



**NEW YORK STATE THRUWAY AUTHORITY
NEW YORK STATE CANAL CORPORATION**



MINUTES

GOVERNANCE COMMITTEE MEETING NO. 4

April 25, 2008

Minutes of a meeting of the New York State Thruway Authority and Canal Corporation Governance Committee, held in the Board Room at Administrative Headquarters, 200 Southern Boulevard, Albany, New York 12209.

The meeting began at 10:30 a.m.

The following members of the Governance Committee were present, constituting a quorum:

Present:

Chairman John L. Buono, Governance Committee Member (ex officio)
Kevin Plunkett, Chair, Governance Committee
Erin Crotty, Governance Committee Member

In addition, the following staff were present:

Michael R. Fleischer, Executive Director
Daniel Gilbert, Chief of Staff
Kevin Allen, Acting Director, Audit and Management Services
Wendy Allen, Deputy Chief of Staff
John Bryan, Chief Financial Officer
Diane Galuski, Director, Bureau of Management Analysis and Projects
Katherine McCartney, Deputy Counsel
Sharon O'Connor, General Counsel
Jill B. Warner, Board Administrator
Betsy Graham, Acting Director, Office of Public Affairs
Elizabeth Yanus, Special Assistant

Also in Attendance:

Josh Boose, Reporter, WGRZ

Bob Marcuso, Cameraman, WGRZ

John Armstrong, Production Coordinator, New York Network

Cathy Woodruff, Reporter, *Albany Times Union*

PUBLIC SESSION

Mr. Plunkett, Committee Chair, called the meeting of the Governance Committee to order.

Ms. Warner recorded the minutes as contained herein.

Item 1

Approval of Minutes of Governance Committee Meeting No. 3

After full discussion, on the motion of Mr. Plunkett, seconded by Ms. Crotty, without any objections, the Governance Committee approved the minutes of Governance Committee Meeting No. 3, held March 19, 2008.

Item 2

Review and Approve a Proposed Resolution for Board Action Prohibiting the Extension of Credit in the Form of a Personal Loan

Mr. Fleischer requested that the Governance Committee review and approve for Board action a proposed Resolution prohibiting the extension of credit in the form of a personal loan to or for any officer, Board Member or employee. In response to a question from Mr. Plunkett, Mr. Fleischer affirmed for the Committee that staff could find no record of the Authority/Corporation ever having a policy that authorized such personal loans and advised that there is no record of the Authority/Corporation ever having made a personal loan to any Board Member, officer or employee.

Section 2824(5) of the Public Authorities Law (PAL) prohibits public authority boards from extending credit to their board members, officers or employees in the form of a personal loan. The New York State Division of the Budget's Authority Budget Office has advised that, as a best practice, each public authority should adopt a policy restating the requirements of PAL Section 2824(5). Accordingly, with approval of the Governance Committee, a Board Resolution will be presented to the Thruway Authority and Canal Corporation Boards tracking the statutory language of PAL Section 2824(5).

After full discussion, on the motion of Mr. Plunkett, seconded by Chairman Buono, without any objections, the Governance Committee approved a proposed Board Resolution Prohibiting the Extension of Credit in the Form of a Personal Loan and authorized its submission to the Authority/Corporation Board for consideration.

Item 3

Review and Discuss as Necessary the Following Items

- a. Ethics Violations**
- b. Ethics-Related Publications**

Ethics Violations

Mr. Fleischer reported that to date for calendar year 2008, there have been no cases of ethics violations referred to the New York State Commission on Public Integrity. One case remains open from 2007.

Ethics-Related Publications

Mr. Fleischer advised that three ethics-related publications had been issued since the Committee last met in March: "Tracking of Class 3, Canal Roving and Pool Vehicles"; "Ethics Law Restrictions on Communications Related to Post-Government Employment Opportunities"; and "Financial Disclosure."

Ms. Crotty asked if these directives have been incorporated into the Authority/Corporation's standard operating procedures, to which Mr. Fleischer provided an affirmative response.

Other Business

Mr. Plunkett noted that he had received an updated "Governance Committee Reference Manual" that replaces the initial manual distributed at the Committee's first meeting. He noted that the manual will be a valuable reference for the Governance Committee and is a comprehensive resource for the Authority/Corporation's governance-related policies and publications. The original manual should be destroyed or returned. Mr. Fleischer advised that periodic updates would be required and asked the Committee Members to share their preferred method of keeping their manuals current.

Mr. Plunkett thanked staff for their efforts.

Adjournment

There being no further business to come before the Governance Committee, on the motion of Chairman Buono, seconded by Ms. Crotty, without any objections, the meeting was adjourned at 10:35 a.m.