



ETHICS POLICY

INTRODUCTION

The integrity of the Regional Transportation Authority ("RTA") and those that represent the RTA must be beyond reproach in every business transaction. Employees have an obligation to perform with economic skill and strict personal ethics. They must have knowledge of and comply with the laws and regulations under which they operate, and it is the duty of every RTA employee to report suspected improprieties. Further, it is the practice of the RTA not to allow retaliation for reports of wrongdoing, fraud, corruption and/or waste made in good faith; though it is unacceptable to file a report knowing it is false.

Further, the Illinois State Officials and Employees Ethics Act, 5 ILCS 430 (the "Ethics Act") applies to all members ("Directors") of the RTA Board of Directors (the "Board") and employees of the RTA, who are required to comply with the provisions thereof, including the duty to report any improprieties under the Ethics Act to the Office of the Executive Inspector General ("OEIG") and to cooperate with any investigation conducted by the OEIG.

This Policy is designed to comply with the Ethics Act, and this Policy shall be interpreted pursuant to the standards in the Ethics Act. In an instance where either the Ethics Act or this Ethics Policy contains a stricter provision, the stricter provision shall apply, and in any instance in which a direct conflict arises between the Ethics Act or this Ethics Policy, the Ethics Act shall apply.

This Policy shall be posted on the RTA's website and may be supplemented by additional policies addressing specific issues, compliance with which will be required of Directors and employees to the same extent as the provisions of this Ethics Policy.

RESPONSIBILITIES OF RTA DIRECTORS AND EMPLOYEES

Appearance of Impropriety

Directors and employees have a special relationship of trust with the public, and therefore must conduct themselves to avoid the appearance that they are violating the provisions of this Ethics Policy. Whether circumstances create an appearance that these provisions have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

Fiduciary Duty

Directors and employees always owe a fiduciary duty to the RTA in the performance of their duties.

Conflict of Interest

No Director or employee shall make or participate in the making of any RTA decision with respect to any matter in which he or she has any economic interest distinguishable from that of the general public.

No Director or employee shall participate directly or indirectly in the selection, award or administration of a RTA contract or purchase order if a real or apparent conflict of interest exists. Such a conflict would arise when any of the following persons has a financial or economic interest in the entity selected for award: (a) a Director, employee, or their agent, partner, associate or affiliate; (b) a relative of the Director or employee; or (c) an organization that employs, or intends to employ, any of the above.

Any Director who has any economic interest distinguishable from that of the general public in any matter pending before the Board, any Board committee, or any of the Service Boards shall publicly disclose the nature and extent of such interest or business relationship on the records of proceedings of the Board and shall also notify the RTA Ethics Officer of such interest within 72 hours of delivery by the Secretary of the Board of Directors to the Director of the introduction of any ordinance, resolution, order or other matter before the Board, or as soon thereafter as the Director is or should be aware of such potential conflict of interest. The Director shall abstain from voting on the matter but shall be counted present for purposes of a quorum. The obligation to report a potential conflict of interest under this paragraph arises as soon as the Director is or should be aware of such potential conflict.

Any employee who has a financial interest in any matter pending before the RTA shall report the nature of such interest to the RTA Ethics Officer and, if the matter is pending in his or her own division or department, to the head of that division or department or, in the case of a division or department head, to the Executive Director or Chairman. The obligation to report under this paragraph arises as soon as the employee is or reasonably should be aware of the pendency of the matter. This paragraph does not apply to applications for health, disability or worker's compensation benefits.

Any firm, partnership, association or corporation from which a Director, his or her spouse, and any immediate family members living with that person are entitled to receive in the

aggregate more than fifteen percent (15%) of the total distributable income is prohibited from having or acquiring any contract or direct pecuniary interest in any contract which will be performed in whole or in part by the payment of funds or the transfer of property of the RTA.

Other Employment

Employees are not permitted to engage directly or indirectly in any other business or employment without prior written permission of the RTA. Pro bono or other volunteer service is permissible without the written authority of the RTA so long as such service is not performed during RTA compensated time.

