

March 26, 2015

MEMORANDUM TO THE TRUSTEES

FROM THE CHAIRMAN OF THE GOVERNANCE COMMITTEE

SUBJECT: 2014 Annual Board of Directors Evaluation Pursuant to Sections 2800 and 2824 of the Public Authorities Law and Guidance of the Authorities Budget Office

SUMMARY

The Trustees are requested to approve the annual Board of Directors evaluation for 2014 and authorize the Corporate Secretary to submit this report to the Governor, legislative leaders, the State Comptroller and the Authorities Budget Office (“ABO”) pursuant to Section 2800 of the Public Authorities Law, as amended by the Public Authorities Accountability Act of 2005 (“PAAA”), within 90 days of the close of the Authority’s fiscal year.

BACKGROUND

The 2009 Public Authorities Reform Act requires that the board of every state and local public authority conduct an annual evaluation of its performance. Board member comments are protected from disclosure under Article 6 of the Public Officers Law, but the results of the assessment are to be provided to the ABO.

To the extent that the results of this evaluation demonstrate the need for the board to improve its performance, amend its practices or procedures, or clarify its expectations of board members, the board is expected to implement suitable corrective actions immediately.

DISCUSSION

The Trustees are requested to approve the 2014 Annual Board Evaluation (Exhibit “A”) and authorize the Corporate Secretary to submit this report to the Governor, legislative leaders, the State Comptroller and the Authorities Budget Office (“ABO”) pursuant to Section 2800 of the Public Authorities Law, as amended by the Public Authorities Accountability Act of 2005 (“PAAA”), within 90 days of the close of the Authority’s fiscal year. This report was reviewed by the Governance Committee at its meeting of March 26, 2015. The Trustees are also requested to approve the summary of the 2014 evaluation and authorize the Corporate Secretary to submit this evaluation summary to the Governor, legislative leaders, the State Comptroller and the Authorities Budget Office (“ABO”) pursuant to Section 2800 of the Public Authorities Law, as amended by the Public Authorities Accountability Act of 2005 (“PAAA”), within 90 days of the close of the Authority’s fiscal year.

FISCAL INFORMATION

There is no anticipated fiscal impact.

RECOMMENDATION

The Governance Committee recommends that the Trustees approve and authorize submittal of the attached 2014 evaluation summary (Exhibit "A") as discussed herein.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

Eugene L. Nicandri
Governance Committee Chair

RESOLUTION

WHEREAS, pursuant to Sections 2800(1)(a)(15) and 2800(2)(a)(15) and Section 2824(7) of the Public Authorities Law and Guidance of the Authorities Budget Office, the Authority is required to annually submit the Board of Directors Evaluation to the Governor, the Chairman and Ranking Minority Member of the Senate Finance Committee, the Chairman and Ranking Minority Member of the Assembly Ways and Means Committee, the State Comptroller and the Authorities Budget Office, within 90 days after the end of its fiscal year;

NOW THEREFORE BE IT RESOLVED, That pursuant to Sections 2800(1)(a)(15) and 2800(2)(a)(15) and Section 2824(7) of the Public Authorities Law and Guidance of the Authorities Budget Office, the 2014 Annual Board Member Evaluation Summary is hereby adopted and the Corporate Secretary is hereby authorized to submit to the Governor, the Chairman and Ranking Minority Member of the Senate Finance Committee, the Chairman and Ranking Minority Member of the Assembly Ways and Means Committee, the State Comptroller, and the Authorities Budget Office the attached 2014 Board Evaluation Summary; and be it further

RESOLVED, That the Chairman, the Vice Chair, the President and Chief Executive Officer, the Chief Operating Officer, the Executive Vice President and Chief Financial Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and

all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

2014 Confidential Evaluation of NYPA Board Performance

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