



Sunset Empire Transportation District BOARD POLICY COMMITTEE MEETING

April 9, 2026 | 11 a.m. to 1 p.m.

Meeting location: Astoria Transit Center, 900 Marine Drive, Astoria, OR 97103

Meeting link: <https://bit.ly/4125n6T> | Meeting ID: : 250 637 839 684 71 | Passcode: wc6Hd9G3

Dial in by phone: 1-872-333-9477 | Phone conference ID: 598 208 701#

Agenda

The Board Policy Committee’s mission is to develop, review, evaluate and recommend policies that promote consistent and transparent governance for the SETD board's actions and processes, supporting effective oversight as well as optimal district operations.

		Action	Responsible
Item 1 11 a.m.	Call to Order		
Item 2 11:01 a.m.	Pledge of Allegiance		
Item 3 11:03 a.m.	Roll Call		
Item 4 11:05 a.m.	Changes to Agenda	Review/ Approval	Chair Montero
Item 5 11:10 a.m.	Public Comment (3-minute limit per person)		Public
Item 6 11:15 a.m.	Approval of Minutes pg. 3-7 a. Committee meeting on 3/12/2026	Review/ Approval	Chair Montero
Item 7 11:20 a.m.	Continued Business a. Policy manual table of contents comparison pg. 8-20	Information/ Discussion	Chair Montero
11:35 a.m.	b. Review edits to Policy B-312 pg. 21-26	Review/ Approval	Chair Montero
11:50 a.m.	c. Discuss forensic audit policy recommendations pg. 27-31	Review/ Approval	Chair Montero
12:05 p.m.	d. Review draft policies B-804a and B-804b pg. 32-34	Information/ Discussion	Chair Montero
12:20 p.m.	e. Discuss ticket bank policy pg. 35-37	Information/ Discussion	Chair Montero
12:35 p.m.	f. Discuss legislative advocacy policy draft pg. 38-42	Information/ Discussion	Chair Montero
Item 8	Adjournment		Chair Montero

Times are approximate guidelines and may change.

This meeting location is accessible to people with disabilities. Upon request, SETD will make reasonable accommodation, including assistive listening devices, sign language interpreters, large print materials, or other auxiliary aids. Please contact Sara Schilling at (503) 861-5370 or sara@ridethebus.org at least 48 hours before the meeting to request accommodation.



Sunset Empire Transportation District BOARD POLICY COMMITTEE

Item 6 Approval of Minutes

Date: April 9, 2026

Summary: Minutes from the March 12, 2026, meeting of the Board Policy Committee are ready for review by the committee.

Attachments:

- Draft minutes from the March 12, 2026, committee meeting



SUNSET EMPIRE TRANSPORTATION DISTRICT
Board of Commissioners
March 12, 2026 | 11 a.m.
Board Policy Committee Meeting Minutes
DRAFT

Link to meeting video: <https://bit.ly/4sY3Yuw>

1. Call to Order

Commissioner Tita Montero, committee chair, called the meeting to order at 11 a.m.

2. Pledge of Allegiance

3. Roll Call (0:00:40)

Commissioners present: Tita Montero, Penny York. Matthew Stolberg was excused.
 Staff/visitors present: Jason Jones, Sara Schilling.

4. Changes to Agenda (0:00:57)

Commissioners added discussion of financial policies and other policies related to the ODOT forensic audit and RLS reports to the agenda.

5. Public Comment (0:02:25)

None

5. Approval of Minutes (0:02:35)

Commissioner York moved approval of the Feb. 26, 2026, committee meeting minutes.
 Commissioner Montero seconded the motion.

	Montero	Stolberg	York
Aye	X		X
Nay			
Excused		X	

Motion passed unanimously.

Commissioners discussed making a recommendation to include committee meeting minutes in the Board of Commissioners’ regular meeting packets.

Commissioner York moved to include placing approved committee meeting minutes in the Board of Commissioners packet.

Commissioner Montero suggested minutes from committee meetings that have occurred since the last board meeting. Commissioner York accepted the friendly amendment. Commissioner Montero seconded the motion.

	Montero	Stolberg	York
Aye	X		X
Nay			
Excused		X	

Motion passed unanimously.

6. Continued Business

a. Discuss Mission (0:06:25)

Commissioner Montero read the draft mission: “to develop, review, evaluate and recommend policies that promote consistent, transparent and effective governance for the SETD Board's actions and processes, supporting effective oversight as well as optimal district operations.”

Commissioner York suggested eliminating the first “effective,” so the mission would read, “to develop, review, evaluate and recommend policies that promote consistent and transparent governance for the SETD board's actions and processes, supporting effective oversight as well as optimal district operations.”

Commissioner Montero said she was fine with that.

Commissioner York moved to adopt the amended mission as the committee’s mission.

Commissioner Montero seconded the motion.

	Montero	Stolberg	York
Aye	X		X
Nay			
Excused		X	

Motion passed unanimously.

Commissioner Montero said she’d like to see the mission statement printed under “agenda” and above “call to order” on the agendas going forward. Commissioners agreed to that by consensus.

b/c. Resources from SDAO/Review Draft Board Policy Manual Table of Contents

(0:09:25)

Commissioner Montero reported that the SDAO has a table of contents from its draft policy manual available online. She also noted that Executive Assistant Schilling also prepared a draft policy manual table of contents for the meeting using assistance from AI.