Ethics Training

Each Director and employee of the RTA must, at least annually, complete an ethics training program approved by the RTA Ethics Officer and, by the deadline set by the RTA Ethics Officer, certify to the RTA Ethics Officer that such training has been completed.

Reporting of Information

Each Director and employee of the RTA shall report promptly to the RTA Ethics Officer any information concerning waste, corruption, fraud, conflicts of interest or abuse by another officer, employee or vendor relating to his or her employment. The knowing failure of any Director or employee to so report shall be cause for discipline, up to and including discharge. The knowing provision of false information to the RTA Ethics Officer by any Director or employee shall be cause for discipline, up to and including discharge. Any Director or employee who in good faith acts pursuant to this paragraph by reporting to the RTA Ethics Officer improper governmental action shall not be subject to dismissal, discipline or other adverse personnel action. Any Director or employee who engages in retaliation for reporting of such information will be subject to dismissal, discipline, or other adverse personnel action.

Duty to Cooperate

Each Director and employee shall cooperate with, and provide assistance to, the RTA Ethics Officer and her or his staff in the performance of any investigation. In particular, the RTA Ethics Officer shall have access, subject to applicable rules related to privilege or privacy, as necessary to the RTA premises, equipment, personnel, books, records, and papers. In the course of an investigation conducted by the RTA Ethics Officer, the RTA Ethics Officer may compel any officer or employee of the Agency to truthfully answer questions concerning any matter related to the performance of his or her official duties. If so compelled, no statement or other evidence derived therefrom may be used against such employee in any

subsequent criminal prosecution other than for perjury or contempt arising from such testimony. The refusal of any Director or employee to answer questions if compelled to do so shall be cause for discipline, up to and including discharge.

If a Director or employee has any questions or concerns about his or her compliance with this section, such officer or employee is encouraged to contact the RTA Ethics Officer for assistance in ensuring compliance therewith.

Statement of Economic Interests

The Ethics Act sets standards with respect to local government employees who will be required to file a Statement of Economic Interests.

Each year, on or before February 1, the RTA Ethics Officer will prepare a list of employees and Directors who are required to file a Statement of Economic Interests, which list will be sent to the Cook County Clerk's office. The Cook County Clerk's office will send the listed employees and Directors Statement of Economic Interests forms on or before April 1, which Statements must be filed on or before May 1. Upon filing, the Director or employee must submit a copy of their statement to the RTA Ethics Officer. Employees and Directors will incur late filing fees and penalties for failure to submit the form by the deadline.

Gift Ban

Unless otherwise permitted under the Ethics Act, Directors and employees of the RTA, their spouses and immediate family members living with them are banned from intentionally soliciting or accepting any gifts from any "prohibited source" or in violation of any federal or State statute, rule, or regulation. No prohibited source shall intentionally offer or make a gift that violates this Section.

Prohibited Political Activities

RTA Directors and employees shall not intentionally perform any prohibited political activity during any compensated time (other than vacation, personal, or compensatory time off). RTA Directors and employees shall not intentionally misappropriate any RTA property or resources by engaging in any prohibited political activity for the benefit of any campaign for elective office or any political organization.

Nepotism

The employment of relatives of current RTA Directors or employees is not allowed. Relative is defined to include: an employee's wife, husband, counterparty to civil union, son, daughter, mother, father, brother, brother-in-law, sister, sister-in-law, son-in-law, daughter-in-law,

mother-in-law, father-in-law, grandparents, grandchildren, aunt, uncle, niece, nephew, stepparent, stepchild, stepsister, or stepbrother,

If RTA employees become related after they are hired by the RTA, and one of the employees holds a position in which he or she may influence discussions relating to such matters as the promotion, salary, supervision, or performance appraisal of the relative, the related employees will be asked to decide between themselves which of them will seek to transfer to an available vacancy or leave the employ of the RTA. If the related employees are unable to decide within a reasonable period of time, then the RTA will transfer the less senior employee to an available position for which he or she is qualified or, if there is no such position available, terminate that employee.

