

# Sound Transit Board Committees – Proposed and Existing

This document includes the proposed responsibilities for the Board's proposed changes to the permanent Board committees, pursuant to the direction received at the May 4, 2018 Board Workshop.

Proposed Committee Structure	Existing Committee Structure
<p style="text-align: center;"><b>Executive Committee</b></p> <p>The Executive Committee carries out responsibilities such as reviewing:</p> <ul style="list-style-type: none"> <li>• The Board's rules, operating procedures and governance structure.</li> <li>• Policies and providing recommendations to the Board.</li> <li>• The state legislative agenda, government relations strategies and related transactions.</li> <li>• Strategies and transactions for systemwide programs, such as system access, innovation, sustainability, transit oriented development and surplus property, and providing recommendations to the Board.</li> <li>• Proposed annual budgets for systemwide programs and providing recommendations to the Finance and Audit Committee and/or Board.</li> <li>• Contract reports related to systemwide programs.</li> <li>• The performance of the chief executive officer (CEO).</li> </ul> <p>The Board delegates final approval authority to the Executive Committee for transactions related to its responsibilities above the CEO's approval level and within the amounts established in the Procurement, Agreements and Delegated Authority Policy or other Board authorization.</p> <p>The Executive Committee may act in lieu of the Board in an emergency or special circumstance, subject to ratification by the Board.</p>	<p style="text-align: center;"><b>Executive Committee</b> (Motion No. M2010-29)</p> <p>The Executive Committee serves as a recommending body to the Board and carries out responsibilities such as:</p> <ul style="list-style-type: none"> <li>• Reviewing the Board rules, operating procedures and governance structure,</li> <li>• Reviewing agencywide policies and providing recommendations to the Board,</li> <li>• Reviewing and monitoring the agency's legislative program,</li> <li>• Considering public and government relations and communications strategies,</li> <li>• Reviewing the overall agency budget upon recommendations of other committees,</li> <li>• Reviewing and monitoring the agency's financial plan,</li> <li>• Reviewing proposed bond issues,</li> <li>• Evaluating the performance of the chief executive officer (CEO).</li> </ul> <p>This motion does not alter existing Board-adopted resolutions that allow this committee to act in lieu of the Sound Transit Board.</p>

Proposed Committee Structure	Existing Committee Structure
<p style="text-align: center;"><b>Rider Experience and Operations Committee</b></p> <p>The Rider Experience and Operations Committee carries out responsibilities such as reviewing:</p> <ul style="list-style-type: none"> <li>• Activities and communications affecting the rider experience.</li> <li>• Operating plans, transit services and business models.</li> <li>• System enhancement and state of good repair projects consistent with the transit improvement plan.</li> <li>• Strategies for maintenance, fleet and facility plans and providing recommendations to the Board.</li> <li>• Administrative programs that support agency operations.</li> <li>• Proposed annual budgets for system enhancement projects, state of good repair projects and agency operations and providing recommendations to the Finance and Audit Committee and/or Board.</li> <li>• Contract reports related to agency operations and administration.</li> </ul> <p>The Board delegates final approval authority to the Rider Experience and Operations Committee for transactions related to its responsibilities above the CEO's approval level and within the amounts established in the Procurement, Agreements and Delegated Authority Policy or other Board authorization.</p>	<p style="text-align: center;"><b>Operations and Administration Committee (Motion No. M2010-31)</b></p> <p>The Operations and Administration Committee carries out responsibilities such as:</p> <ul style="list-style-type: none"> <li>• Reviewing and monitoring operating plans, transit services and customer-facing programs,</li> <li>• Providing oversight, strategic direction and recommendations to the Board on fleet and facility plans,</li> <li>• Approving the annual Service Implementation Plan,</li> <li>• Reviewing operating impacts of facility and corridor capital projects,</li> <li>• Reviewing proposed annual transit operations and staff budgets and providing recommendations to the Executive Committee and/or Board,</li> <li>• Reviewing and providing recommendations to the Executive Committee and/or the Board on new and existing operations and administration policies.</li> </ul> <p>The Board delegates final approval authority to the Operations and Administration Committee for operating and administration transactions above the chief executive officer's level of authority and under \$5,000,000.</p>
<p style="text-align: center;"><b>System Expansion Committee</b></p> <p>The System Expansion Committee carries out responsibilities such as reviewing:</p> <ul style="list-style-type: none"> <li>• Progress of system expansion projects consistent with the transit improvement plan.</li> <li>• Strategies for project development and delivery and providing recommendations to the Board.</li> <li>• Scope, schedule, budget, risks, construction activities, external engagement and claims for system expansion projects.</li> <li>• Proposed annual system expansion project budgets and providing recommendations to the Finance and Audit Committee and/or Board.</li> <li>• Contract reports related to system expansion.</li> </ul> <p>The Board delegates final approval authority to the System Expansion Committee for transactions related to its responsibilities above the CEO's approval level and within the amounts established in the Procurement, Agreements and Delegated Authority Policy or other Board authorization.</p>	<p style="text-align: center;"><b>Capital Committee (Motion No. M2010-30)</b></p> <p>The Capital Committee carries out responsibilities such as:</p> <ul style="list-style-type: none"> <li>• Reviewing and monitoring stages of all capital projects consistent with the transit improvement program,</li> <li>• Providing oversight, strategic direction, and recommendations to the Board as required for phase gate implementation,</li> <li>• Reviewing and providing recommendations to the Executive Committee and/or the Board on new and existing capital-related policies,</li> <li>• Reviewing scope, schedule, budget, risks, construction activities, and claims,</li> <li>• Reviewing proposed annual capital projects budgets and providing recommendations to the Executive Committee and/or Board.</li> </ul> <p>The Board delegates final approval authority to the Capital Committee for capital program transactions above the chief executive officer's level of authority and under \$5,000,000.</p>

