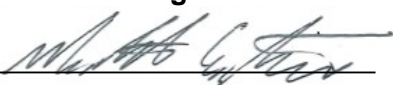












Monitoring Report for Policy 2.2: Treatment of Staff
Monitoring period: May 2021- May 2022

Service Committee Meeting Date: August 3rd, 2022

Board Meeting Date: August 18th, 2022

INFORMATION TYPE
Decision
RECOMMENDED ACTION(S):
That the Board <ol style="list-style-type: none"> 1. Reviews this monitoring report and completes the survey provided in this link by July 26th, 2022. 2. Monitors the policy and accepts it as level A- Compliant or level B -Compliant except for items noted.
ISSUE SUMMARY:
<p>TheRide’s Board of Directors establish policies that define what methods are unacceptable to use to achieve expected results, called Executive Limitations. This monitoring report provides the CEO’s interpretations of those policies, evidence of achievement, and an assertion on compliance with the Board’s written goals. As with other monitoring reports, the Board decides whether the interpretations are reasonable, and the evidence is convincing.</p> <p>I certify that the information is true and complete, and I request that the Board accept this as indicating an acceptable level of compliance.</p> <p align="center"> CEO’s Signature Date  July 20, 2022 </p>
BACKGROUND
<p>As discussed with the Board in October, the CEO adjusted this monitoring report to more objective, factual measures along with the staff perception survey to try to provide a balanced report. Below are a few notes on the staff survey:</p> <ol style="list-style-type: none"> 1. The survey was conducted in April 2022 2. The response rate was at 49.06% (130/265 employees), an increase from last year’s 38% participation. 3. Employee Engagement survey is voluntary and may reflect perceptions. <p>The monitoring period for this report is May 2021-May 2022. However, some of the data is presented in Calendar Year where the data compared to its is presented in Calendar Year e.g., data from the Bureau of Labor Statistics.</p> <p>In addition, governance coach Rose Mercier provided the board with feedback on some aspects of this policy.</p>
ATTACHMENTS:
<p>Monitoring report for Policy 2.2: Treatment of Staff Page 2 Governance Coach Policy Updates recommendationsPage 14</p>

Policy 2.2:Treatment of Staff:	Page #	Compliance
<p>2.2 The CEO will not cause or allow employment conditions that are inconsistent, discriminatory, unfair, unsafe, unhealthy, undignified, disorganized, or unclear.</p> <p>Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:</p>	3	
<p>2.2.1. Operate in a manner that undermines the organization as a workplace of choice.</p>	4	
<p>2.2.1.1 Operate with a work environment that devalues the humanity, creativity and knowledgeable contribution of its workforce or inhibits the recruitment of highly qualified people.</p>	5	
<p>2.2.2. Operate without up-to-date, clear, available, written, and enforced personnel rules or contracts that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and unfairly preferential treatment for personal reasons</p>	6	
<p>2.2.2.1 Fail to provide internal controls necessary to enforce such policies.</p>	8	
<p>2.2.3 Allow retaliation against any staff member for non-disruptive expression of dissent.</p>	9	
<p>2.2.4 Allow staff to be unprepared to deal with emergency situations.</p>	10	

 Fully Compliant
  Partially Compliant
  Non-Compliant

POLICY 2.2: Cause or allow employment conditions that are inconsistent, discriminatory, unfair, unsafe, unhealthy, undignified, disorganized, or unclear.

Degree of Compliance: Compliant

Interpretation

Compliance with this policy during the period will be demonstrated when:

- A. The agency maintains an Equal Employment Opportunity (EEO) program that prohibits and requires documentation of treatment that could be discriminatory. The EEO program should find no instances of discrimination. This approach is reasonable because federal laws and regulations, not subjective perception, define the nature of infractions in this field, and the EEO program is required and evaluated by the Federal Transit Administration (FTA).
- B. The agency has a robust workplace safety program as set by the federal and state Occupational Safety and Health Administration (OSHA and MIOSHA)
- C. There are no employee fatalities where anything reasonably under the control of the employer contributed to the incident. (Other safety considerations are addressed in lower-level policies)
- D. We are compliant with the further policies of this section (below).

This is reasonable because these are objective measures of staff treatment. Additional measures based on staff input will be provided through surveys in the following policies.

Evidence

Source of data: Internal human resources data and compliance of subsequent policies.

