the purpose of this section, "recordable injury" means any injury requiring treatment beyond simple first aid. (b) A construction firm that contracts with the Los Angeles County Metropolitan Transportation Authority shall report total recordable injuries to the authority on a monthly basis. (c) The authority shall annually determine if the number of recordable injuries reported to the authority during the preceding calendar year exceeded the national average of similar injuries as reported by the Bureau of Labor Statistics for the most recent published year. If the authority determines that the number of recordable injuries reported to the authority during the preceding calendar year exceeded the national average, the authority shall not base any safety bonus program for contractors on injuries that result in lost time, and shall base such a program on the overall rate of recordable injuries.

130600. For purposes of this chapter, the following terms have the following meanings:

- (a) "Board" means the board of directors of the Los Angeles County Metropolitan Transportation Authority.
- (b) "Entitlement for use" includes all contracts except competitively bid, labor, or personal employment contracts, regardless of whether an individual accepts, solicits, or directs the contribution for himself or herself or on behalf of any other candidate or committee.
- (d) "Gift" has the same meaning as defined in Section 82028 of the Government Code.
- (e) "Indirect investment or interest" means any investment or interest owned by the spouse or dependent children of an individual, by an agent on behalf of the

individual, or by a business entity or trust in which the individual, the individual's agents, spouse, or dependent children own directly, indirectly or beneficially a 10 percent interest or greater.

- (f) "Participant" means any person, other than a party, as defined in subdivision
- (g), who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license permit or other entitlement for use, including contract actions, and who has a financial interest in the decision. A person actively supports or opposes a particular decision in a proceeding if he or she lobbies in person the board members or MTA employees, testifies in person before the MTA, or otherwise acts to influence officers of the agency.
- (g) "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use to competitively bid on contracts, including contract amendments and change orders.
- (h) "MTA" means the Los Angeles County Metropolitan Transportation Authority.

130605. Any reference in this chapter to "chief executive officer," "general counsel," "counsel," "inspector general," "board secretary," or "secretary" is to the officers of the Los Angeles County Metropolitan Transportation Authority appointed under Sections 130051.9 and 130051.25.

130610. (a) The board shall appoint an ethics officer, who shall report to the board.
(b) When in doubt as to the applicability of any provision of this chapter to any particular situation, a board member shall contact the general counsel or the ethics officer for advice.

130615. (a) The provisions of this chapter shall be enforced by the inspector general.
(b) Any violation of this chapter that is also a violation of other state law or of local or federal law may also be prosecuted by the appropriate authority.
(c) Upon notice of a possible violation of this chapter, the board shall refer the matter to the inspector general for investigation. Upon completion of the investigation, if

the matter has been determined not to be criminal in nature and to be of such a nature that it may be disclosed, the inspector general shall report the findings to the board. If the matter is determined to be criminal in nature, the inspector general shall refer the matter to the appropriate enforcement authorities for prosecution.

130620. (a) Sanctions for violations of this chapter shall be determined by the board. The sanctions imposed shall depend upon the severity of the infraction and may be progressive unless the violation is determined to be so egregious as to warrant more severe action initially.
- (b) The board may consult with the inspector general for an opinion regarding the sanctions appropriate to any particular violation.
- (c) Sanctions imposed under this section may include, but are not limited to, any of the following:
- (1) Private reprimand by the board.
 - (2) Public censure by the board at a regularly scheduled meeting.
 - (3) Disqualification from participating in any discussion or vote on any matter related to the violation.
 - (4) Removal of the board member from one or more committees for a period of time.
 - (5) Permanent removal of the board member from one or more committees.
 - (6) Suspension from all board actions for a period of time.
 - (7) A monetary fine in an amount determined by the board.
- (d) If a board member is criminally indicted, he or she shall be suspended from all board actions for the duration of the criminal proceeding. If the board member is acquitted of the charges, he or she shall return to the board as a full, participating member.
- (e) For violations of this chapter that result in findings of criminal or civil liability, the board may recommend additional sanctions to the inspector general after the civil or criminal proceedings are completed.

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130625. Confidential information, particularly investigative reports for the inspector general, shall not be disseminated beyond the authorized recipient of the report.
130630. The role of the board as it relates to the MTA is as follows:
- (a) The board provides counsel and direction to management and shall not be involved in the day-to-day affairs of the MTA.
 - (b) Board members do not have individual power or authority over the MTA. That power and decision-making authority lie with the full board.
130635. The rules of conduct at board meetings shall apply to all matters under consideration by the board except for ceremonial matters and are as follows:
- (a) Board members shall treat MTA staff members and each other with respect and courtesy.
 - (b) Disagreements shall not result in personal comments or attacks against an MTA staff member or another board member.
 - (c) When any member is recognized to speak at a board meeting, the board member shall address the chair.
 - (d) When two or more members address the chair at the same time, the chair shall name the member who is to be the first to speak.
 - (e) When speaking, a member shall confine his or her remarks to the topic under debate or discussion.
 - (f) Each member, in the order recognized by the chair, shall have not more than five minutes to speak.
 - (g) Answers to questions asked by a member shall be counted against the member's five minutes.
 - (h) Once having recognized a member to speak, the chair shall not recognize that member to be heard again, except to answer questions, until all other board members have had an opportunity to speak.
 - (i) All members shall have an opportunity to speak before the chair may enter the discussion.
 - (j) After all members desiring to speak have had an opportunity to be heard once, the time for each member desiring to speak again, or for the first time, shall be limited to a maximum of three minutes.
 - (k) There shall be no limit to the number of times a member is allowed to speak.
 - (l) The secretary shall time the members when discussion of an

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issue begins and notify the chair when a member's time has expired.

130640. (a) Members shall not publicly engage in personal attacks on MTA employees or attempt to discipline any employee.
- (b) Any concerns regarding an employee's performance shall be communicated to the chief executive officer.
- (c) Any concerns regarding the performance of an officer of the board shall be communicated to that officer.
- (d) Nothing in this section limits the right of the board to evaluate board officers.
130650. Committee chairs shall present items from their committee meetings and the recommendation of their committee.
130655. (a) All members shall be afforded an adequate opportunity to review written motions having financial or policy implications prior to the board meeting.
- (b) A written motion having financial or policy implications shall be referred to the appropriate committee for recommendation to the full board, unless the motion is distributed to all board members not later than 48 hours prior to the board meeting or this requirement is waived by the vote of nine board members.
130660. (a) Board members or their staff are prohibited from soliciting or accepting any gift from MTA contractors or from persons or entities that have submitted a proposal or bid for an MTA contract.
- (b) Board members or their staff shall not accept gifts aggregating two hundred eighty-nine dollars (\$289) or more, as specified in Section 89502 or 89503 of the Government Code, from a single source in any calendar year.
- (c) Board members shall disqualify themselves from participating in a decision that may have a financial effect upon a source of income aggregating two hundred fifty dollars (\$250) or more or a donor of gifts aggregating two hundred eighty-nine dollars (\$289) or more, if those gifts were received within 12 months preceding the time of the decision.
- (d) Board members shall not accept gifts aggregating more than ten dollars (\$10) in a calendar month from an MTA registered lobbyist, lobbying firm, or lobbyist employer.
- (e) Board members shall report on their annual Statement of Economic Interest gifts aggregating fifty dollars (\$50) or more and income of two hundred fifty dollars (\$250) or more received from a single source in a calendar year.

