

BROOME COUNTY LOCAL DEVELOPMENT CORPORATION

GOVERNANCE COMMITTEE MEETING

April 7, 2016 - 3:15 PM
Broome County Office Building
60 Hawley St. 5th floor
Binghamton, NY 13901

REVISED AGENDA

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| 1. Call to Order. | John M. Bernardo |
| 2. Accept the April 8, 2015 Governance Committee Meeting Minutes | John M. Bernardo |
| 3. Public Comment. | John M. Bernardo |
| 4. Review/Discussion of the BCLDC Code of Ethics Policy | John M. Bernardo |
| 5. Review and Approval of the 2015 Mission and Measurement Report | John M. Bernardo |
| 6. Review Summary Results of Confidential Evaluation of Board Performance | John M. Bernardo |
| 7. Adjournment. | John M. Bernardo |

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BROOME COUNTY LOCAL DEVELOPMENT CORPORATION

GOVERNANCE COMMITTEE

Wednesday, April 8, 2015• 3:30 PM

Broome County Office Building

Planning Department, 5th Floor

60 Hawley Street

Binghamton, NY 13901

PRESENT: Jeffery K. Davis, Jeffrey K Smith, James V. Baumgartner, John J. Stevens

GUESTS: Emmanuel L. Priest

ABSENT: None

STAFF: Kevin McLaughlin, Tom Gray

PRESIDING: Jeffery K. Davis

AGENDA ITEM 1: Chairman Davis called the meeting to order at 3:30PM.

AGENDA ITEM 2: The second item on the agenda was the approval of the August 20, 2013 Governance Committee meeting minutes. Mr. Smith made a motion to approve the minutes, seconded by Mr. Baumgartner; the motion carried unanimously.

AGENDA ITEM 3: Public Comment: There was no public comment.

AGENDA ITEM 4: Review/Discussion of the BCLDC Mission Statement and Performance Measurements. Mr. Gray informed the committee that the Mission Statement and Performance Measurements Report accurately reflected the accomplishments of the BCLDC in 2014 and also was an accurate indication of what should be accomplished in 2015. Mr. Gray further stated that this was an annual report required by the ABO that must be posted on the BCLDC's website. After a brief discussion Mr. Smith made a motion to recommend the report be approved by the full board at its next board meeting; the motion was seconded by Mr. Baumgartner and carried unanimously.

AGENDA ITEM 5: Review/Discussion/Approval of BCLDC Policies and Procedures. Mr. Gray briefly informed the committee that the policies and procedures for the BCLDC, like the BCIDA, were a requirement of the Authority Budget Office. Mr. Gray indicated that he had utilized the policies and procedures that had already been thoroughly rewritten and reviewed as the

boilerplate for the BCLDC policies and procedures. After a brief discussion Mr. Baumgartner made a motion to recommend to the full board that the policies and procedures of the BCLDC be adopted; the motion was seconded by Mr. Smith and carried unanimously.

AGENDA ITEM 6: Review/Recommendation of the Summary Results of Confidential Evaluation of Board Performance. Mr. Gray stated that the summary results were simply a compilation of the Individual Confidential Evaluation forms filled out by the entire board that are required to be sent to the Authority Budget Office. After reviewing the form the committee agreed that it should be sent to the ABO. No further action was necessary.

AGENDA ITEM 5: Adjournment: Mr. Baumgartner then made a motion for adjournment; it was seconded by Mr. Smith and carried unanimously. The next meeting of the BCLDC Governance Committee is to be determined.

BROOME COUNTY LOCAL DEVELOPMENT CORPORATION CODE OF ETHICS

The members of the board (the "Board") of the Broome County Local Development Corporation (the "Agency"), a not-for-profit corporation of the State of New York (the "State"), along with the officers and staff of the Agency, shall comply with and adhere to the provisions of the outlined Code of Ethics ("Code").

ARTICLE I CONFLICTS OF INTEREST

A conflict of interest is a situation in which the financial, familial, or personal interests of a director, officer or employee come into "actual" or "perceived" conflict with their duties and responsibilities with the Agency. "Perceived" conflicts of interest are situations where there is the appearance that a director, officer or employee can personally benefit from actions or decisions made in their official capacity, or where a director, officer or employee may be influenced to act in a manner that does not represent the best interests of the Agency. The perception of a conflict may occur if circumstances would suggest to a reasonable person that a director, officer or employee may have a conflict. "Actual" conflicts of interest are situations where a director, officer or employee can personally benefit from actions or decisions made in their official capacity, or where a director, officer or employee is influenced to act in a manner that does not represent the best interests of the Agency. Except for Prohibited Conflicts of Interest as set forth in Article V herein, Perceived and Actual conflicts of interest should be treated in the same manner for purposes of disclosure under Article IV herein.