Commissioners discussed how to blend them. They also discussed extracting policy recommendations from the ODOT forensic audit and RLS reports.

Commissioners agreed by consensus that Ms. Schilling should use AI to create a spreadsheet that compares the existing SETD policy manual table of contents and the SDAO and AI models to determine overlap/gaps. Ms. Schilling also will use AI to extract policy recommendations from the ODOT forensic audit and two RLS reports that followed.

d. Review Edits to Board Policy B-312 (0:26:30)

Commissioners proposed several revisions to B-312, which deals with committees, including reorganizing the policy and adding some standardized language.

e. Review Legislative Advocacy Policy Draft (1:04:10)

Commissioners tabled the legislative advocacy policy draft for the next meeting so they can have more in-depth discussion.

f. Financial Policies/Other Policies (1:06:27)

Commissioner Montero said she’s concerned that the district only has one person authorized to move money between accounts, and she’d like to see redundancy built in. Commissioner York brought up the idea of including a financial policy review in the budget officer scope of work that the full board will consider at its March 13 meeting. She said the ODOT audit should be specifically mentioned as something to be reviewed.

Commissioner Montero agreed.

Commissioner Montero proposed revising policy B-804, which deals with authorized signers. Commissioners proposed splitting the policies, calling them B-804a (Disbursement of Funds) and B-804b (Depositories) for now, and discussed the policy purpose, including to ensure separation of duties, restrictions on funds, proper tracking, proper disbursing and sufficient trained staff.

In B-804b Depositories, the financial officer and executive assistant would both be authorized to effect transferring district funds, for redundancy.

Commissioner York moved that after the executive assistant has created drafts of the proposed policies based on the committee’s discussion and the drafts have been reviewed by the committee chair, they’ll go to the full board at its next meeting.

Commissioner Montero seconded the motion.

	Montero	Stolberg	York
Aye	X		X
Nay			
Excused		X	

Motion passed unanimously.

Commissioner Montero noted that the board is set to discuss the ticket bank program at its next meeting and perhaps the committee would want to look at policy around the program.

7. Adjournment

The meeting was adjourned at 12:45 p.m.

Minutes prepared by Sara Schilling, executive assistant

Minutes approved by:

Tita Montero, committee chair

Action items from the meeting:

- The committee recommended placing committee meeting minutes from meetings that have happened since the last board meeting in the board packet.
- The committee's mission statement will be placed on the committee agenda.
- Ms. Schilling will use AI to create a spreadsheet that compares the existing SETD policy manual table of contents and the SDAO and AI models to determine overlap/gaps.
- Ms. Schilling will use AI to extract policy recommendations from the ODOT forensic audit and two RLS reports that followed.
- Ms. Schilling will capture revisions of B-312 discussed at the meetings and create a new draft for committee review.
- Ms. Schilling will create drafts of B-804a and B-804b for review by Chair Montero. Once they're reviewed, they'll go to the full board at its next meeting.



Sunset Empire Transportation District BOARD POLICY COMMITTEE

Item 7a Policy Manual Table of Contents Comparison

Date: April 9, 2026

Summary: The Board Policy Committee on March 12, 2026, asked for a spreadsheet comparing the table of contents for the existing SETD board policy manual, the table of contents from SDAO's model policy manual, and the AI model table of contents created for the March 12 meeting.

The spreadsheet was created with assistance from ChatGPT.

Attachments:

- Comparison spreadsheet
- Existing SETD board policy manual table of contents
- SDAO model policy manual table of contents
- AI table of contents

POLICIES	SETD Legacy	SDAO Model	AI Model
SETD Legacy Policies			
B-101 Board Elections	Yes	No	Yes
B-201 Board Orientation	Yes	Partial	Yes
B-301 Board Duties and Responsibilities	Yes	Partial	Yes
B-302 Duties of Chair	Yes	Partial	Yes
B-303 Duties of the Vice Chair	Yes	Partial	Partial
B-304 Duties of the Secretary Treasurer	Yes	Partial	Partial
B-305 Duties of the Clerk of the Board	Yes	Partial	Partial
B-306 Board Governance	Yes	Partial	Yes
B-307 Failure to Attend Meetings and Perform Duties	Yes	Partial	Partial
B-308 Board Vacancy	Yes	Yes	No
B-309 Political Endorsement	Yes	No	No
B-310 Selection and Duties of Legal Counsel	Yes	No	No
B-311 Selection of an Auditor	Yes	No	No
B-312 Board Committees	Yes	Yes	Yes
B-401 Board Ethics	Yes	Yes	Yes
B-402 Definition of a Public Official	Yes	No	Partial
B-403 Guide for Public Officials	Yes	No	No
B-601 Public Meetings	Yes	Partial	Yes
B-701 Executive Director Role	Yes	Partial	Yes
B-702 Executive Director Selection	Yes	No	Yes
B-703 Executive Director Requirements	Yes	No	Yes
B-704 Executive Director Evaluation	Yes	No	Yes
B-705 Executive Director Action Without Policy	Yes	No	No
B-801 Finance and Budget	Yes	Yes	Yes
B-802 Formulation of the SETD/NWRC Budget and Budget Comr	Yes	Partial	No
B-803 Administration of the Budget	Yes	Yes	Partial
B-804 Depositories and Disbursement of Funds	Yes	No	Partial
B-805 Purchase/Sale/Lease of Real Property	Yes	No	No
B-806 Loans	Yes	No	Partial
B-807 Sunset Empire Transportation District Assets	Yes	No	Yes
B-809 District Credit Cards	Yes	No	No
B-810 Public Records	Yes	Partial	Yes
B-811 Board Reimbursement	Yes	No	No
B-812 Investment Policy	Yes	No	Partial
B-813 Pre-Loss Legal Counsel Consultation	Yes	No	No
B-814 Legal Counsel Contract Review	Yes	No	Partial
B-815 Executive Director Signing Authority	Yes	No	No
B-816 Executive Director Vacancy Interim Plan	Yes	No	No
B-817 Timber Revenue	Yes	No	No
B-820 Board Notification of Delinquent Funding	Yes	No	No
B-901 Equipment Use Policy	Yes	No	No

