

**Missouri Transportation Finance Corporation
Reporting Potential Conflicts of Interest Policy**

Table of Contents

- (1) Policy Purpose 1
- (2) Corporation Director Responsibility..... 1
- (3) General Provisions 1
 - (A) Definitions 1
 - (B) Informal Advisory Opinions 2
 - (C) Conflicts Committee..... 2
- (4) Procedure and Report for Corporation Directors to Disclose Potential Conflicts of Interest....2
 - (A) Disclosure Report 2
 - (B) Submission/Distribution of Reports 3
 - (C) Review..... 3
 - (D) Conflicts Committee Review; Discussion with President..... 3
 - (E) Meeting with Director(s) 3
 - (F) Amended Report 3
 - (G) Assistance 3
 - (H) Corporation Director’s Determination to Participate in a Corporation Action 4
 - (I) Annual Update 4

- (1) **Policy Purpose:** The purpose of this voluntary policy is to assist the Missouri Transportation Finance Corporation's (hereinafter, **Corporation**) board of directors (hereinafter, **director or directors**) to:
 - (A) Recognize an actual or appearance of conflict of interest;
 - (B) Comply with this Policy and any applicable conflict of interest laws and rules; and
 - (C) Avoid controversy or embarrassment for the affected individual corporation director, the Corporation, the Missouri Highways and Transportation Commission, and the Missouri Department of Transportation (**MoDOT**).

- (2) **Corporation Director Responsibility:** Conflict of interest may take many forms. The correct analysis of a conflict depends upon the facts disclosed, as well as the applicable law/rule, if any. Each Corporation director should be alert to any potential conflict of interest. The responsibility to avoid potential conflict of interest and compliance with this Policy and any applicable law and/or rule rests with the individual Corporation director.

- (3) **General Provisions:**
 - (A) **Definitions:**
 1. **Potential Conflicts of Interest:** This is an activity or financial interest that may lead to either an actual conflict of interest or the appearance of a conflict of interest.
 - A. **Actual Conflict:** This is an activity or financial interest which is prohibited by this Policy, law, or rule.
 - B. **Appearance of a Conflict:** This is an activity or financial interest which is not prohibited by this Policy, law, or rule, but may appear to be a conflict of interest in the eye of the beholder and thereby controversial in nature.
 2. **Abstention/Abstain:** This is an action where a Corporation director declines to vote on a Corporation agenda item/issue; however, the director may participate in and/or listen to Corporation board discussion of the issue.
 3. **Recusal/Recuse:** This is an action where the Corporation director excuses himself or herself from a Corporation agenda item/issue. The director would not:
 - A. be provided meeting backup material regarding the item/issue;
 - B. listen to or participate in Corporation discussion of the item/issue;
 - C. vote on the agenda item/issue; and
 - D. communicate with any Corporation director and/or staff regarding the item/issue.

- (B) **Informal Advisory Opinions:** Upon request, the Commission's chief counsel will provide a Corporation director with an attorney client privileged informal advisory opinion regarding any potential conflict of interest about which the director may have any question or concern.
- (C) **Conflicts Committee:** The Corporation shall have a standing conflicts committee that consists of the following Corporation staff: executive director; secretary; and treasurer. The Commission's chief counsel, or his/her designated representative, shall serve as counsel to the committee.
- (4) **Procedure and Report for Corporation Directors to Disclose Potential Conflicts of Interest:**
- (A) **Disclosure Report:** When a Corporation director is first appointed to the board, the director should file a written Corporation Director Disclosure Report with the corporation secretary. When a Corporation director is also a member of the Missouri Highways and Transportation Commission, the MHTC Disclosure Report will meet this requirement. The Corporation Director Disclosure Report shall contain a list of the following:
1. the director's current employer(s), if any, and all business and government entities, if any, in which the director is an officer and/or has any ownership or financial interest that may directly or indirectly do business with the Corporation, including the nature of the business or activity;
 2. all Missouri real estate in which the director has any ownership, leasehold, or other possessory or financial interest in, either in the director's individual capacity, or which a business or government entity has the real estate interest and the director serves as an officer of such entity. The director shall also disclose the general nature of the interest (e.g., ownership, lease, etc.), the use (e.g., residential, farming, commercial, etc.), and location (street address or township and range) of such real estate;
 3. any other activity and/or financial interest in an organization, association, district, business entity, government entity, or the like in which the director has no ownership interest and receives no income, such as serving on a board of directors, or the like, including the general nature of the activity or interest (e.g., professional, social, charitable, etc.); and
 4. for those Corporation directors who are attorneys, a list of all current and past lawfirm clients doing business with, being regulated by, or litigating for or against the Corporation from which the Corporation director received or receives income, including the nature of the client's business.