ARTICLE II STANDARDS OF CONDUCT

Each director, officer, and employee of the Agency shall: (1) not accept other employment which will impair his or her independence of judgment in the exercise of his or her official duties; (2) not accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her official position of authority; (3) not disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his or her personal interests; (4) not use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself, herself or others except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; (5) not engage in any transaction as a representative or agent of Agency with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with proper discharge of his or her official duties, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; (6) not, by his or her conduct, give reasonable basis for the impression that any person can improperly influence him or her or unduly enjoy his or her favor in the performance of his or her official duties, or that

he or she is affected by the kinship, rank, position or influence of any party or person; (7) abstain from making personal investments in enterprises which he or she has reason to believe may be directly involved in decisions to be made by him or her or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; and (8) endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust. Notwithstanding anything herein to the contrary, nothing shall prohibit any director, officer or employee of the Agency from acquiring property adjacent to or otherwise proximate to the lands in which the Agency has an ownership interest provided that such acquisition is not based upon the use of confidential information obtained by such director, officer or employee of the Agency in his capacity with the Agency as determined by such member after consultation with Chairman of the Agency and Counsel to the Agency.

ARTICLE III GIFTS

No director, officer or employee of the Agency shall directly or indirectly, solicit any gift, or accept or receive any gift having a value of seventy-five dollars or more under circumstances in which it could reasonably be inferred that the gift was intended to influence such individual, or could reasonably be expected to influence such individual, in the performance of the individual's official duties or was intended as a reward for any official action on the individual's part. Inferences that gifts having a value of less than seventy-five dollars can influence or reward directors, officers or employees of the Agency is deemed to be unreasonable.

ARTICLE IV PROCEDURES FOR DISCLOSURE

Except for Prohibited Conflicts of Interest as set forth in Article V below, all directors, officers or employees of the Agency shall adhere to the following procedures:

1. All Actual and Perceived conflicts of interest shall be disclosed in writing to the Ethics Officer as soon as practicable after learning of the Actual or Perceived conflict of interest. The written disclosure must (i) identify the matter before the Agency, (ii) identify the Standard of Conduct in question and (iii) contain sufficient facts and circumstances in order to accurately convey the extent of the director's, officer's or employee's interest in such matter. In addition, in the event a director on the board of the Agency has a conflict, he or she shall verbally disclose the conflict during a public session of a board meeting at which the matter creating the conflict appears on the agenda. Such verbal disclosure shall be recorded in the minutes of the meeting and be made part of the public record.

2. The director, officer or employee with the conflict of interest shall refrain from participating in discussions or decisions on the matter creating the conflict. In addition, in the

event a director on the board of the Agency has a conflict, he or she shall recuse him or herself from any deliberations and abstain from voting on such matter creating the conflict.

3. The director, officer or employee with the conflict of interest shall refrain from directly or indirectly attempting to influence the discussions, decisions, deliberations or vote on the matter giving rise to such conflict.

ARTICLE V PROHIBITED CONFLICTS OF INTEREST

Notwithstanding any other provision contained in this Policy, financial conflicts of interest shall be governed solely by this Article V.

Prohibition: No director, officer or employee shall have a direct or indirect financial interest in a contract with the Agency where such director, officer or employee has some form of control over the contract ("Prohibited Interest").

No Cure: Disclosure and recusal will not cure a Prohibited Interest. In order to avoid a violation of a "Prohibited Interest" the contract may not be acted upon or the director, officer or employee would have to resign.

Violations: Any director, officer or employee who is determined to have "willfully and knowingly" violated the Prohibited Interest provisions of Article V may be found guilty of a misdemeanor. In addition, the contract, if willfully entered into, may be determined "null, void and wholly unenforceable"

Exceptions: There are fifteen exceptions to the Prohibited Interest provision. One of the more commonly claimed exceptions comes into play when the director, officer or employees ("officials") interest in the contract is prohibited solely by reason of the official's employment with the entity that has the contract with the Agency. This exception applies provided: (a) the official's compensation from the private employer is not contingent upon the contract between the employer and the Agency and (b) the official's duties for the private employer do not directly involve the procurement, preparation or performance of any part of the contract. [Note: This exception does not cover an Agency official who is a director, partner, member, or shareholder of the private employer]. The second most commonly claimed exception is where the official has an interest in a contract that was entered into with the Agency prior to the time the official was elected or appointed as such director, officer or employee of the Agency. Provided, however, this exception does not authorize the renewal of any such contract.

Disclosure of Exception: Disclosure of Interest that falls within one of the Exceptions: The official is required to publicly disclose the nature and extent of his or her prospective, existing or subsequently acquired interest in any actual or proposed contract. The disclosure must be made in writing and must be placed, in its entirety, in the official record. The official must recuse him or herself from participating in any discussion or action on the contract.