B-901 A Equipment Use Policy Definitions Attachment A	Yes	No	No
SDAO Model Policies			
Board Members	Yes	Yes	Yes
Oath of Office	No	Yes	No
Board Officers	Yes	Yes	Yes
Vacancies	Yes	Yes	No
Board Member Conduct	Yes	Yes	Yes
Training Requirements	Yes	Yes	Partial
Required Meetings	Partial	Yes	Partial
Notice	Yes	Yes	Yes
Agenda	Yes	Yes	Yes
Executive Sessions	Yes	Yes	Yes
Special and Emergency Meetings	Yes	Yes	Yes
Minutes	Yes	Yes	Yes
Procedural Rules	Yes	Yes	Yes
Order and Decorum	Yes	Yes	Yes
Public Participation/Comment	Yes	Yes	Yes
Virtual Attendance	No	Yes	No
Committees - General	Yes	Yes	Yes
Standing Advisory Committees	Yes	Yes	Yes
Ad Hoc Advisory Committees	Yes	Yes	Yes
Delegation	No	Yes	No
Management	Partial	Yes	Partial
Board Member Expenses and Compensation	Yes	Yes	No
Governing Statutes (Ethics)	Yes	Yes	Yes
Conflicts of Interest	Yes	Yes	Yes
Prohibited Actions	Yes	Yes	No
Communications with the Media	No	Yes	Yes
Communications with District Staff	No	Yes	No
Confidentiality	No	Yes	No
Governing Statutes and the Budget Process	Yes	Yes	Yes
Board Member Development - General	Yes	Yes	Partial
Board Member Development - Minimum Requirements	Partial	Yes	Partial
Acknowledgment of Receipt and Compliance	No	Yes	Yes
AI Model Policies			
Purpose of the Policy Manual	No	No	Yes
Mission, Vision, and Core Values	No	No	Yes
Authority of the District	No	No	Yes
Role of the Board of Commissioners	Yes	Yes	Yes
Role of the Executive Director	Yes	No	Yes
Organizational Structure Overview	Partial	No	Yes
Definitions and Key Terms	No	No	Yes

Board Composition, Qualifications, and Terms	Partial	Yes	Yes
Board Member Roles and Responsibilities	Yes	No	Yes
Board Code of Conduct and Ethics	Yes	Yes	Yes
Conflicts of Interest, Disclosure, and ORS 244 Compliance	Partial	No	Yes
Board Chair and Officer Responsibilities	Yes	Yes	Yes
Board Committees	Yes	Yes	Yes
Board Meetings	Yes	Yes	Yes
Meeting Procedures and Parliamentary Rules	Yes	No	Yes
Executive Sessions	Yes	Yes	Yes
Public Participation in Meetings	Yes	Yes	Yes
Board Communications and Records	Yes	No	Yes
Policy Adoption and Revision Procedures	No	No	Yes
Long-Range Transportation Planning	No	No	Yes
Annual Strategic Goals	No	No	Yes
District Performance Measures	No	No	Yes
Monitoring of Executive Director Performance	Yes	No	Yes
Annual Report and Transparency Standards	No	No	Yes
Budget Development and Adoption	Yes	Yes	Yes
Financial Reporting Requirements	Partial	Partial	Yes
Capital Improvement Planning	No	No	Yes
Reserve and Contingency Policies	No	No	Yes
Procurement and Contracting Standards	Partial	No	Yes
Grants Management	No	No	Yes
Asset Management and Depreciation	Yes	No	Yes
Debt Management	Partial	No	Yes
Fare Policy and Revenue Collection Oversight	No	No	Yes
Fraud Prevention and Internal Controls	Partial	No	Yes
Board–Executive Director Relationship	Partial	No	Yes
Executive Director Hiring, Evaluation, and Termination	Yes	No	Yes
Compensation and Benefits Oversight	No	Yes	Yes
Workplace Safety Oversight	No	No	Yes
Nondiscrimination, DEI, and Title VI Responsibilities	No	No	Yes
Labor Relations and Collective Bargaining Oversight	No	No	Yes
Whistleblower Protections and Reporting Procedures	No	No	Yes
Service Standards and Performance Expectations	No	No	Yes
Service Planning and Changes	No	No	Yes
Safety and Security	No	No	Yes
ADA Paratransit Service Policies	No	No	Yes
Vehicle and Fleet Management Standards	No	No	Yes
Customer Service Expectations	No	No	Yes
Emergency and Disaster Response Roles	No	No	Yes
Lost and Found Procedures	No	No	Yes
Public Records	No	No	Yes
Records Retention	No	No	Yes