Sanctions

The RTA shall make a copy of this Policy available to all Directors and employees and shall institute procedures for its enforcement consistent with all applicable RTA rules and regulations. Violation of this Policy may subject the offending Director or employee to disciplinary action, including termination of employment, subject to review by the Executive Director. Any questions regarding this Policy should be directed to the RTA Ethics Officer. Note that Directors and employees of the RTA may be subject to fines or other punishment under the Ethics Act for violations of these provisions.

DIRECTOR DISCLOSURE

All Directors must, within 30 days of the adoption of this Ethics Policy, and at least annually, complete and submit to the RTA Ethics Officer the form attached hereto as *Exhibit A*. Each new Director must complete and submit the form within 30 days of being appointed. The RTA Ethics Officer shall review the filed forms and apprise each Director of any real or apparent conflict of interest the Director may have in voting on any item to be considered.

ETHICS OFFICER

Creation and Duties

The RTA hereby creates the function of Ethics Officer, individual shall be responsible for:

1. Acting as liaison between the RTA and (a) the OEIG and (b) the Executive Ethics Commission.
2. Reviewing Statements of Economic Interest and disclosure forms of Directors, senior employees, and other covered employees upon filing with the Secretary of State.
3. Providing guidance to RTA Directors and employees in the interpretation and

implementation of the Ethics Act, which the Director or employee may in good faith rely upon. Such guidance shall be based, wherever possible, upon legal precedent in court decisions, opinions of the Attorney General, and the findings and opinions of the Executive Ethics Commission.

4. Providing ethics training to RTA Directors and employees pursuant to the Ethics Act, and submit to the Executive Ethics Commission, at least annually, or more frequently as required by that Commission, an annual report that summarizes the ethics training that was completed during the previous year and lays out the plan for the ethics training programs in the coming year.

5. Maintaining a list of which RTA positions, by the nature of their duties, may have the authority to participate personally and substantially in the award of contracts or in regulatory or licensing decisions, which list shall include, at a minimum: (i) each Director, (ii) the Executive Director, and (iii) the Division Manager, Procurement, Contracting and Facilities.

6. Maintaining a list of all employees who, in the past year, have participated personally and substantially in the award of contracts or in regulatory or licensing decisions, which list shall denote each specific contract or regulatory or licensing decision in which each employee participated.

7. Maintaining the RTA Whistleblower Hotline in accordance with the Whistleblower Policy contained herein.

8. Providing a log of whistleblower complaints to the OEIG as requested, and at least annually to the Board.

9. Forwarding any complaints regarding the Service Boards (CTA, Metra, and Pace) to the OEIG as needed.

10. Immediately reporting any breach of the Ethics Act to the OEIG.

11. Alerting the RTA Board and staff to any amendments to the Ethics Act.



EXHIBIT A
DIRECTOR DISCLOSURE FORM

NAME OF DIRECTOR: _____

Please answer all questions. Attach additional pages as necessary.

The purpose of this form is to enable the RTA to identify any potential conflicts-of interest. These forms will be maintained by the Ethics Officer and the information will only be distributed on a need to know basis.

Note: For purposes of completing this form, "you" means yourself, your spouse or civil partner, or any immediate family member living with you.

Assets/Income

1. List below each company in which you currently have a 7.5% or greater ownership interest.

2. List below each board of directors, or equivalent governing body, on which you sit, whether public or private, excluding the RTA.

3. List below any entity in which you have any direct financial interest that conducts business with the RTA or any Service Board.

4. List below any entity from which you derive income, or have derived income from in the past year, including your primary employer.

5. List below each contract with the State of Illinois, or any Illinois County, or Municipality from which you are entitled to receive more than 7.5% of the total distributable income, excluding employment contracts.

Contract Amount

Contracting Entity

State Entity

6. List below any individual or entity which owes you \$10,000 or more, other than your primary employer

Liabilities

7. List below any entity or governmental body to which you owe \$10,000 or more, including your mortgage on your personal residence.

8. List below any judgments which have been filed whereby you owe \$10,000 or more.

Other

9. Are you a registered lobbyist at the Federal, State or Local level? _____

If Yes, at which level(s)? _____

If Yes, who do you represent? _____

(SIGNATURE)

(PRINTED NAME)

(DATE)