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130665. (a) Board members or their staff shall not accept any payment made for a speech given, an article published, participation in a program, or any other appearance at a public or private conference, convention, meeting, social event, meal, or similar gathering.
- (b) This section does not prohibit payments for actual personal services rendered in connection with a member's practice of a bona fide business, trade, or profession.
130670. Reimbursement for travel or lodging may be exempt from the provisions prohibiting gifts if the travel is related to MTA business. That reimbursement, however, shall be reported in the annual Statement of Economic Interest. The general counsel may be consulted prior to accepting payment or reimbursement to determine whether that reimbursement should be disqualified as a gift.
130675. Board members shall not direct any MTA employee, contractor or potential contractor to make a charitable contribution to a specified agency.
130680. (a) The chief executive officer shall be responsible for ensuring the MTA has an independent professional procurement staff. The chief executive officer and designated procurement staff shall be responsible for conducting an independent, autonomous procurement process in accordance with state and federal law.
- (b) Board members shall use objective judgment in voting on a procurement award and base their decision on the criteria established in the procurement documents.
- (c) Board members or their staff shall not attempt to influence contract awards.
- (d) During any procurement process, board members or their staff shall not communicate with MTA staff regarding the procurement.
- (e) Before the staff recommendation for an award is made public, board members or their staff shall only communicate with the chief executive officer or his or her designee regarding the procurement. The chief executive officer shall keep a log of those communications and shall report those communications and responses in writing at the board meeting where action on the procurement is scheduled.
- (f) Board members or their staff shall not attempt to obtain information about the recommendation of the award of a contract until the recommendation is made public.

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- (g) Board members shall not release information about the procurement to the public until the award recommendation is made public.
 - (h) If a board member attempts to communicate with MTA staff to influence the recommended award, this communication shall be reported by staff to the inspector general.
- 130685.
- (a) Prior to the issuance of a request for proposal (RFP), request for interest in qualification (RFIQ), or invitation for bid (IFB), and ending on the date of the selection of the contractor, no person or entity submitting a proposal in response to the RFP, RFIQ, or IFB, nor any officer, employee, representative, agent, or consultant representing the proposer shall contact by any means or engage in any discussion concerning the award of the contract with any board member or his or her staff. Any contact shall be grounds for the disqualification of the proposer.
 - (b) A board member who receives any communication from a proposer in violation of this chapter shall report that communication to the inspector general. The inspector general shall forward this information to the director of contracts and responsible procurement staff.
 - (c) Board members shall not meet with a person or entity who submitted a proposal in response to the RFP, RFIQ, or IFB, nor any officer, employee, representative, agent, or consultant representing the proposer regarding a protest submitted regarding the recommended contract award or any lawsuit or potential lawsuit regarding the recommended contract award.
130690. Board members and their staff shall refrain from conduct that they know or reasonably should know is likely to create in the minds of reasonable observers the perception that the board member or staff member used his or her public position improperly.
- 130700.
- (a) Board members or their staff shall not participate in an MTA decision in which they know or have reason to know that they have a financial interest.
 - (b) Board members shall not be purchasers at any sale, or vendors at any purchase, that is made personally by that member.
 - (c) An individual is deemed to have a financial interest in a decision if it is reasonably foreseeable that the decision will have a material financial effect on that individual or the individual's immediate family, distinguishable from its effect on the public generally, or on any of the following:
 - (1) Any business entity in which the board member or staff member has a direct or indirect investment worth one thousand dollars

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- (\$1,000) or more.
- (2) Any real property in which the board member or staff member has a direct or indirect interest worth one thousand dollars (\$1,000) or more.
 - (3) Any source of income, other than gifts and other than loans by a commercial lending institution made in the regular course of business in terms available to the public without regard to official status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the board member or staff member within 12 months prior to the time when the decision is made.
 - (4) Any business entity in which the board member or a member of his or her staff is a director, officer, partner, trustee, or employee, or holds any position of management.
 - (5) Any donor or, or any intermediary of, agent for a donor of a gift or gifts aggregating two hundred eighty-nine dollars (\$289) or more in value provided to, received by, or promised to, the board member or staff member within 12 months prior to the time the decision is made.
- (d) This section does not prohibit a board member from participating in a decision if that participation is legally required in order for the decision to be made. In that case the individual shall disclose the nature of his or her interest before he or she participates in the decision. For the purposes of this subdivision, the fact that a board member's vote is necessary to break a tie does not make his or her participation legally required.
130705. (a) Board members or their staff shall not engage in any employment, activity, or enterprise that is inconsistent, incompatible, or in conflict with the duties of an MTA officer.
- (b) Board members or their staff shall not use the MTA's facilities, equipment, supplies, badge, prestige, or influence for private gain.
130710. The MTA shall not contract with any of the following:
- (a) MTA board members or their staff.
 - (b) Any profit-making firm or business in which a former board member or member of his or her staff is an officer, principal, partner, or major shareholder.
130715. (a) Former board members or their staff shall not participate in any contract with the agency for a period of 12 months after leaving the board.
- (b) MTA shall not contract with any profit-making firm or business in which a former board member or member of his or her staff is an

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officer, principal, or partner, or is a shareholder who holds more than 10 percent of the stock in the company, for a period of 12 months after the board member has left the board.

130720. Board members shall file Statements of Economic Interest with the ethics officer pursuant to state law, within 30 days of assuming office, annually, and within 30 days of leaving office.

(b) Board members shall file an addendum to the statement required under subdivision (a), disclosing all financial interests both within and outside Los Angeles County, including those financial interests received during the reporting period by all entities in which the member is an officer, principal, partner, or major shareholder.

c) Any amendments to the Statement of Economic Interest or addendum shall be filed within 30 days of the occurrence of the change.

130725. Any person who receives compensation to regularly provide advice, recommendations, or counsel to board members regarding MTA activities shall file a Statement of Economic Interest with the MTA within 10 days of the commencement of the consultant relationship and shall update that statement within 30 days of the end of each calendar quarter. This requirement does not apply to a full time employee of a governmental entity who is already required to file a statement.

130730. Any person who regularly provides advice, recommendations, or counsel to board members regarding MTA activities and also advises another agency or entity that has a financial interest in an item before the board shall be prohibited from giving advice to board members and MTA staff regarding that item.

Contractor Code of Conduct consisting of:
Administrative Code Chapter 5-20 &
Public Utilities Code Section §130685, §130051.20 & §130051.25

5-20-010 Application of the Contractor Code of Conduct. This chapter shall govern the conduct of all Contractors of the MTA. These standards supersede all prior written ethics policies adopted by the MTA which are in conflict with these standards. These standards are to be read in conjunction with applicable provisions of the MTA Procurement Manual and other applicable MTA ordinances, policies and procedures. All Contractors shall ensure that their subcontractors comply with this chapter.

