

September 24, 2013



**Regional
Transportation
Authority**

Via Electronic Mail and U.S. Mail

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Ms. Ann L. Schneider
Secretary, Illinois Department of Transportation
Co-Chair, Northeastern Illinois Public Transit Task Force
2300 South Dirksen Parkway
Springfield, Illinois 62764
ann.schneider@illinois.gov

Mr. George Ranney, Jr.
President & CEO, Metropolis Strategies
Co-Chair, Northeastern Illinois Public Transit Task Force
30 West Monroe Street
Chicago, Illinois 60603
granney@cm2020.org

RE: Response to September 19, 2013 Request for Information

BOARD OF DIRECTORS

John S. Gates, Jr.
Chairman

Anthony K. Anderson
James Buchanan
William R. Coulson
Donald P. DeWitte
Patrick J. Durante
John V. Frega
Phil Fuentes
Al Jourdan
Dwight A. Magalis
Sarah Pang
Christopher C. Melvin, Jr.
J.D. Ross
Donald L. Totten
Douglas M. Troiani

Dear Secretary Schneider and Mr. Ranney:

Joseph G. Costello
Executive Director

Below, please find responses to the questions posed on behalf of the Northeastern Illinois Public Transit Task Force in your letter of September 19, 2013. Relevant documents are referenced following each response. Labeled documents are provided with an index for ease of reference. We have attempted to answer your questions to the best of our abilities, but found that certain of the questions were broad and/or subject to multiple interpretations. We hope that you will let us know where additional response or detail is necessary.

We look forward to meeting with you on September 25, 2013.

Sincerely,

A handwritten signature in blue ink that reads "Joe Costello".

Joseph G. Costello
Executive Director

CC: Northeastern Illinois Public Transit Task Force Members



1. The RTA Board member qualifications and requirements are governed by the section 3.01 of the RTA Act. **RTA Act, Document 1.**
2. The RTA conducts a background check on all prospective employees prior to making an offer of employment pursuant to the RTA HR Recruitment and Selection Procedures. This background check includes a criminal record verification. **RTA HR Recruitment and Selection Procedures, Document 8.**
3. The RTA Board is governed by internal ethics rules, policies and procedures as well as state law designed to avoid conflicts of interest: (i) pursuant to the attached RTA Ethics Policy, each Director is required to complete a Director's Disclosure Form within 30 days of being appointed to office and annually; (ii) the RTA Ethics Policy also requires annual ethics training; (iii) pursuant to the State Officials and Employees Ethics Act (the Ethics Act) each Board member is required to file a Statement of Economic Interests annually; (iv) the Ethics Act requires that each transit board appointee complete an appropriate ethics training program within 45 days of being appointed; (v) the Ethics Act also requires ongoing, annual training; (vi) the Office of the Executive Inspector General (OEIG) provides training materials, which are provided to each appointee; (vii) section 6.3(c) of the RTA Board Bylaws, prohibits a Board member from voting or advocating on any issue in which s/he, either directly or indirectly, has a conflict of interest.
 - **RTA Ethics Policy, Document 7**
 - **Director's Disclosure Form, Document 17**
 - **State Officials and Employees Ethics Act, Document 2**
 - **Sample Statement of Economic Interests, Document 12**
 - **Ethics Training for Directors provided by the OEIG, Document 18**
 - **RTA Board of Directors By-Laws, Document 16.**
4. The removal process for RTA Board members is governed by section 3.03 of the RTA Act. **RTA Act, Document 1.**
5. The term of office for each RTA Board member is governed by section 3.03 of the RTA Act. **RTA Act, Document 1.**
6. To our knowledge, during the last 15 years, no RTA Board member has been removed from office.
7. Pursuant to section 3.04 of the RTA Act, each RTA Board member is entitled to annual compensation in the amount of \$25,000. Board compensation has not changed during the past five years. Pension benefits available to RTA Directors are provided pursuant to the RTA Pension Plan. Pursuant to Public Act 098-0108, changes to pension benefits for newly appointed members of the Board became effective on July 23, 2013.