Notification of Potential Conflict due to a Financial Interest: Every director, officer or employee shall immediately notify the Agency's Ethics Officer of any potential conflict of interest due to a direct or indirect financial interest in any matter coming before the Agency where such director, officer or employee has the power or duty to negotiate, prepare, authorize or approve the matter before the Agency. The Ethics Officer shall review the potential financial conflict of interest in consultation with Agency counsel.

ARTICLE VI PENALTIES

Any employee that fails to comply with this Policy may be subject to termination. In addition, any director, officer or employee that fails to comply with this Policy may be penalized in a manner provided for in law.

ARTICLE VII ETHICS OFFICER

The Agency's Board shall designate an officer, director or employee of the Agency to serve as the Ethics Officer of the Agency. In the event of a vacancy, the Agency Board Chair shall serve as the Ethics Officer until such time as the Agency Board appoints a successor.

The Ethics Officer shall report to the Governance Committee. The Ethics Officer shall have the powers and duties set forth below, and such other powers and duties as may be prescribed by the Board:

1. Advise in confidence each director, officer or employee of the Agency who seeks guidance regarding ethical behavior.
2. Receive and record disclosures of conflicts of interest in the record of the Agency.
3. Receive and investigate complaints about possible violations of this Code of Ethics. Dismiss complaints found to be without substance.
4. Prepare investigative reports of his or her findings to be submitted for action by the Board.
5. Seek consultation and guidance from Agency Counsel.

ARTICLE VII WHISTLEBLOWER POLICY

The Agency has adopted a Whistleblower Policy to afford certain protections to individuals who, in good faith, report violations of the Agency's Code of Ethics or other instances of potential wrongdoing within the Agency. This Policy provides Agency directors, officers, and employees with a confidential means to report credible allegations of misconduct,

wrongdoing, or unethical behavior and to protect those individuals, when acting in good faith, from personal or professional retaliation. The Whistleblower Policy is available to all directors, officers, and employees of the Agency.

Approved and adopted this ____ day of _____.

Authority Mission Statement and Performance Measurements

Local Public Authority Name: Broome County Local Development Corporation

Fiscal Year: January 1, 2015 – December 31, 2015

Mission Statement: The Broome County Local Development Corporation actively fosters economic growth in Broome County and Greater Binghamton. The Corporation aims to provide new and expanding businesses with the best tools available including real estate and market information, incentives, financial assistance, and general support. We demonstrate integrity in all that we do. We support projects that offer clear public benefits including investment, job creation, job retention, and increased quality of life. We are committed to building a strong and diverse economy in Broome County and Greater Binghamton.

Date Adopted: March 8, 2013

List of 2016 Performance Goals:

1. Establish a contract for administrative and/or management services with the IDA.
2. Identify new programs and services consistent with the LDC's mission.
3. Be actively involved in professional associations that can serve as resources for technical information and networking opportunities.
4. Be a partner and/or investor in projects that will create jobs.
5. Partner with the Broome County Land Bank in the redevelopment of vacant and underutilized properties throughout the County, where appropriate.

Authority Stakeholder(s): Broome County Legislature

Authority Beneficiaries: The residents of Broome County

Authority Customers: The residents and businesses of Broome County

Authority self-evaluation of 2015 performance:

1. Updated all policies and procedures.
2. Implemented a new branding and marketing promotion.

Governance Certification:

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Board of Directors Response: Yes

2. Who has the power to appoint management of the public authority?

Board of Directors Response: The Corporation has no direct employees.

- 3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority.**

Board of Directors Response: N/A

- 4. Briefly describe the role of the Board and the role of management in the implementation of the mission.**

Board of Directors Response: The Board provides oversight, sets policy, and sets the strategic direction for the Agency. Agency management works closely with the board to ensure the Agency's activities are always in line with the mission of the organization.

- 5. Has the Board acknowledged that they have read and understood the response to each of these questions?**

Board of Directors Response: Yes

Summary Results of Confidential Evaluation of Board Performance

Criteria	Agree #	Somewhat Agree #	Somewhat Disagree #	Disagree #
Board members have a shared understanding of the mission and purpose of the Authority.	7	2		
The policies, practices and decisions of the Board are always consistent with this mission.	6	3		
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	7	2		
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	9			
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	7	2		
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self-interest.	3	4	2	
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	6	3		
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	9			
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	6	3		
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	5	4		
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	7	2		
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	5	3	1	
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	6	3		
The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.	6	3		
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	7	2		
Board members demonstrate leadership and vision and work respectfully with each other.	8	1		

Name of Authority: Broome County Local Development Corporation
Date Completed: 3/29/16