5-20-020 Purpose.

- A. The purposes of this chapter are to protect the integrity of the procurement process, and to provide a comprehensive statement of pertinent regulations and obligations governing the conduct of contractors doing business with the MTA so they will be able to compete fairly and perform their work and services in an ethical manner.
- B. This document does not purport to respond to all ethical issues which may arise in the course of doing business with the MTA. Each person and entity doing business with the MTA is expected at all times to conduct himself or herself in the manner of an ethical, reasonable person.

5-20-030 Interpretation. The Ethics Officer is charged with educating and advising regarding ethical issues. All persons subject to this chapter are authorized to contact the Ethics Officer for an interpretation of this chapter.

5-20-040 Enforcement. The provisions of this chapter may be enforced by the Inspector General and other appropriate enforcement authorities. Violations of law or of this chapter by a contractor should be reported to the Inspector General.

5-20-050 Contract Performance. All contractors doing or seeking to do business with the MTA should refrain from conduct which they know or reasonably should know is likely to create in the minds of an objective observer the perception that they are using or performing their contract with the MTA in an improper manner. Improper conduct in the performance of a contract which will constitute a violation of this chapter includes, but is not limited to, the following:

- A. The making of false or misleading representations regarding any aspect of the performance of the contract;
- B. An intentional breach of any contract term;
- C. Intentional or grossly negligent use of inferior products; and
- D. Misuse of MTA information or access to MTA personnel.

5-20-060 Contacts by Staff Prior to the Issuance of a Solicitation. While informational and market research contacts by MTA employees with prospective contractors can be a valuable source of data to the MTA, such contacts can sometimes provide an unfair advantage in a future procurement to persons contacted as part of the market research. All parties must

exercise sound judgment and caution to ensure that there is no preferential treatment of any prospective contractor and to avoid even the appearance of such preferential treatment.

5-20-070 Lobbying. The MTA shall not award a contract to any person or entity who is in violation of chapter 5-25.

5-20-080 Prohibition Regarding Gifts and Contributions. No bidder or proposer or any of their consultants or proposed subcontractors shall offer, give, or promise to offer or give, directly or indirectly, any gift to any MTA Board Member or employee. No contractor or person doing business with the MTA, or any of their subcontractors, shall offer or give, directly or indirectly, to any MTA Board Member or employee any gift(s) totaling more than fifty dollars (\$50) in a calendar year or more than ten dollars (\$10) in any calendar month. All persons doing business with the MTA or seeking to do business with the MTA, and each of their subcontractors and proposed subcontractors, are charged with full knowledge of the requirements of Public Utilities Code Section 130051.20, regarding the making of campaign contributions, and shall not violate or conspire with any other person to violate said Section.

5-20-090 Prohibition Regarding Offers of Employment. No bidder, proposer, or contractor shall offer, or promise to offer, either directly or indirectly, any future employment or business opportunity to any MTA official, or member of his or her immediate family, significant other or business associates of such persons if such offer of employment is conditioned expressly or impliedly on the awarding of a present or future contract or preference in the awarding of a contract to anyone at any time by the MTA.

5-20-100 Prohibition Regarding Information. Prior to a contract award, no bidder, proposer or contractor shall solicit or obtain, directly or indirectly, from any MTA employee, any information relating to current or future contracts, or a specific pending procurement, unless such information is at the time a public record required to be disclosed under the California Public Records Act, or has otherwise been made available at the same time in the same form to all other bidders, proposers and contractors.

5-20-110 Prohibitions on Use and Disclosure of Confidential Information. At no time shall any contractor who obtains confidential or proprietary MTA information in the course of doing or seeking to do business with the MTA disclose any such information to any person not authorized by the MTA to receive such information or use such information for any personal gain except as necessary to fulfill its contractual obligations to the MTA.

5-20-120 Contractor Pre-Qualification. The MTA will accept bids and proposals for contracts and procurement of goods or services only from firms or entities which are complying with the MTA pre-qualification process as set forth in chapter 4-05. Firms or entities seeking certification as pre-qualified shall submit a completed pre-qualification application. Firms or entities intending to bid as a joint venture should submit a separate pre-qualification application for each joint venture.

5-20-130 Prohibition Regarding Participation in Procurement Development. No contractor who participates in the development of a scope of work, solicitation documents, contractual instruments or technical specifications may participate as a proposer or sub-proposer on that

particular procurement or perform any work on that particular procurement or any other procurement that would constitute an organizational conflict of interest or would give that contractor an unfair advantage over other bidders on that procurement. This prohibition may be waived in writing by the administrative head of procurement for the MTA upon a showing of good cause.

5-20-140 Contractor's Personnel. Each contractor retained by the MTA is fully responsible for the quality and performance of its staff and retains full responsibility for the selection of its personnel. MTA officials are not permitted to direct or recommend personnel that the contractor should hire, and no contractor shall request such a recommendation. However, the MTA retains the right in its absolute discretion to require the removal of any personnel of a contractor or subcontractor assigned at any level to perform services on an MTA contract if the MTA determines, in its sole discretion, that the personnel to be removed are not able to adequately or appropriately perform the services required for the particular contract. Any direction by the MTA to a contractor that specified personnel be removed from work on an MTA contract shall be made in writing.

5-20-150 Duty to Disclose Conflicts of Interest.

- A. Each bidder, proposer and contractor, and each of their consultants and subcontractors, seeking to do business, or doing business, with the MTA has an obligation to promptly disclose in writing to the administrative head of procurement for the MTA any of the following potential conflicts of interest which become known to the management of the bidder, proposer or contractor:
1. Any financial relationship between the bidder, proposer or contractor and a Board Member or member or his or her staff, or an MTA employee;
 2. Any financial or close personal relationship between any officers, directors or key employees of the bidder, proposer or contractor and a Board Member or member of his or her staff, or MTA employee;
 3. Any outstanding offer of employment to, or the current or former employment of, any current or former Board Member or member or his or her staff, or of an MTA employee or former employee, by the bidder, proposer or contractor; or
 4. Any campaign contributions exceeding ten dollars (\$10) made by or on behalf of the bidder, proposer or contractor or its lobbyist to any current Board Member within the previous four (4) years.
- B. The duty to disclose potential conflicts of interest as described in paragraph A. exists prior to and during any employment or contract and regardless of whether the facts actually constitute a conflict of interest under any law. The Ethics Officer, in consultation with the General Counsel, shall provide advice to the administrative head of procurement for the MTA and to the Board of Directors as to whether any facts disclosed under this section constitute a prohibited conflict of interest, and of the impact, if any, of that conflict on the relationship between the bidder, proposer or contractor and the MTA.
- C. Failure to make a disclosure as required by this section, shall be sufficient cause for the MTA to decline to do business with the bidder, proposer or contractor or any of its subcontractors or consultants.

5-20-160 Sanctions.