Transparency and Open Meetings Compliance	Yes	Partial	Yes
Ethics and Anti-Corruption Requirements	Yes	Yes	Yes
Title VI Civil Rights Program	No	No	Yes
ADA and Accessibility Oversight	No	No	Yes
Environmental Compliance and Sustainability Policy	No	No	Yes
Risk Management and Insurance Requirements	No	No	Yes
Complaint and Appeal Processes	No	No	Yes
Public Engagement Policy	No	No	Yes
Media and Public Communications	No	Yes	Yes
Partnerships with Local Governments and Tribes	No	No	Yes
Coordination with ODOT and Statewide Transit Programs	No	No	Yes
Intergovernmental Agreements	No	No	Yes
Board Training and Orientation	Yes	Yes	Yes
Continuing Education and Conferences	No	No	Yes
Board Self-Evaluation Procedures	No	No	Yes
Board Succession Planning	No	No	Yes
Relevant Oregon Revised Statutes excerpts	Yes	No	Yes
Board bylaws	No	No	Yes
District organizational chart	No	No	Yes
Key forms and templates	No	No	Yes
Resolutions archive list	No	No	Yes
Code of Conduct acknowledgement form	No	Yes	Yes

SUNSET EMPIRE TRANSPORTATION DISTRICT
Board of Commissioners Policy Manual
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- B-304 | Duties of the Secretary Treasurer
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- B-306 | Board Governance
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- B-308 | Board Vacancy
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- B-802 | Formulation of the SETD/NWRC Budget and Budget Committee
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- B-812 | Investment Policy
- B-813 | Pre-Loss Legal Counsel Consultation
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- B-815 | Executive Director Signing Authority
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- B-817 | Timber Revenue
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BOARD DUTIES AND RESPONSIBILITIES POLICY MANUAL

[DISTRICT NAME]

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Sunset Empire Transportation District

Board Policy Manual

Draft Table of Contents

Prepared for the Board Policy Committee meeting on March 12, 2026 with ChatGPT

1. Introduction and Governance Framework

- Purpose of the Policy Manual
- Mission, Vision, and Core Values
- Authority of the District (Oregon Revised Statutes references, especially ORS Chapter 267)
- Role of the Board of Commissioners
- Role of the Executive Director
- Organizational Structure Overview
- Definitions and Key Terms

2. Board Governance and Operations

- Board Composition, Qualifications, and Terms
- Board Member Roles and Responsibilities
- Board Code of Conduct and Ethics
- Conflicts of Interest, Disclosure, and ORS 244 Compliance
- Board Chair and Officer Responsibilities
- Board Committees (standing and ad hoc)
- Board Meetings (regular, special, emergency)
- Meeting Procedures and Parliamentary Rules
- Executive Sessions (ORS 192 compliance)
- Public Participation in Meetings
- Board Communications and Records
- Policy Adoption and Revision Procedures

3. Strategic Planning and District Oversight

- Long-Range Transportation Planning
- Annual Strategic Goals
- District Performance Measures
- Monitoring of Executive Director Performance
- Annual Report and Transparency Standards

4. Financial Management Policies

- Budget Development and Adoption (ORS 294 Local Budget Law compliance)
- Financial Reporting Requirements
- Capital Improvement Planning
- Reserve and Contingency Policies
- Procurement and Contracting Standards (including thresholds)
- Grants Management

- Asset Management and Depreciation
- Debt Management
- Fare Policy and Revenue Collection Oversight
- Fraud Prevention and Internal Controls

5. Human Resources & Personnel Governance

- Board–Executive Director Relationship
- Executive Director Hiring, Evaluation, and Termination
- Compensation and Benefits Oversight
- Workplace Safety Oversight
- Nondiscrimination, DEI, and Title VI Responsibilities
- Labor Relations and Collective Bargaining Oversight
- Whistleblower Protections and Reporting Procedures

6. Transit Operations Policies

- Service Standards and Performance Expectations
- Service Planning and Changes (public process, Title VI compliance)
- Safety and Security (including Transit Safety Plan oversight under FTA regulations)
- ADA Paratransit Service Policies (ADA compliance)
- Vehicle and Fleet Management Standards
- Customer Service Expectations
- Emergency and Disaster Response Roles
- Lost and Found Procedures (board-level oversight only)

7. Compliance, Transparency, and Public Accountability

- Public Records (ORS 192 compliance)
- Records Retention (state archives standards)
- Transparency and Open Meetings Compliance
- Ethics and Anti-Corruption Requirements
- Title VI Civil Rights Program
- ADA and Accessibility Oversight
- Environmental Compliance and Sustainability Policy
- Risk Management and Insurance Requirements
- Complaint and Appeal Processes