Proposed Committee Structure	Existing Committee Structure
<p style="text-align: center;"><b>Finance and Audit Committee</b></p> <p>The Finance and Audit Committee carries out responsibilities such as reviewing:</p> <ul style="list-style-type: none"> <li>• The agency's financial plan and compliance with voter-approved financial policies.</li> <li>• Financial statements including any significant accounting or reporting issues or complex or unusual transactions.</li> <li>• Performance against capital and operating budgets.</li> <li>• Strategy for the agency's asset liability management and monitoring investment and debt performance and risks.</li> <li>• The approach for developing the annual budget.</li> <li>• The proposed annual budget upon recommendations from other committees.</li> <li>• The agency's risk management efforts.</li> <li>• Scopes, approaches and results of external and internal audits and monitoring the agency's response to audit findings.</li> <li>• Internal audit plans and selecting the annual performance audit topic.</li> </ul> <p>The agency's internal audit director has direct access to and communication with the chair of this committee.</p>	<p style="text-align: center;"><b>Audit and Reporting Committee</b> (Resolution No. R2010-19 summarized)</p> <p>The Audit and Reporting Committee (ARC) carries out responsibilities including reviewing:</p> <ul style="list-style-type: none"> <li>• The agency's annual financial statements including any significant accounting or reporting issues, including complex or unusual transactions.</li> <li>• Quarterly financial reports which detail performance against capital and operating budgets; performance of agency's investments and its compliance with its investment policies; review of the agency's asset and liability program to monitor net debt and investment performance and risks; and contract activities, including sole source contracts.</li> <li>• The external auditor's proposed audit scope and approach, including coordination of audit effort with internal audit.</li> <li>• The annual independent financial audit results with Sound Transit management and the external auditors, monitoring the expenditure of funds for financial audits and reviewing the performance and competitive selection of the external auditors.</li> <li>• The charter, plans, activities and staffing of the internal audit function with management. The internal audit director will have direct access and communication with the ARC Chair.</li> <li>• The performance audits to be conducted by the Internal Audit Division, approving the audits and receiving and reviewing the final audit reports.</li> <li>• Any performance audits conducted by the Washington State Auditor or other agencies and status and results of federal and other audits.</li> <li>• The status of prior audit findings (financial, performance and other) and management's response and follow up to those findings and monitoring implementation of audit recommendations.</li> <li>• The scope of internal and external auditors' review of internal controls.</li> </ul>