- A. The MTA encourages good faith reporting of all suspected violations of this chapter. There shall be no penalty or other adverse consequences imposed upon anyone making a good faith report of a suspected violation of this chapter. The identity of any person reporting a violation of this chapter not be disclosed except as necessary to carry out the purposes and requirements of this chapter.
- B. Any party alleged to have violated this chapter, shall be presumed innocent of that charge unless and until a violation is demonstrated by credible evidence, and prior to any such determination of any actual violation no penalty may be imposed.
- C. Suspected violations of this chapter shall be reported immediately to the Inspector General for investigation. The Inspector General shall investigate the allegations and, if they are determined to have merit, the matter will be referred to the appropriate enforcement authorities.
- D. In any instance where the Inspector General has determined that an allegation of a violation of this chapter has merit, the administrative head of procurement for the MTA, or his or her designee, may take one or more of the following actions:
 - 1. Meet with the contractor to obtain an explanation of the violation;
 - 2. Impose a fine upon the contractor as authorized by the contract documents;
 - 3. Suspend the contract or subcontract involving the offending contractor and commence debarment proceedings under chapter 4-10;
 - 4. Direct the prime contractor to remove the offending subcontractor from the project;
 - 5. Rescind, void, or terminate the contract; and/or
 - 6. Impose another reasonable and appropriate penalty.
- E. In any instance where the administrative head of procurement for the MTA proposes a sanction under this section, he or she shall notify the contractor in writing of the recommended action. The contractor may request an informal hearing with the administrative head of procurement for the MTA or his or her designee to explain the contractor's position regarding the alleged violation and/or the proposed sanction. Any such request must be made in writing and received by the administrative head of procurement within ten (10) working days of the issuance of the notice of the recommended sanction. If no request is received within the ten (10) working day period, the sanction may be imposed forthwith. If a timely request for an informal hearing is received, the informal hearing shall take place within ten (10) working days after the administrative head of procurement receives the request. The contractor may be represented by legal counsel at its own expense at the hearing. Within ten (10) working days after the informal hearing, the administrative head of procurement or his or her designee shall advise the contractor in writing of the outcome of the hearing. Except as set forth in paragraph F., the decision of the administrative head of procurement shall be final.
- F. If the administrative head of procurement for the MTA imposes a sanction under paragraph D.3., the contractor shall have such hearing rights as are set forth in chapter 4-10. If the administrative head of procurement imposes a sanction under paragraph D.2., which involves a fine in excess of one thousand dollars (\$1,000), or

imposes a sanction under paragraph D.4., D.5. or D.6., the contractor may request arbitration before the American Arbitration Association pursuant to its rules and regulations to determine whether a violation of this chapter has been shown, and, if so, whether the sanction imposed is appropriate. A request for arbitration must be in writing and be directed to the administrative head of procurement. This request must be received within ten (10) working days after the decision of that official becomes final. The contractor shall bear the costs associated with any such arbitration. The arbitration hearing shall take place in the County of Los Angeles as soon as possible. The decision of the arbitrator shall be final.

- G. Notwithstanding any other provision of this section, in any procurement where a violation of this chapter has been established prior to the award of the contract, the MTA, at its sole discretion, shall determine whether to terminate the procurement or to proceed to award a contract with or without disqualifying the offending bidder or proposer.

Important Notice – Related Laws

Also note that in addition to the MTA Code of Conduct, contractors and consultants should comply with all laws in connection with the MTA procurement process and the work performed pursuant to any agreement with the MTA, including the Public Utilities Code, Section 130685.

130685. (a) Prior to the issuance of a request for proposal (RFP), request for interest in qualification (RFIQ), or invitation for bid (IFB), and ending on the date of the selection of the contractor, no person or entity submitting a proposal in response to the RFP, RFIQ, or IFB, nor any officer, employee, representative, agent, or consultant representing the proposer shall contact by any means or engage in any discussion concerning the award of the contract with any board member or his or her staff. Any contact shall be grounds for the disqualification of the proposer.

(b) A board member who receives any communication from a proposer in violation of this chapter shall report that communication to the inspector general. The inspector general shall forward this information to the director of contracts and responsible procurement staff.

(c) Board members shall not meet with a person or entity who submitted a proposal in response to the RFP, RFIQ, or IFB, nor any officer, employee, representative, agent, or consultant representing the proposer regarding a protest submitted regarding the recommended contract award or any lawsuit or potential lawsuit regarding the recommended contract award.

In addition, Public Utilities Code Section 130051.20(a)(1)

130051.20. (a) (1) No construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the Los Angeles County Metropolitan Transportation Authority shall give to a member, alternate member, or employee of the authority, or to any member of their immediate families, a contribution of over ten dollars (\$10) in value or amount. A "contribution" includes contributions to candidates or their committees in any federal, state, or local election. .

(2) Neither the owner, an employee, or any member of their immediate families, of any construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the authority shall make a contribution of over ten dollars (\$10) in value or amount to a member, alternate member, or employee of the authority, or to any member of their immediate families.

(3) No member, alternate member, or employee of the authority, or member of their immediate families, shall accept, solicit, or direct a contribution of over ten dollars (\$10) in value or amount from any construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the authority.

(4) No member, alternate member, or employee of the authority shall make or participate in, or use his or her official position to influence, a contract decision if the member, alternate member, or employee has knowingly accepted a contribution of over ten dollars (\$10) in value in the past four years from a participant, or its agent, involved in the contract decision.

(5) No member, alternate member, or employee of the authority, or member of their immediate families shall accept, solicit, or direct a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. (b) A member, alternate member, or employee of the authority who has participated as a decisionmaker in the preparation, evaluation, award, or implementation of a contract and who leaves the authority shall not, within three years of leaving the authority, accept employment with any company, vendor, or business entity that was awarded a contract as a result of his or her participation, evaluation, award, or implementation of that contract.

130051.25. (a) For the purpose of this section, "recordable injury" means any injury requiring treatment beyond simple first aid. (b) A construction firm that contracts with the Los Angeles County Metropolitan Transportation Authority shall report total recordable injuries to the authority on a monthly basis. (c) The authority shall annually determine if the number of recordable injuries reported to the authority during the preceding calendar year exceeded the national average of similar injuries as reported by the Bureau of Labor Statistics for the most recent published year. If the authority determines that the number of recordable injuries reported to the authority during the preceding calendar year exceeded the national average, the authority shall not base any safety bonus program for contractors on injuries that result in lost time, and shall base such a program on the overall rate of recordable injuries.

**Employee Code of Conduct consists of:
Administrative Code - Chapter 5-15 and
Public Utilities Code §130051.20 & §130051.25**

5-15-010 MTA Values. The MTA is a public agency that shall conduct its business with integrity in an honest and ethical manner. MTA employees shall comply with the letter and spirit of this chapter and the law. Strict compliance with the chapter is not necessarily sufficient, and any attempts to evade or circumvent any requirements of this chapter or of any rules or laws applicable to the MTA and its employees is improper.

5-15-020 Questions and Advice. The MTA has an Ethics Officer to oversee ethics issues that arise in the workplace. The functions of the Ethics Officer are described in chapter 2-25 and include creating ethics policies and codes of conduct, administration of lobbyist and statement of economic interest disclosure programs, training MTA employees and contractors on these policies and programs, conducting hearings on rejections of certain bids or proposals, and providing advice relating to ethics questions that arise at the MTA. Questions concerning these or other ethics related matters should be directed to the Ethics Officer. Questions about other legal matters should be directed to the General Counsel.