8. Community Engagement and Government Relations

- Public Engagement Policy
- Media and Public Communications (board-level expectations)
- Partnerships with Local Governments and Tribes
- Coordination with ODOT and Statewide Transit Programs
- Intergovernmental Agreements (IGA oversight)

9. Board Development and Evaluation

- Board Training and Orientation

- Continuing Education and Conferences
- Board Self-Evaluation Procedures
- Board succession planning

10. Appendices

- Relevant Oregon Revised Statutes excerpts
- Board bylaws
- District organizational chart
- Key forms and templates
- Resolutions archive list
- Code of Conduct acknowledgement form

DRAFT



Sunset Empire Transportation District BOARD POLICY COMMITTEE

Item 7b Review Edits to Policy B-312

Date: April 9, 2026

Summary: The Board Policy Committee on March 12, 2026, made several suggested revisions to board policy B-312 dealing with committees, including significant reorganization of the policy. The executive assistant aimed to capture those revisions in a new draft for committee review.

A draft committee application also is attached. The executive assistant used two versions of the TAC application to create the generic draft form.

Attachments:

- Draft of B-312 with latest revisions
- Draft of generic SETD committee application form

SETD Board Policy Title: Board Committees		SETD Board Policy #: B-312
Board Adoption Date: June 27, 2013	Chair Signature: Paul Lewicki	Chair Signature Date:
Board Review/Update Date: No Revision: <input type="checkbox"/> Revision: <input checked="" type="checkbox"/> Sept. 24, 2024	Chair Signature: Debbie Boothe-Schmidt	Chair Signature Date:
Board Review/Update Date: No Revision: <input type="checkbox"/> Revision: <input checked="" type="checkbox"/> Date to come	Chair Signature:	Chair Signature Date:

Purpose: outlines and provides guidance to the board regarding committee structure.

Policy:

1. General Committee Information

- a. Lay members seeking appointments to committees shall submit applications. (See attachment)
- b. The executive director will recommend staffing for each committee to be approved by the Sunset Empire Transportation District (SETD) Board of Commissioners (BOC).
- c. The order of business at the beginning of formation of each committee and again at the beginning of each fiscal year shall be:
 1. Election of chair
 2. Election of vice-chair
 3. Set meeting dates and times
- d. Each committee shall report on its activities to the BOC on a regular basis or as designated by the BOC.
- e. Committee meeting minutes shall be included in the monthly BOC meeting packet.

2. Appointment of Committees

- a. The BOC may appoint committees to advise the board regarding district business.
- b. The BOC is required to have a Budget Committee and a Transportation Advisory Committee (TAC).

3. Standing Committees of the Board of Commissioners

The following committees are standing committees of the BOC.

a. Budget Committee

Mission statement: mission statement to come

The 14-member committee is composed of all members of the BOC and an equal number of lay members. Lay members serve for three-year terms, which are staggered. The committee convenes on an annual basis to review and make recommendations to the BOC for the upcoming fiscal year budget.

b. Transportation Advisory Committee

Mission statement: mission statement to come

The five-member committee provides recommendations to the board on transportation matters regarding seniors, those with disabilities, and the general public; and it operates as the district's Special Transportation Fund grant committee. Lay members serve for three-year terms, which are staggered.

The committee is governed by its own bylaws.

c. Board Policy Committee

Mission statement: mission statement to come

The three-member committee provides recommendations to the board regarding board policies. It consists of three BOC members appointed by the board chair with concurrence from the BOC. Terms are one year.

d. Executive Director Evaluation Committee

Mission statement: mission statement to come

The three-member committee convenes on at least an annual basis. The board chair appoints members with concurrence from the BOC. The HR manager or another designee selected by the board staffs the committee. Terms are one year.

e. Finance Committee

Mission statement: mission statement to come

The three-member committee consists of the BOC treasurer, a BOC member and one lay member. The lay member shall be part of the Budget Committee and/or a person with financial expertise. Terms are one year.

4. Ad-Hoc Committees

The Board of Commissioners may establish as many ad-hoc committees as it deems necessary to fulfill the needs of the district.

5. Other District Committees or Work Groups

- a. The BOC acknowledges that the executive director has the authority to create committees and work groups to assist and advise with the operations of the district. Those committees and work groups don't include members of the BOC, and they aren't subject to open public meetings law, per Oregon Revised Statutes.

DRAFT

SUNSET EMPIRE TRANSPORTATION DISTRICT Committee Application Form

Full Name

Address

City/State/Zip

Phone

Email

Preferred Contact Method

Are you able to meet the requirements of the committee member job description?

Yes

No

Briefly describe your background, experience or perspective related to public transportation.

What do you think a public transportation system should provide?

What do you know about SETD and its funding?

SUNSET EMPIRE TRANSPORTATION DISTRICT Committee Application Form

Although not a requirement, do you have any experience using Sunset Empire Transportation District services? If yes, please share which services you have used.

Please list if you have been a member of a group, volunteered or served on a committee similar to the one you are applying for.