Date of data collection: 6/4/22- 7/8/22 as verified by the Manager of Human Resources and the Corporate Strategy & performance Officer

Data:

- A. During the monitoring period, TheRide had an EEO program in line with all FTA requirements. A preliminary report on the 2022 Triennial review had no deficient findings on the program,
- B. All new employees go through comprehensive safety training during orientation based on OSHA/MIOSHA standards and in respect to their role. Refresher trainings are also provided. Parameters covered in the trainings include:
 - Active shooter
 - Aerial Lifts
 - Back Safety
 - Bloodborne Pathogens
 - Confined Space
 - Drug / alcohol
 - Emergency Preparedness
 - Fall Protection
 - Forklift Safety
 - Hand Power Tool Safety
 - Hazard Communication
 - Hearing Conservation
 - Contractor Safety
 - Ergonomics
 - Respiratory Protection
- C. There were no work-related employee fatalities during the monitoring period.
- D. Subsequent policies are compliant.

POLICY 2.2.1: Operate in a manner that undermines the organization as a workplace of choice.

Degree of Compliance: Compliant

Interpretation

Compliance with this policy will be demonstrated when

- A. AAATA attrition rates* are below the national averages for both the transportation and local government sectors as provided by the Bureau of Labor Statistics (BLS). This is reasonable because attrition measures those who choose to leave, but also those who choose to stay, and can be benchmarked to provide context. Presumably, attrition indicates an objective degree of how much employees' value working at this employer.
- B. At least 50% of employees in a survey agree with the following statements:
 - i. Have NOT considered searching for a better job in the past month,
 - ii. Would highly recommend working at AAATA to others, and
 - iii. Have the flexibility needed to balance work and personal life

This is reasonable because such responses represent a reasonable sample of employees overall impressions. 50% is reasonable because it is a majority in a subjective survey with a variable response rate that is subject to outside influences.

** - attrition rate is defined as the number of total separations (voluntary and involuntary) per average number of employees in a given calendar year *100%*

Evidence

Source of data: Internal human resources data, BLS data and employee survey results.

Date of data collection: 6/4/22- 7/8/22 as verified by the Manager of Human Resources and the Corporate Strategy & Performance Officer

Data:

A. Below are the attrition rates for Calendar Year 2021.

	AAATA's	Transportation, warehousing, and utilities sector	Local government.	TheRide's data is below BLS data for similar sectors.
Attrition rates	12.31%	49.0%	20.2%	Yes

B. FY 2022 Employee Engagement Survey results to the following statements.

	% Agreeing	Average score	Score at or above 50%
I have NOT considered searching for a better job in the past month	47%	54%	Yes
I would highly recommend working at AAATA to others	62%		
AAATA motivates me to give their very best at work	53%		

POLICY 2.2.1.1: Operate with a work environment that devalues the humanity, creativity and knowledgeable contribution of its workforce or inhibits the recruitment of highly qualified people.

Degree of Compliance: Compliant

Interpretation

Compliance with this policy will be demonstrated when a survey of employees has 50% or more listed as agreeing (strongly agreeing, agreeing, or slightly agreeing) with the following statements:

- i. I feel genuinely appreciated at Ann Arbor Area Transportation Authority
- ii. Ann Arbor Area Transportation Authority operates by strong values
- iii. New ideas are encouraged at Ann Arbor Area Transportation Authority
- iv. Ann Arbor Area Transportation Authority encourages different points of view
- v. Ann Arbor Area Transportation Authority enables me to work at my full potential

This is reasonable because This score includes the following factors that indicate an environment that supports/values humanity, creativity, and knowledgeable contribution. Higher than 50% is reasonable because it is a majority or subjective opinion.

Evidence

Source of data: Employee engagement survey results

Date of data collection: 7/8/22 as verified by the Corporate Strategy & Performance Officer

Data

	% Agreeing	Average scores	Target met? (Score at or above 50%)
I feel genuinely appreciated at Ann Arbor Area Transportation Authority	67%	52%	Yes
AAATA operates by strong values	58%		
New ideas are encouraged at Ann Arbor Area Transportation Authority	44%		
Ann Arbor Area Transportation Authority encourages different points of view	36%		
Ann Arbor Area Transportation Authority enables them to work at their full potential	54%		

POLICY 2.2.2: Operate without up-to-date, clear, available, written, and enforced personnel rules or contracts that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and unfairly preferential treatment for personal reasons.