5-15-030 Business Conduct. MTA Employees shall conduct the MTA's business in compliance with the law, this chapter, MTA policies, and good judgment based on the MTA's values and goals. MTA employees shall avoid speech or behavior that is likely to create an appearance of impropriety.

5-15-040 Professionalism. It is up to each MTA employee to maintain a professional, safe, and productive work environment. MTA employees shall treat each other professionally and with courtesy at all times. Differences of opinion on work issues should be expressed in a constructive manner that promotes sharing of ideas and effective teamwork to resolve problems to meet the challenges of the MTA.

5-15-050 Nondiscrimination. No person shall be discriminated against in employment because of race, color, creed, religion, sex, ancestry, age, national origin, marital status, sexual orientation, veteran status, physical or mental disability or any other status protected by applicable federal or state statutes, except where a bonafide occupational qualification applies. Derogatory comments, which relate to race, ethnicity, religion, national origin or sexual orientation or other comments of a sexual nature, are not appropriate in a professional environment and are prohibited in the MTA workplace.

5-15-060 Sexual Harassment. No person employed by or associated with the MTA shall engage in sexual harassment in conducting MTA business. Sexual harassment includes any sexual advances or requests for sexual favors which are unwelcome or where submission to or rejection of such conduct is used as the basis for employment decisions. Sexual harassment also includes verbal, visual or physical

conduct of a sexual nature, which creates an intimidating, hostile or offensive working environment.

5-15-070 Relationships With Contractors. MTA business shall be conducted in a manner above reproach, with impartiality, and with preferential treatment for none. Particularly in relationships with contractors and potential contractors, MTA employees must avoid any actual or appearance of conflict of interest or impropriety.

5-15-080 Contacts with Bidders or Proposers.

A. Beginning at the time a procurement is issued and ending at the time when the contract award recommendation is made public, all MTA employees involved in the procurement shall not disclose any information to anyone other than MTA officials entitled to receive such information unless the disclosure is considered public information and is made equally available to all participants in the procurement process. All contacts with bidders or proposers to that procurement including their lobbyists, agents and representatives, shall be reported as set forth in paragraph C.

B. MTA employees involved in the procurement, as referred to in paragraph A, include, but are not limited to, the contract administrator, the project manager, the in-house evaluator(s) of a proposal, the staff responsible for determining and writing the specifications of a procurement, the staff responsible for drafting and creating the solicitation documents, the staff involved in determining and drafting the contract award recommendation, the clerical staff who prepared (including word-processing) any documents relating to the procurement, and all staff in the chain of approval, up to the Chief Executive Officer.

C. The report required by paragraph A. shall include all contacts with bidders or proposers, and their lobbyists, agents and representatives. The contacts shall include, but not be limited to, meals, meetings, conferences, sporting events, and cultural events. This report shall not include contacts made as part of the procurement process, including, but not limited to, pre-bid or pre-proposal meetings, exchange of information which is given to all proposers, interviews and protest applications. MTA employees engaging in such contacts shall file a Disclosure of Contacts Form with the administrative head of procurement for the MTA within five (5) days of the contact(s), but in no event later than the date the item is to be considered by Board of Directors or the appropriate Board committee, whichever is sooner.

5-15-090 Contractor's Personnel. Each contractor retained by the MTA is fully responsible for the quality and performance of its staff and retains full responsibility for the selection of its personnel. MTA officials shall not direct or recommend personnel that the contractor should hire, even if the contractor requests a recommendation. However, the MTA retains the right in its absolute discretion to require the removal of any personnel of a contractor or subcontractor assigned at any level to perform services on an MTA contract if the MTA determines, in its sole discretion, that the personnel to be removed are not able to adequately or appropriately perform the services required for the particular contract. Any direction

by the MTA to a contractor that specified personnel be removed from work on an MTA contract shall be made in writing.

5-15-100 Professional Associations. Memberships in professional associations and organizations by MTA employees are encouraged as such memberships can contribute to their professional development and enhance expertise. These relationships, however, can give other association members more access to MTA employees than non-members and create the appearance of bias or favoritism in their dealings with the MTA. MTA employees must always ensure that their dealings with other members of such organizations are consistent with the provisions of this title and do not result in preferential treatment or even the appearance of preferential treatment.

5-15-110 Use of MTA Assets.

A. MTA employees shall not use any MTA assets for personal gain or for any purpose other than MTA business. MTA assets include, but are not limited to, time, facilities, equipment, stationery, records, mailing lists, supplies, badges, vehicles, prestige or influence.

B. MTA telephones, computers, e-mail and internet access are provided for the purpose of conducting MTA business. Subject to the restrictions in this section and if permitted by the employee's supervisor, some occasional and limited personal use is allowed so long as it does not interfere with the performance of the employees' MTA duties and does not result in any additional expense to the MTA. However, MTA telephones, computers, e-mail or internet access shall not be used for e-mail chain letters, for religious or political advocacy, for excessive personal communications, for personal financial gain, to seek outside employment, for any purpose that could reasonably be viewed as abusive, harassing, hostile or intimidating to MTA customers or employees, to access entertainment or sexually explicit sites, or for any use otherwise prohibited by law. Employees shall reimburse the MTA for all personal toll calls. The MTA reserves the right to monitor and review all records of usage by MTA employees of any MTA assets. No use of MTA telephones, computers, e-mail or internet access, or use of any other MTA asset, shall be private to the employee, and no MTA employee shall be given any basis for an expectation of privacy in any such use.

5-15-120 Confidential Information. MTA employees shall maintain the confidentiality of any confidential information relating to contracts, construction, procurement, litigation strategy, personnel files, MTA employee medical information, or other proprietary information to which they have access through their employment with the MTA. Such confidentiality shall be maintained during and after employment with the MTA. MTA employees shall not use confidential information for any purpose other than in the performance of their job for the benefit of the MTA. Confidential information shall only be disclosed to authorized persons.

5-15-130 Gifts.

A. This section exists to assure the public that public employees are not influenced to show favoritism to a contractor based on receiving gifts or for

being rewarded for doing his or her job in a way that will or did benefit the giver of the gift.

B. No MTA employees shall accept gifts exceeding fifty dollars (\$50) in value in a calendar year or exceeding ten dollars (\$10) in value in a calendar month from a single source that is an MTA contractor, subcontractor, lobbyist, lobbying firm, lobbyist employer or anyone else doing business with the MTA. No MTA employee shall accept any gift from a bidder or proposer on an MTA contract.

C. Designated MTA employees may accept gifts totaling less than \$340, or such amount allowed pursuant to Government Code Sections 89502 and 89503 as adjusted biennially, in a calendar year from a single source other than one identified in paragraph B., above. Designated employees must report such gifts totaling fifty dollars (\$50) or more from a single source, or a single gift of fifty dollars (\$50) or more from multiple sources, in a calendar year on their annual Statements of Economic Interests according to state law.