Sunset Empire Transportation District BOARD POLICY COMMITTEE

Item 7c Discuss Forensic Audit Policy Recommendations

Date: April 9, 2026

Summary: The Board Policy Committee on March 12, 2026, asked the executive assistant to use AI to extract policy recommendations from the 2023 ODOT forensic audit and the two RLS reports that followed. The executive assistant used ChatGPT.

Attachments:

- AI report on policy recommendations from the ODOT forensic audit and RLS reports that followed

The executive assistant uploaded the ODOT audit and supporting documents, plus the two following RLS reports, into ChatGPT and entered this prompt:

“Can you please review these documents and extract any policy recommendations for Sunset Empire Transportation District?”

Executive takeaway

Across all documents, the core issue is consistent:

Lack of board oversight, weak financial controls, and missing/insufficient policies.

The recommendations therefore heavily focus on:

- Formalizing policies
- Strengthening governance
- Improving financial controls and compliance

1. REQUIRED POLICY ACTIONS (ODOT Corrective Actions)

These are mandatory, board-adopted policies required for continued funding.

a. Financial & Budget Policies

- Budget Policy
 - Define roles of Board, Executive Director, Finance Director
 - Establish approval & amendment process
- Cost Allocation / Grant Accounting Policy
 - Define direct vs indirect costs
 - Assign responsibility for eligibility & allocation decisions
 - Establish allocation methodology
- Financial Reporting Policy
 - Require monthly:
 - Balance sheet
 - Cash flow statement
- Financial Reconciliation Policy
 - Reconcile internal reports with audited financials

b. Financial Oversight & Internal Controls

- Financial Oversight Policy
 - Require:
 - Expenditure testing
 - Budget variance analysis
 - Internal audit schedule
- Internal Controls Policy
 - Segregation of duties

- Defined purchasing authority
- Dual approvals for purchases
- Controlled accounting changes
- Expenditure Documentation Policy
 - Maintain accessible invoices and bank records

c. Financial Management Compliance

- Formal Financial Management Policies (comprehensive)
 - Required to comply with federal grant rules (2 CFR Part 200)
 - Must safeguard against waste, loss, misuse
- Annual Financial Reporting Policy
 - Produce Annual Comprehensive Financial Report (ACFR) with:
 - Balance sheet
 - Cash flow
 - Corrective action plan

2. ADVISORY POLICY RECOMMENDATIONS (ODOT / Audit)

These are not strictly required but strongly recommended.

a. Governance & Board Policies

- Add financial expertise to the Board
- Strengthen Board accountability for financial oversight
- Enforce budget adherence policy
 - Prevent informal or shifting “working budgets”

b. Grant & Financial Management

- Develop grant management policy
 - Plan and track reimbursements strategically
 - Maximize use of restricted funds

c. Transparency & Reporting

- Improve documentation and reporting practices
 - Ensure complete, timely financial data
 - Maintain audit-ready records

3. RLS COMPLIANCE REVIEW – POLICY RECOMMENDATIONS

The RLS reports (2023 & 2025) add operational and governance policy needs.

a. Governance & Ethics Policies

- Adopt:
 - Whistleblower policy
 - Audit response policy

b. Financial & Administrative Policies

- Clarify Finance Director responsibilities
- Provide financial management training
- Improve accounting systems and practices

c. Operational Policies

- **Travel policy**
 - Define allowable expenses, approvals, limits
- **Cost allowability policy**
 - Ensure compliance with grant rules

d. Internal Controls & Risk

- Strengthen internal control framework
 - Prevent commingling of funds
 - Improve financial tracking systems

e. Civil Rights / Compliance Policies (2025 report)

- Ensure civil rights issues are reported to the Board
- Maintain compliance policies across:
 - ADA
 - Civil rights
 - procurement and asset management

4. THEMATIC POLICY GAPS (Across All Reports)

Across documents, the same systemic gaps appear:

a. Governance Failure

- Weak Board oversight
- No financial expertise
- Lack of structured policy framework

b. Financial Control Breakdown

- No fund accounting
- Missing documentation
- Poor grant tracking
- No reconciliation processes

c. Lack of Formal Policies

- Many processes were informal or inconsistently applied
- Key areas missing policies entirely

d. Compliance Risk

- Noncompliance with federal grant requirements
- High risk designation by ODOT

e. Consolidated Policy Recommendation List

If you want a clean master list, here it is:

MUST IMPLEMENT

- Budget policy
- Cost allocation policy
- Financial oversight policy
- Internal controls policy
- Financial reporting policy
- Financial reconciliation policy
- Expenditure documentation policy
- Comprehensive financial management policy

SHOULD IMPLEMENT

- Travel policy
- Grant management policy
- Cost allowability policy
- Whistleblower policy
- Audit response policy
- Civil rights reporting policy
- Board governance & training policies



Sunset Empire Transportation District BOARD POLICY COMMITTEE

Item 7d Review Draft Policies B-804a and B-804b

Date: April 9, 2026

Summary: The Board Policy Committee on March 12, 2026, proposed dividing policy B-804 into two separate policies. The executive assistant drew up drafts of B-804 a and B-804b based on the discussion.

The drafts are presented for committee review.

