Second Posting of Two Consecutive Posts

ITEM NO.: DRPA-18-050

SUBJECT: Amendment of the By-Laws

COMMITTEE: Unfinished Business

COMMITTEE MEETING DATE: N/A

BOARD INTRODUCTION DATE: June 20, 2018

BOARD ACTION DATE:

PROPOSAL: To amend the DRPA By-Laws.

PURPOSE: To make By-Laws amendments amending Section III to clarify officers of the Authority and amending Section IX to clarify scheduling of Standing Committee Meetings and to add the Audit and Labor Committees as Standing Committees.

BACKGROUND: That the By-Laws are amended consistent with the attached Exhibit “A”.

SUMMARY:

Amount: N/A
Source of Funds: N/A
Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: N/A
Other Parties Involved: N/A
RESOLUTION

RESOLVED: That the Board adopts the By-Law amendment attached hereto as Exhibit “A.”

RESOLVED: Staff is directed to effect these approved amendments.

SUMMARY: Amount: N/A
Source of Funds: N/A
Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: N/A
Other Parties Involved: N/A
PROPOSAL TO AMEND THE BYLAWS

I. Proposed Amendment No. 1

Section III of the Bylaws shall be amended as follows:

The phrase “Counsel, one from the Commonwealth of Pennsylvania and one from the State of New Jersey” is replaced with “General Counsel.”

To add that the General Counsel and Corporate Secretary may, in the discretion of the Board of Commissioners, be one and the same person.

Section IV(G) shall be amended to delete its content and insert the following:

**General Counsel**

The General Counsel is the legal adviser to the Authority and shall furnish opinions, advice, counsel, and representation in all legal matters, including those required, from time to time, by the Board of Commissioners. In the performance of these duties, the General Counsel is authorized to use such staff and retain such outside counsel in accordance with policies and/or guidelines established by the Board of Commissioners.

II. Proposed Amendment No. 2

Section IX of the Bylaws shall be amended as follows:

Incorporate the following:

*Standing Committees of the Board shall meet as necessary. The Board shall schedule dates and times for regular meetings of Standing Committees when adopting its annual calendar in accordance with Section VI.B.3(b) of these Bylaws.*

Add the Audit and Labor Committees as Standing Committees:

**F. Audit Committee**

*The Audit Committee shall consist of at least three (3) and no more than six (6) members of the Board who are independent of Authority operations. The Audit Committee shall meet at least four (4) times per year.*

*Audit Committee members shall be prohibited from being an employee of the Authority or an immediate family member of an employee of the Authority. In addition, Audit Committee members shall not engage in any private business transactions with the Authority or receive compensation from any private entity*
that has a material business relationship with the Authority, or be an immediate family member of an individual that engages in private business transactions with the Authority or receives compensation from an entity that has material business relationships with the Authority.

The Audit Committee shall have duties and responsibilities related to: (a) the external auditors and required financial and performance audits; (b) the Authority’s internal auditors; (c) oversight of management’s internal controls, compliance, and risk assessment practices; (d) special investigations, forensic audits, and whistleblower policies; and (e) miscellaneous issues related to the financial practices and performance of the Authority.

The Audit Committee shall have the following duties and responsibilities:

1. Oversee the work of any internal or external auditor employed or retained by the Authority.

2. Recommend to the Board the appointment and compensation of internal and external auditors, experts, and other advisors as the Audit Committee may deem appropriate.

3. Develop objectives for audits of the Authority and pre-approve all auditing services.

4. Conduct or authorize audits or investigations into any matters within its scope of responsibility, including specific approval on an annual audit plan and any amendments to such plan.

5. Resolve any disagreements between the Authority and its internal or external auditors.

6. Ensure that the Audit Committee has unrestricted access to company personnel and documents, while maintaining all applicable privileges.

7. Enact and review the procedures for the receipt, retention, and treatment of complaints received by the Authority regarding accounting, internal accounting controls, or auditing matters that may be submitted by any party internal or external to the organization.

8. Evaluate whether the Authority has in place the necessary and appropriate processes that will provide the Audit Committee members with adequate information from the Authority in order for them to be well informed with respect to the Authority’s financial operations and performance.
G. Labor Committee

The Labor Committee shall consist of such number of members (including a Chair and Vice Chair) as shall be appointed from time to time, in addition to the ex officio members.

The Labor Committee shall have general oversight of matters relating to represented and non-represented employees, including but not limited to collective bargaining agreements, labor management negotiations, labor/employee relations and non-represented employee issues.