- **RTA Act, Document 1**
- **RTA Pension Plan, Plan Administration Manual, Document 119**
- **Public Act 098-0108, Document 120.**

8. Please see the above response to question 7 and attached documents.

9. Section 2.14 of the RTA Act expressly prohibits discrimination based upon political reasons or factors. It provides: “No unlawful discrimination, as defined and prohibited in the Illinois Human Rights Act, shall be made in any term or aspect of employment nor shall there be discrimination based upon political reasons or factors.” In compliance with this provision of the RTA Act and in keeping with the general principles set forth by the United States Supreme Court in Rutan v. Republican Party of Illinois (497 U.S. 62 (1990) – to wit, that hiring, promotion, transfer and other employment-related decisions not be based upon political affiliation or support – the RTA follows the attached written procedures and policies when hiring all employees other than the Executive Director. The prohibitions with regard to political factors in section 2.14 apply to the appointment of all employees, including the Executive Director. The RTA Act sets forth the requirements and Board process that must be adhered to in appointing an Executive Director. The Executive Director is appointed by the Chairman with the concurrence of 11 of the other Directors.

- **RTA Act, Document 1**
- **RTA HR Recruitment and Selection Procedures, Document 8.**

10. The RTA has a number of policies and procedures designed to prevent unlawful discrimination and harassment. With regard to harassment prohibited by the Illinois Human Rights Act, please also see the above response to question 9 and attached documents. These policies exist in addition to mandatory ethics and anti-harassment/discrimination training for all RTA employees. Policies contained within the Employee Handbook are distributed to all RTA employees.

- **RTA Employee Handbook (section 7.2), Document 6**
- **RTA Act, Document 1**
- **RTA HR Recruitment and Selection Procedures, Document 8**
- **Online 2012 Employee Ethics Training Program for RTA employees, Document 14**
- **Ethics Training for Directors provided by the OEIG, Document 18**
- **Seyfarth Shaw at Work® training materials, Documents 19a, 19b, 19c**
- **Workplace Answers™ Training Materials, Document 20**
- **RTA Whistleblower Policy, Document 13.**

11. Please see responses to questions 9 and 10 above, and attached documents.

12. The RTA Ethics Policy, contains a Gift Ban Policy. The Ethics Act contains several provisions with regard to gifts. RTA employees and Board members all undergo annual training with regard to this and other ethics matters. Last, many RTA employees and all Board members are required to complete Statements of Economic Interests which request information regarding gifts received during the covered time period.

- **RTA Ethics Policy, Document 7**
- **Ethics Training for Directors provided by the OEIG, Document 18**
- **RTA Whistleblower Policy, Document 13**
- **State Officials and Employees Ethics Act, Document 2 (sections 10-10, 10-15, 10-30)**
- **Online 2012 Employee Ethics Training Program for RTA employees, Document 14**
- **Sample Statement of Economic Interests, Document 12.**

13. Internally, all supervisory personnel, and ultimately the Executive Director, share responsibility for oversight of ethics and hiring issues. In accordance with the Ethics Act, the RTA has a designated ethics officer (who is also our Deputy Executive Director for Audit). Our designated Equal Employment Opportunity Officer (also our General Counsel) also has oversight with regard to certain hiring issues. Externally, pursuant to the Ethics Act, the OEIG has jurisdiction over the RTA and the Service Boards on issues related to ethics. **State Officials and Employees Ethics Act, Document 2.**

14. Pursuant to the RTA Whistleblower Policy, an individual may report an issue or concern regarding the agency (i) to a direct supervisor (ii) through the RTA's Whistleblower Hotline (iii) by filing a complaint online or via the RTA's intranet. Individuals may also report (iv) directly to the OEIG or (v) to the RTA Ethics Officer. With regard to EEO violations, RTA employees may also report to the (vi) EEO Officer, (vii) Human Resources Director or (viii) Chair of the Board's Compensation Committee (if allegations concern senior staff).