Attachments:

- Draft policy B-804a
- Draft policy B-804b

SETD Board Policy Title: Disbursement of Funds		SETD Board Policy #: B-804a
Board Adoption Date:	Chair Signature:	Chair Signature Date:
Board Review/Update Date: No Revision: <input type="checkbox"/> Revision: <input type="checkbox"/> Date:	Chair Signature:	Chair Signature Date:
Board Review/Update Date: No Revision: <input type="checkbox"/> Revision: <input type="checkbox"/> Date:		

Purpose:

To assure:

- Separation of duties
- Restrictions on funds
- Proper tracking
- Proper disbursing
- Sufficient trained staff

Policy:

1. The board officers, the executive director and the chief operating officer shall be the authorized signers on district bank accounts.
2. All checks shall be signed by two authorized signers, with at least one signer being a board officer.

SETD Board Policy Title: Depositories		SETD Board Policy #: B-804b
Board Adoption Date:	Chair Signature:	Chair Signature Date:
Board Review/Update Date: No Revision: <input type="checkbox"/> Revision: <input type="checkbox"/> Date:	Chair Signature:	Chair Signature Date:
Board Review/Update Date: No Revision: <input type="checkbox"/> Revision: <input type="checkbox"/> Date:		

Purpose:

To assure:

- Separation of duties
- Restrictions on funds
- Proper tracking
- Proper disbursing
- Sufficient trained staff

Policy:

1. The board shall designate the depositories for the district. Only qualified depositories for public funds are eligible to be utilized per [ORS 295.002](#).
2. The Board of Commissioners authorizes the financial officer and the executive assistant to effect transferring funds between accounts.



Sunset Empire Transportation District BOARD POLICY COMMITTEE

Item 7e Ticket Bank Policy

Date: April 9, 2026

Summary: SETD has a Ticket Bank program through which free day pass vouchers are provided to service organizations in Clatsop County.

Commissioners at the March 26, 2026, board meeting asked that staff make a proposal for a revamped ticket bank program that includes a more robust application process and better tracking and budgeting.

Attachments:

- Ticket Bank operational policy
- Ticket Bank application form

SUNSET EMPIRE TRANSPORTATION DISTRICT TICKET BANK POLICY

Policy:

Sunset Empire Transportation will distribute individual Day Pass Vouchers at no cost to service organizations in Clatsop County who submit a request form and upon approval of the request by the SETD management team.

Procedure:

A Ticket Bank Application (attachment A) must be completed and submitted to the SETD Executive Director or Executive Assistant. The applicant will be verified as a local service provider. Requests will be evaluated on a case-by-case basis and processed within two weeks of receiving the application.

The request will be submitted to the SETD Management Team for approval. If request is approved by the management team, designated staff will complete a Ticket Order Form which records the requester's name, phone number, the number of vouchers requested and the ID numbers that have been placed on the vouchers. When this process is completed, the applicants will be immediately notified that their requested Day Pass vouchers are completed and ready for pick up. Day Passes will have a one-year expiration. More than one Ticket Bank Application may be submitted by the same applicant.

Applications may be dropped off at SETD Transit Center or mailed to Sunset Empire Transportation District, 900 Marine Drive, Astoria Oregon, 97103 or emailed to lhedrick@ridethebus.org. For questions please call 503-861-7433 #2.



**SUNSET EMPIRE TRANSPORTATION DISTRICT
TICKET BANK APPLICATION 2026**

A Ticket Bank Application must be submitted for all requests for Day Pass vouchers or other public transportation requests. Voucher distribution or other transportation services will be determined by the SETD Management Team. Requests will be evaluated on a case-by-case basis and processed within two weeks of receiving the application. If approved, the requesting organization will receive vouchers for the requested Day Passes which have a one-year expiration. More than one Ticket Bank Application may be submitted by the same applicant. Please email application to sara@ridethebus.org. Applications may also be dropped off or mailed to Sunset Empire Transportation District, 900 Marine Drive, Astoria Oregon, 97103. For more information contact Executive Assistant Sara Schilling at sara@ridethebus.org or 503-861-5370.

Name of Service/Organization _____

Address _____

Contact person _____ phone _____ email _____

Number of Day Pass Vouchers you are requesting _____

Describe the purpose or use of requested vouchers-

OFFICIAL USE

Date Received _____ Cost of requested services \$ _____

SETD Management Team: ___Approved ___Not Approved Date: _____

Comments _____

Staff Signature _____ Date _____

Letter of Approval sent: Date _____ Initial _____ Letter of Denial sent: Date _____ Initial _____



Sunset Empire Transportation District BOARD POLICY COMMITTEE

Item 7f Discuss Legislative Advocacy Policy Draft

Date: April 9, 2026

Summary: The Board Policy Committee on March 12, 2026, tabled discussion of the draft legislative advocacy policy until the next meeting.

The draft policy was created with help from AI.

Attachments:

- Draft legislative advocacy policy

<u>SETD Board Policy Title:</u> Legislative Advocacy		<u>SETD Board Policy #:</u> B-313	
<u>Board Adoption Date:</u>	<u>Chair Signature:</u>	<u>Chair Signature Date:</u>	
<u>Board Review/Update Date:</u> No Revision: <input type="checkbox"/> Revision: <input type="checkbox"/>	<u>Chair Signature:</u>	<u>Chair Signature Date:</u>	

Purpose

The purpose of this policy is to guide Sunset Empire Transportation District (SETD) officials and staff in evaluating and responding to legislative or regulatory proposals that may impact SETD’s services, operations, funding, governance, or community responsibilities. This policy ensures that SETD can respond in a timely, coordinated manner to legislative issues at the local, state, and federal levels.