D. Any MTA employee who receives a gift in excess of the limitations in this section, must either return the gift or donate it to a charity within thirty (30) days after receipt. MTA employees may also bring any gifts to the Ethics Officer for distribution to a charity. MTA employees should keep a log of all gifts received and the value, source, and disposition of the gifts.

5-15-140 Honoraria. No designated MTA employee may accept an honoraria. An honoraria is a payment received for making a speech, publishing an article, or attending any public or private conference, convention, meeting, social event, meal or similar gathering. Honoraria payments are prohibited because they can be, or can appear to be, a disguised way of providing personal benefits to public employees as an inducement to influence their conduct. Questions about whether a particular payment is prohibited honoraria should be directed to the Ethics Officer.

5-15-150 Travel Payments. Payment or reimbursement for travel and lodging may be considered a gift for purposes of the gift limits unless it is paid by MTA for business travel. Travel payments donated by other persons, even if permitted, may have to be reported by a designated MTA employee on his or her annual Statement of Economic Interests and may require the MTA employee to be disqualified from MTA issues concerning the donor of the travel. Questions about donated travel expenses should be directed to the Ethics Officer.

5-15-160 Conflicts of Interest.

A. A conflict of interest, or at least an appearance of impropriety, exists when the interests, investments, outside employment or personal enterprises of the employee or a member of his or her immediate family could compromise the employee's duty of loyalty, or otherwise conflict with, or appear to conflict with his or her job performance, objectivity, impartiality, or ability to make fair business decisions in the best interest of the MTA. A conflict of interest may arise in any situation in which an MTA employee is in a position where he or she could use his or her contacts or position in the agency to advance the private business or financial interests of the employee or his or her

immediate family, whether or not at the expense of the MTA. An MTA employee may also have a conflict of interest if called upon to make a decision concerning a former employer of that employee or of a member of his or her immediate family.

B. An MTA employee has a conflict of interest and shall not participate in the making of any decision or contract in which the MTA employee has a financial interest. Any MTA employee with such a conflict of interest must disqualify himself or herself from making, participating in the making, or in any way attempting to use his or her official position to influence the MTA decision in which he or she knows, or has reason to know, that he or she has a financial interest. An MTA employee should also disqualify himself or herself from participating in an MTA decision where the MTA employee does not have a disqualifying financial interest, but where the making of the decision will have some other significant effect on the employee, a member of his or her immediate family or another person with whom the MTA employee has a close personal relationship.

C. Any MTA employee who may have a conflict of interest as described in paragraph B. relative to a prospective contractor, subcontractor, bidder or contract, or any other MTA decision or issue, at the earliest possible time, must advise his or her supervisor of the possible conflict of interest.

D. An MTA employee may not buy anything from or sell anything to the MTA in connection with a contract the MTA employee worked on in his or her official capacity.

E. Pursuant to Public Utilities Code Section 130051.20, no MTA employee shall make, participate in or use his or her official position to influence a contract decision if the employee has received a political contribution exceeding ten dollars (\$10) in the previous four years from an entity seeking to contract with the MTA or from an agent of that entity.

F. Upon request, the Ethics Officer or the General Counsel shall advise an MTA employee and his or her supervisor regarding whether it is appropriate for the MTA employee to participate in a decision involving a possible conflict of interest.

5-15-170 Statement of Economic Interest. Each designated MTA employee shall file with the Ethics Officer an original complete and accurate statement of economic interest disclosure form ("Form 700") disclosing the personal financial information required by law, promptly after assuming office, annually on or before April 1 (or the first business day following April 1 if it falls on a weekend day) of each year of employment, a leaving office statement within thirty (30) days after leaving the MTA, and as otherwise provided pursuant to the MTA conflict of interest code and applicable state law. The Ethics Officer shall maintain a supply of blank Form 700s and make them available to MTA employees. Completed forms will be public documents retained by the Ethics Officer and disclosed as required by the California Public Records Act. Failure to timely file a Form 700 may result in fines by the MTA filing officer required pursuant to state law, prosecution by the Fair Political Practices Commission, and other sanctions set by law or set forth in this chapter.

5-15-180 Incompatible Activities. No MTA employee shall engage in any outside activity that is inconsistent, incompatible, or that interferes with his or her ability to efficiently and effectively carry out his or her MTA duties. Incompatible activities include, but are not limited to, any of the following:

- A. Accepting money or other benefit from an outside employer for work that the employee would be required or expected to do as part of his or her MTA employment;
- B. Performing work for an outside employer which may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement by another MTA employee;
- C. Accepting money or other benefit from someone doing business or seeking to do business with the MTA, that could reasonably be interpreted as having been intended to influence the MTA employee in his or her job at the MTA or intended as a reward for past performance in his or her job;
- D. Any situation that might involve a conflict of loyalties for the MTA employee between the MTA and any other person or entity;
- E. Using MTA assets including time, facilities, equipment, vehicles, employee lists, stationery, records, mailing lists, supplies, badge, uniform, prestige or influence for personal gain or non-MTA related activities;
- F. Time demands from outside activities that would interfere with the ability of the MTA employee to devote his or her full work time, attention, and efforts to his or her MTA duties;
- G. Lobbying the MTA on behalf of any other person or entity; and
- H. Outside employment for which employment with the MTA is a prerequisite.

5-15-190 Outside Employment. An MTA employee shall not engage in any other employment without the written permission of his or her MTA supervisor. Such permission must be obtained prior to the MTA employee commencing any outside employment. If the MTA employee is reassigned to a new supervisor that employee must promptly obtain permission from his or her new supervisor. No approval to engage in outside employment shall be granted for any outside employment or activity that would violate any provision of this chapter. Questions about whether an outside activity or employment will violate this chapter should be directed to the Ethics Officer.

5-15-200 Contracts with MTA Employees. The MTA shall not contract with an MTA employee, or with any business in which an MTA employee serves as an officer, principal, partner, major shareholder, or as a key employee or consultant relative to any contract with the MTA.

5-15-210 Restrictions Upon Leaving the MTA. In order to prevent the appearance of impropriety, an unfair competitive advantage to companies hiring former MTA employees, and the potential compromise of the loyalty of MTA employees who may be desirous of future employment with an MTA contractor, all MTA employees are subject to the post-employment restrictions set forth in this section.

- A. No person may register as a lobbyist or lobby the MTA for one (1) year after leaving MTA employment.
- B. The MTA shall not contract with a former MTA employee for one (1) year after he or she leaves MTA employment if that former employee held a position of substantial responsibility in the area of service to be performed by the contract or participated in any way in developing the contract or its specifications.
- C. The MTA shall not contract with a business where a person who left MTA employment within the preceding one (1) year serves as an officer, principal, partner or major shareholder, or has been identified as a key personnel, if the former MTA employee held a position of substantial responsibility in the area of service to be performed by the contract or participated in any way in developing the contract or its specifications.
- D. The MTA shall not contract with a business which has a subcontractor which employs a person who left employment with the MTA in the preceding one (1) year and where the former MTA employee serves as an officer, principal, partner, major shareholder, or has been identified as key personnel, if the former MTA employee held a position of substantial responsibility in the area of service to be performed by the contract or participated in any way in developing the contract or its specifications.
- E. Pursuant to Public Utilities Code Section 130051.20, any former MTA employee who participated as a decision maker in the preparation, evaluation, award, or implementation of a contract, shall not within three (3) years of leaving the MTA, accept employment with any company that was awarded a contract as a result of the MTA employee's participation, evaluation, award or implementation of that contract.
- F. Former MTA employees shall not at any time disclose to unauthorized persons or use for personal gain or other non-MTA related purposes any MTA confidential information.