- **RTA Employee Handbook, Document 6**
- **RTA Whistleblower Policy, Document 13**
- **State Officials and Employees Ethics Act, Document 2.**

15. Results of certain external audits from recent years, including audited financial statements, are attached. Also attached are a number of FTA reviews of our Disadvantaged Business Enterprise Program (DBE) and triennial FTA reviews of the RTA. Last, peer reviews and other external analyses are attached. Pursuant to the Ethics Act, the nature and existence of ongoing investigations by the OEIG are confidential. There have been no published OEIG or Executive Ethics reports regarding the RTA.

- **FTA Triennial Reviews of RTA, 2011, 2008, Documents 116 and 117**
- **Review of the RTA ADA Paratransit Eligibility Certification Program Final Report – October 7, 2011, Document 402**

- **Senior and Disabled Reduced Fare Programs: A Peer Review of Policies, Document 221**
- **RTA Risk Assessment Final Report – 2011, Document 300**
- **State Auditor General Performance Audit Executive Summary – 2007, volume 1, Document 301**
- **State Auditor General Performance Audit – 2007, volume 2, Document 302**
- **State Auditor General Follow-up Report on Status of Recommendations from 2007 Performance Audit (2009), Document 303**
- **Report Digest of Performance Audit – 2007, Document 304**
- **State Safety Oversight Program: Audit of the RTA - Sept. 22, 2010, Document 305.**

16. There are no significant outstanding issues resulting from the annual external financial statement audits and FTA reviews. We have closed a significant number of recommendations from the Office of the Auditor General (OAG) audits and track the remainder on an annual basis. Many of the 2008 modifications to the RTA Act incorporate, or were as a result of, the OAG recommendations. With regard to any FTA DBE reviews, our program has been found compliant every year that it has been evaluated. This year, the review remains pending while we address the request to update the statistical bases for our program via a Disparity/Availability Study.

17. The RTA has contracted with a law firm to conduct monthly training sessions for all employees. Some topics have been for managers/supervisors only, as appropriate. Further, all employees are required to undergo online training on a variety of workplace related topics. Last, our Ethics Officer and Deputy Executive Director for Audit conducted a series of training sessions for revolving door covered employees. All training materials are attached.

- **RTA Employee Handbook, Document 6**
- **Online 2012 Employee Ethics Training Program for RTA employees, Document 14**
- **Ethics Training for Directors provided by the OEIG, Document 18**
- **Seyfarth Shaw At Work® training materials, Documents 19a, 19b, 19c**
- **Workplace Answers™ Training Materials, Document 20**
- **RTA Whistleblower policy, Document 13.**

18. Please see answers above to questions 9, 10 and 11.

- **RTA HR Recruitment and Selection Procedures, Document 8**
- **RTA Employee Handbook, Document 6.**

19. RTA staff has been asked to direct all communications from elected officials to the RTA's Government Affairs Department.

20. We are not certain that we understand the question correctly. The term “at will” may have different meanings in different contexts. Prohibitions with regard to discrimination and other unlawful considerations are described above.
21. Please see the response to question 1 above and attached document. **RTA Act (section 3.01), Document 1.**
22. RTA Board members’ specific responsibilities are delineated in the RTA Act and Board By-Laws.
- **RTA Act, Document 1**
 - **RTA Board By-Laws, Document 16.**
23. As mentioned in response to questions 9, 10 and 11 above, section 2.14 of the RTA Act prohibits hiring decisions based upon political affiliation. As a result, no inquiry is made into current or prospective employees’ familial relationships, nor is any such relationship considered in the hiring process. Therefore, no such list, record, or report is maintained by the agency as a matter of course.
- **RTA HR Recruitment and Selection Procedures, Document 8**
 - **State Officials and Employees Ethics Act, Document 2**
 - **RTA Act (section 2.14), Document 1.**
24. The agency does not maintain a record of these sorts of communications. All inquiries, from any source, regarding pending positions or employment opportunities are directed to the RTA website, where all positions are posted and applications/resumes accepted.
25. Under separate cover, please find a number of RTA documents as well as an index of those documents. We will supplement these materials with any additional documents requested by the Task Force.