This policy also establishes legislative advocacy procedures to provide clear direction for SETD staff and the SETD Board of Commissioners regarding how to monitor, evaluate, and act on legislative proposals during state and federal sessions. Adhering to these procedures ensures that all advocacy is consistent, coordinated, and aligned with the advocacy priorities adopted by the Board of Commissioners. These procedures also provide the executive director, board chair, or designee the discretion to advocate for SETD’s best interests in a manner consistent with board-adopted goals and priorities.

Policy Principles

This policy authorizes SETD’s executive director, board chair, or designee to take positions on legislation in a timely manner, provided such positions align with the advocacy priorities established by the Board of Commissioners.

- The Board of Commissioners shall adopt advocacy priorities to provide policy direction and decision-making criteria.
- When a legislative issue aligns with these priorities, staff may take a position without additional board approval.
- When no advocacy priority addresses a particular issue, the matter must be referred to the Board of Commissioners for direction.

- SETD will generally not engage in issues unrelated to its mission or local government service delivery, including social issues or international matters.

Legislative Advocacy Procedures

SETD will proactively monitor and advocate for legislation consistent with board direction and SETD's adopted advocacy priorities. This includes engagement with local, state, and federal government agencies, as well as participation in regional, statewide, and national organizations.

Monitoring legislation is a shared responsibility of the Board of Commissioners and the executive director or designated staff. The following procedures guide SETD's responses to legislative issues:

1. Review of Legislative Requests

The executive director, board chair, or designee shall review all requests for SETD to take a position on legislation to determine alignment with SETD's advocacy priorities.

2. Use of External Analysis

When determining positions, the executive director, board chair, or designee will review analyses and recommendations from organizations such as the Special Districts Association of Oregon (SDAO), the Oregon Transit Association (OTA), and other relevant local government or transportation organizations.

If the issue aligns with SETD's advocacy priorities, advocacy may be conducted through letters, emails, calls, testimony, or other appropriate methods.

3. Drafting of Legislative Correspondence

All legislative correspondence initiated by the executive director, board chair, or designee shall clearly indicate SETD's position:

- **Support** – advances SETD's goals and priorities.
- **Support if Amended** – supports in concept but requires modifications.
- **Oppose** – harms or negatively impacts SETD or does not support SETD goals.
- **Oppose Unless Amended** – opposition may be removed with specific changes.

All correspondence shall include justification for the recommended position.

4. Expressions of Interest Without Formal Position

The executive director or board chair may submit correspondence expressing concern, interest, or requests for clarification on legislative matters without taking a formal position.

5. Legislative Notifications

When SETD sends correspondence to a state or federal legislative body, copies shall be provided to the appropriate legislators representing Clatsop County and SETD's service area. Copies may also be provided to SDAO, OTA, and other relevant organizations.

6. Criteria for Adopting Positions Without Board Meeting

A legislative position may be adopted by the executive director, board chair, or designee when:

- a. The position is consistent with SETD's adopted advocacy priorities;
- b. The position aligns with positions taken by organizations of which SETD is a member; or
- c. The position is approved by a board-created committee.

7. Reporting to the Board of Commissioners

Any legislative position adopted outside a regular board meeting must be reported to the board at its next regularly scheduled meeting. The executive director, board chair, or designee may provide written or verbal updates.

Advocacy Priorities

1. Revenue, Finances, and Taxation

- Protect and enhance funding for reliable and safe transit services in Clatsop County.
- Oppose diversion or reduction of local transit revenues without SETD's consent.
- Support financial independence and diversified revenue sources for special districts.
- Promote SETD's competitiveness for state, federal, and regional grants and dedicated transit funding streams.
- Support funding opportunities that offset capital costs, expand service, and maintain system sustainability.

2. Governance and Accountability

- Support governance structures that protect SETD's independence, local control, and responsiveness to community needs.
- Encourage policies that avoid unnecessary, duplicative, or overly burdensome requirements.
- Oppose new public meeting or records burdens that do not meaningfully enhance transparency.
- Support local decision-making authority regarding service delivery, governance structures, reorganizations, and potential consolidations.
- Oppose measures that weaken liability protections for special districts or district officials.

3. Human Resources and Personnel

- Support policies that increase flexibility in hiring, benefits, workforce management, recruitment, and retention.
- Promote cost-effective HR practices to maintain a highly qualified transit workforce.
- Support positive relationships between management and employees.
- Oppose state mandates that restrict SETD's ability to use contracted services or manage staffing efficiently.

4. Infrastructure, Innovation, and Investment

- Support investments in long-term, resilient, and innovative transportation infrastructure.
- Promote contracting flexibility and financial tools that enable SETD to meet changing regional mobility needs.
- Encourage sustainable, efficient, and cost-effective delivery of transit services.
- Oppose one-size-fits-all public works requirements that raise costs or reduce local autonomy.