5-15-220 Participation in Political or Charitable Activities. MTA employees may not engage in political or charitable activities during official duty hours or while on MTA premises. MTA employees may pursue such interests when off duty. MTA Employees shall not solicit political or charitable contributions from other MTA employees while on duty and at no time shall attempt to coerce such contributions. MTA employees shall not solicit political or charitable contributions from MTA contractors at any time. However, an MTA employee may communicate through the mail, or by other means, requests for political funds or charitable contributions from a significant segment of the public which may include MTA officers, employees or contractors, so long as it is clear that MTA officers, employees and contractors were not targeted for the solicitation. MTA employees shall not use employee lists, MTA mailing lists, vendor lists and lobbyist lists to solicit political or charitable contributions.

5-15-230 MTA Employees Holding Elective Office. An MTA employee who holds elective office shall not be involved in MTA projects within the geographic jurisdiction of his or her elective office. At the time of his or her election to any office subject to this section, the MTA employee shall disclose this information to

his or her supervisor and shall disqualify himself or herself from participating in any MTA project within the jurisdiction of the elective office.

5-15-240 The Hatch Act. An MTA employee considering running for a partisan elective office must become familiar with the Hatch Act (Title 5, Chapter 15, U.S.C. Sections 1501 *et seq.*) and comply with its requirements. The Hatch Act governs the partisan political activities of employees of state or local agencies whose principal employment is in connection with an activity that is financed in whole or in part by loans or grants made by a federal agency.

5-15-250 Receipt of Political Contributions. Pursuant to Public Utilities Code Section 130051.20, no MTA employee or member of his or her immediate family shall accept, solicit, or direct a political contribution of over ten dollars (\$10) from any company, consultant, or firm seeking a contract with the MTA or that has contracted with the MTA in the preceding four (4) years.

5-15-260 Procurement Restrictions. While informational and market research contacts between MTA employees and prospective contractors can be a valuable source of data to the MTA, such contacts can sometimes provide an unfair advantage in a future procurement to the persons contacted as part of the market research. All parties must exercise sound judgment and caution to ensure that there is no preferential treatment of any prospective contractor and to avoid even the appearance of such preferential treatment. Requests for complimentary services or products or for free travel for specified individuals to view products are not permitted. Prospective contractors should not be requested to provide such things as testing services, custom drawings, special investigations, major demonstrations, or the furnishing of significant samples unless such requests are required of all prospective contractors as a part of a procurement.

5-15-270 Contacts with Board Members or their Staff During Procurement. Beginning when a procurement is issued and ending when the contract award recommendation is made public, MTA employees shall not communicate with Board Members or their staff regarding the procurement. If a Board Member or a member of his or her staff attempts to communicate with an MTA employee to influence the recommended award, this communication shall be reported to the Inspector General.

5-15-280 Compliance and Enforcement. All MTA employees have a responsibility to conduct the MTA's business in compliance with this chapter. The Inspector General shall investigate violations of this chapter and report his or her findings to the Board and to the Chief Executive Officer who shall take such action as is appropriate under the circumstances. Any violation of a provision of this chapter which is based upon a state or federal law may also be enforced by any appropriate enforcement agency.

5-15-290 Duty to Report. Each MTA employee is obligated to report to his or her supervisor, the Inspector General or the Ethics Officer any facts made known to the employee which show that an MTA contractor or MTA employee has engaged in

business practices regarding an MTA matter which appear to be unethical, or which may violate this chapter or any applicable state or federal law.

5-15-300 Whistleblower Protection. The MTA is committed to fair treatment of all its employees and recognizes its responsibility under state and federal law to protect from punishment and harassment any person who reports a potential ethics issue, whether or not the allegation is found to have merit. The MTA shall not take any action or threaten any action against any MTA employee as a reprisal for making a report under section 5-15-290, unless the report was made or the information was disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

5-15-310 Sanctions For Violating This Chapter. A violation of this chapter by an MTA employee may result in the imposition of discipline, up to and including dismissal. The appropriate discipline will be determined by the employee's supervisor in consultation with the executive officer of the organizational unit in which the employee works and the Human Resources Department. The discipline imposed will depend upon the severity of the violation and may be progressive unless the violation is determined to be so serious as to warrant more severe action initially. The imposition of discipline by the MTA for a violation of this chapter, where such violation is also a violation of a state or federal law, shall not affect the ability of any appropriate prosecutorial agency to seek the imposition of any penalty allowed by law for such a violation.

5-15-320 No Employment Contract. This chapter sets forth rules of conduct for MTA employees. However, nothing in this administrative code shall be construed as establishing an employment contract between the MTA and any of its employees.

Title 30 Financial Employees Code of Conduct

Chapter 5-30

5-30-010 Purpose. This Financial Employees Code of Conduct is adopted in recognition of the unique and critical nature of the services provided to the MTA by those MTA employees who are entrusted with the expenditure, investment or management of MTA funds and financial assets. The requirements of this chapter are in addition to the other requirements imposed upon MTA employees by this title.

5-30-020 MTA Financial Employees. As used in this chapter, the term MTA financial employee shall mean any MTA employee who prepares, reports, approves, manages or compiles data related to budgets or financial matters for the MTA or who has any authority to manage, invest, expend or authorize the expenditure of MTA funds or financial assets.

5-30-030 Actions Affecting MTA Funds and Financial Assets. Each MTA financial employee shall use, manage, invest and expend MTA funds and other financial assets in a prudent, cost effective and fiscally responsible manner in compliance with MTA and other governmental accounting rules and policies.

5-30-040 Financial Information. Each MTA financial employee shall provide financial information that is accurate, complete, objective, relevant, timely, and understandable, and which fairly represents the MTA financial conditions and operating results without being misleading by expression, inference or silence concerning any material fact.

5-30-050 Compliance with Accepted Standards. Each MTA financial employee shall comply with generally accepted accounting principles and standard financial practices applicable to governmental agencies in all MTA financial matters. No MTA financial employee shall expose MTA funds or financial assets to any unnecessary or significant risk of loss.

5-30-060 Conflicts of Interest. Each MTA financial employee shall refrain from participating in any matter involving MTA funds or other financial assets where that employee has a conflict of interest. Each potential conflict of interest shall be promptly be reported by the employee to his or her supervisor.

5-30-070 Confidential Information. No MTA current or former financial employee shall make public or otherwise disclose any confidential financial information acquired in the course of his or her work with the MTA except as legally required or as specifically authorized by the MTA. No current or former MTA financial employee shall ever use any such confidential financial information for personal gain.