- (B) Submission/Distribution of Reports:** All Reports filed by directors should be biennially filed on July 1. The corporation secretary shall distribute all filed disclosure reports to all Corporation directors, the chief counsel, all conflicts committee members, and all MoDOT district engineers. The corporation secretary has discretion to distribute reports to any MoDOT division head as the secretary deems appropriate.
- (C) Review:** All recipients of filed Corporation Director's Disclosure Reports shall keep such reports confidential, review the reports and give written comments to the corporation secretary regarding:
1. the effect of any Corporation director's potential conflict of interest on the reviewer's area of responsibility; and
 2. any additional information known by the reviewer that may have been overlooked by the Corporation director in preparing their report.
- (D) Conflicts Committee Review; Discussion with President:** After receipt of reviews of the Corporation Director Disclosure Reports, the corporation secretary shall send the reviews to the conflicts committee, which shall advise the Corporation President of all potential conflicts noted in the reviews and the committee's recommended course of action, if any, the affected Corporation director(s) need to take.
- (E) Meeting with Director(s):** After informing the president of the conflict committee's recommended course of action, the corporation secretary and/or the chief counsel will discuss the potential conflict with the affected Corporation director(s).
- (F) Amended Report:**
1. After filing a report with the corporation secretary, if any Corporation director becomes aware that any of the director's activity, financial interest, or specific matter to be presented to the Corporation creates a potential conflict of interest, the director should file a disclosure letter with the corporation secretary to direct that the director's report be amended to include the potential conflict of interest.
 2. The corporation secretary will distribute any amended Corporation Director Disclosure Report as provided in section (4)(B) above.
- (G) Assistance:** To help Corporation directors identify potential conflicts of interest, MoDOT staff, including the director, chief financial officer, multimodal operations director, financial services director, commission secretary, and chief counsel will make every effort to alert a Corporation director if a disclosed item is related in any way to an agenda item before the Corporation for its action. This notice will include projects located within one mile of any real property in which a Corporation director individually or a business or government entity in which the director is an officer, has any ownership, leasehold, or other possessory or financial interest.

- (H) Corporation Director’s Determination to Participate in Corporation Action:** If a Corporation director determines a Corporation meeting agenda item is a potential conflict of interest for herself or himself, the director should either abstain from voting on the issue or recuse himself or herself from Corporation discussion and voting on the issue.
- (I) Annual Update:** The corporation secretary will provide an annual reminder notice to each director to update, if appropriate, due to a changed circumstance, his/her Corporation Director Disclosure Report.

Effective Date: October 6, 2020
Supersedes Policy dated: August 13, 1998
Last Reaffirmed:
Date of Origin: August 13, 1998

Related Board Minutes: August 13, 1998 – initial adoption of policy; October 6, 2020 – initial policy rescinded and new policy adopted.



MISSOURI TRANSPORTATION FINANCE CORPORATION

**CORPORATION DIRECTOR
DISCLOSURE REPORT**

1. Date: _____, 20__

2. NAME:

3. CURRENT EMPLOYER: BUSINESS NAME & ADDRESS:

4. **BUSINESS ENTITIES:** List the name and address of each business entity by which you are employed or in which you have any ownership interest from which you or a family member may receive income including the general nature of the business or activity, its business address, and its physical location. Attach additional sheets as necessary to report additional business entities.

BUSINESS NAME	BUSINESS ADDRESS	PHYSICAL LOCATION ADDRESS OF BUSINESS	GENERAL NATURE OF BUSINESS (e.g., commercial, industrial, agriculture, etc.)

5. **REAL ESTATE:** List all real estate located in Missouri in which you, or a business entity in which you are an officer or employee, have any ownership, leasehold or other interest including the location of such real estate. Attach additional sheets as necessary to report additional real estate.

LOCATION (street address, city, state & zip or township & range)	LOCATION (county)	GENERAL NATURE OF INTEREST AND USE (residential, farm, commercial, etc.)	NAME AND BUSINESS ADDRESS OF INDIVIDUAL OR ENTITY THAT OWNS THE REAL ESTATE

6. **OTHER:** List any other activity and/or financial interest, such as serving on a board of directors, or the like that may create a potential conflict of interest for you, including the name and address of the organization and the general nature of the activity or financial interest. Attach additional sheets as necessary to report additional interests.

NAME OF ORGANIZATION	ADDRESS OF ORGANIZATION	GENERAL NATURE OF ACTIVITY OR FINANCIAL INTEREST

7. ATTORNEY MEMBERS ONLY: List all clients, current and past, doing business with, being regulated by, or litigating for or against MTFC from which you (or any business entity by which you are employed or have a financial interest in) receives income. Include the name, address, and general nature of the relationship your client or customer has with MTFC. Add additional sheets as necessary to report such additional clients or customers.

CLIENT NAME	CLIENT'S ADDRESS (street address, city, state & zip)	GENERAL NATURE OF CLIENT'S BUSINESS

FILING INFORMATION: This form is to be filed with the Corporation Secretary's office when a Corporation Director is first appointed to the MTFC and updated by letter to the Corporation Secretary when the director becomes aware that any of his/her activity and/or financial interest creates a potential conflict of interest prohibited by policy, rule, or law with respect to the director's official duties.