5-30-080 Internal Controls. The Chief Financial Officer shall establish and maintain internal controls designed to ensure compliance with this chapter.

5-30-090 Enforcement. Suspected violations of this chapter shall be reported to the Chief Financial Officer, the Ethics Officer, or the Inspector General, who shall investigate the alleged violation and report to the Chief Executive Officer or other appropriate MTA official a recommendation for any corrective action found necessary.

**PUBLIC UTILITIES CODE
§130051.20 & §130051.25**

130051.20. (a) (1) No construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the Los Angeles County Metropolitan Transportation Authority shall give to a member, alternate member, or employee of the authority, or to any member of their immediate families, a contribution of over ten dollars (\$10) in value or amount. A

"contribution" includes contributions to candidates or their committees in any federal, state, or local election. (2) Neither the owner, an employee, or any member of their immediate families, of any construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the authority shall make a contribution of over ten dollars (\$10) in value or amount to a member, alternate member, or employee of the authority, or to any member of their immediate families. (3) No member, alternate member, or employee of the authority, or member of their immediate families, shall accept, solicit, or direct a contribution of over ten dollars (\$10) in value or amount from any construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the authority. (4) No member, alternate member, or employee of the authority shall make or participate in, or use his or her official position to influence, a contract decision if the member, alternate member, or employee has knowingly accepted a contribution of over ten dollars (\$10) in value in the past four years from a participant, or its agent, involved in the contract decision. (5) No member, alternate member, or employee of the authority, or member of their immediate families shall accept, solicit, or direct a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. (b) A member, alternate member, or employee of the authority who has participated as a decisionmaker in the preparation, evaluation, award, or implementation of a contract and who leaves the authority shall not, within three years of leaving the authority, accept employment with any company, vendor, or business entity that was awarded a contract as a result of his or her participation, evaluation, award, or implementation of that contract.

130051.25. (a) For the purpose of this section, "recordable injury" means any injury requiring treatment beyond simple first aid. (b) A construction firm that contracts with the Los Angeles County Metropolitan Transportation Authority shall report total recordable injuries to the authority on a monthly basis. (c) The authority shall annually determine if the number of recordable injuries reported to the authority during the preceding calendar year exceeded the national average of similar injuries as reported by the Bureau of Labor Statistics for the most recent published year. If the authority determines that the number of recordable injuries reported to the authority during the preceding calendar year exceeded the national average, the authority shall not base any safety bonus program for contractors on injuries that result in lost time, and shall base such a program on the overall rate of recordable injuries.

POLICY NO.	POLICY NAME
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AUDITS

AUD 2	Contractor Pre-Qualification Program
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COMMUNICATIONS

COM 1	Contact with Media
COM 2	Approval of External Communications Materials
COM 6	Metro System Advertising

CONFIGURATION MANAGEMENT**CONSTRUCTION MANAGEMENT****CONTRACTS/MATERIEL/PROCUREMENT****DESIGN**

DSGN 11	Access for the Elderly & Individuals with Disabilities
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EQUAL OPPORTUNITY

EO 1-1	Policy Statement
EO 1-2	Affirmative Action
EO 1-3	Harassment
EO 1-4	Internal Complaint Process

FINANCE

FIN 1	Fiscal Policies
FIN 14	Travel and Business Expense Reimbursement Policy
FIN 15	Debt Policy
FIN 25	Financial Standards Policy

GENERAL MANAGEMENT/ADMINISTRATION

GEN 3	Signature Authority
GEN 4	Employee Protection for Reporting Fraud, Waste and Abuse
GEN 5	Policies and Procedures
GEN 8	Records Management Policy
GEN 10	Emergency Preparedness
GEN 12	Public Document Disclosure Request
GEN 13	Office Services
GEN 15	Use of MTA Property for Special Events
GEN 16	Non-Revenue Passenger Vehicles
GEN 17	Parking
GEN 18	Use of MTA Property for Commercial Activities

GEN 19	MTA Reports Resolution, Follow-Up & Tracking Policy
GEN 36	Keys
GEN 38	Reward Program

HUMAN RESOURCES

HR 3-1	Recruitment and Selection
HR 3-2	Medical Examinations
HR 3-4	Employment Status
HR 3-5	Nepotism
HR 3-6	Probationary Period
HR 3-7	Transfers
HR 3-8	Compensation
HR 3-9	Medical/Dental Benefits
HR 3-10	Discipline
HR 3-11	Grievance
HR 3-12	Reasonable Accommodation
HR 3-13	Termination of Employment
HR 3-14	Reduction in Force
HR 3-15	Individual Performance Plan
HR 3-16	Exit Interview
HR 3-17	Children in the Workplace
HR 3-18	Fitness for Duty
HR 4-1	Smoking
HR 4-2	Alcohol and Drug-Free Work Environment
HR 4-3	Corporate and Professional Memberships
HR 4-4	Appropriate Workplace Attire
HR 4-5	Identification Badges
HR 5-1	Personnel Records
HR 5-2	Alternate Work Schedule
HR 5-3	Attendance
HR 6-1	Family Care and Medical Leave
HR 6-2	Bereavement
HR 6-3	Jury Duty
HR 6-4	Legal Proceedings
HR 6-5	Military Leave
HR 6-6	Personal Leaves
HR 6-7	Medical/Disability Leave
HR 6-8	Pregnancy Disability Leave
HR 7-1	Holidays
HR 7-2	Time Off With Pay (TOWP)
HR 7-3	Employee Assistance Program
HR 7-4	Saving Bonds
HR 7-5	Transportation Pass
HR 7-6	Employee Relocation Assistance
HR 7-7	Flexible Benefits Program
HR 7-8	Transportation Subsidy
HR 8-1	Tuition Assistance Program
HR 8-2	Development and Training
HR 8-3	Learning Resource Center
HR 8-4	Metro Internship Program
HR 9-1	Violence Prevention

ITS

IT 1	Information Security
IT 2	Electronic Communications Policy
IT 3	Information Technology Pagers
IT 4	Cellular Telephones

PAYROLL

PLANNING AND DEVELOPMENT

PROGRAM DEVELOPMENT

PUBLIC AFFAIRS

PUB 1	Intergovernmental Relations
PUB 2	Community Relations
PUB 3	Public Presentations
PUB 6	Metro System and Construction Tours
PUB 10	Public Hearings/Community Meetings
PUB 11	Helicopter Flight Services
PUB 16	Promotional Products Policy

REAL ESTATE

REVENUE ADMINISTRATION

RA 1-1	Accounts Receivable Write-Off
RA 1-2	Returned Checks

SAFETY

Safety 1	Safety Rules and Procedures
Safety 8	Safe Usage of Electronic Devices

THIRD PARTY COORDINATION

THD 2	Cooperative Agreements/Utility Services Agreement
THD 3	Work Orders
THD 4	Request for Public Agency Permits
THD 5	Review of Public/Private Request for Permits
THD 6	Rail and California Public Utilities Commission (CPUC) Coordination