Degree of Compliance: Compliant

Interpretation

Compliance with this policy will be demonstrated when the requirements listed in this policy are addressed in:

- A. The handbook for non-union staff that addresses the requirements of this policy is provided during orientation and is available upon request at the HR department, and
- B. A union contract inclusive of these elements is in effect or in the process of being negotiated.
- C. The Authority's Anti-Harassment, Discrimination and Retaliation Policy which addresses harassment and discrimination for all staff.

This is reasonable as all AAATA employees are either union or non-union staff and their employer-employee agreements are documented in the non-union employee handbook and the union contract respectively.

Evidence		
Source of data: Internal human resource records		
Date of data collection: 7/8/22 as verified by the Corporate Strategy and Performance Officer		
Data:	Non-Union Employees Handbook	Union Contract
Up-to date	Yes, updated in January 2021	Yes, updated on April 2022
Clear	Written language is proofed for ease of readability before it is shared with staff	
Available	All non-union staff receive a copy and must sign an acknowledgement form.	All union staff receive a copy of the contract upon hire and must sign an acknowledgement form To confirm receipt.
Written	Yes	
Provision of standards and expectations*	This document provides general employee standards and expectations. Further expectations based on role are provided upon new hire orientation by direct managers/supervisors	
Provisions for effective handling of grievances	The appeals process is documented in page 6 of the non-union employee handbook. It provides several avenues to address complaints or concerns of harassment, discrimination, or retaliation.	The union contract has a whole section addressing parameters and procedures for addressing grievances. Similar to the Non-union handbook, several avenues of addressing grievances are provided. This gives the employees a chance to use the channel with which they are most comfortable.
Protections against wrongful conditions such as nepotism and unfair preferential treatment.	This provision is addressed in the Anti-Harassment, Discrimination and Retaliation Policy.	
*Evidence on enforcement of these two documents is addressed in policy 2.2.2.1		

POLICY 2.2.2.1: Fail to provide internal controls necessary to enforce such policies.

Degree of Compliance: Compliant

Interpretation

Compliance will be demonstrated when mechanisms for holding staff accountable to expectations described in Policy 2.2.2. exist. This is reasonable as that's what the policy asks for.

Evidence

Source of data: Internal records and practices

Date of data collection: 6/4/22 as verified by the Manager of Human Resources

Data: Non-union department managers are responsible for monitoring and correcting employee performance based on agreed expectations. Working conditions, work rules and performance standards for union employees are detailed to in the Personnel Procedures Manual which is furnished to all non-union employees upon hire. Notices of Infractions are written for union employees' violations based on that agreement.

POLICY 2.2.3: Allow retaliation against any staff member for non-disruptive expression of dissent.

Degree of Compliance: Compliant

Interpretation

Compliance will be achieved when

- A. A whistleblower policy is available and accessible to staff. This is reasonable because such a policy encourages staff to come forward with credible information on illegal practices or violations of adopted policies of the organization and also specifies that the organization will protect the individual from retaliation.
- B. There are no substantiated instances of retaliation for non-disruptive expression of dissent as evidenced by formal grievances or lawsuits. In this context non-disruptive means any disagreement with a management action that: is made in a respectful manner and is not a refusal or encouragement to not perform work (aside from immediate safety concerns). This is reasonable as a neutral third party (other than the management and employee) would be involved in confirming records of grievances or making judgements on lawsuit allegations.

Evidence

Source of data: Internal records

Date of data collection: 6/4/22 as verified by the Manager of Human Resources

Data:

- A. Federal and State labor law posters addressing whistleblower and OSHA/MIOSHA reporting processes are located in employee public areas i.e., the drivers lounge, fleet lunch room, nonunion staff lunch room and both transit centers.
- B. There were no records of grievances or lawsuits alleging retaliation for dissent. No unemployment payments were incurred due to allegations of retaliation.

POLICY 2.2.4: Allow staff to be unprepared to deal with emergency situations.

Degree of Compliance: Compliant

Interpretation

Compliance will be demonstrated when

- A. Staff working onsite receive training for emergency situations. This is reasonable because over 2/3rds of AAATA’s employees physically work onsite and emergencies happening at homes of those working from home cannot be reasonably covered by the agency.
- B. Operate with an Emergency Action Plan (EAP) and a Public Transportation Agency Safety Plan (PTASP) that is readily available and accessible to all staff. This is reasonable because the EAP comprehensively covers documentation of emergency procedures based on Occupational Safety and Health Administration (OSHA). The Public Transportation Agency Safety Plan (PTASP) is an FTA requirement that entails developing safety plans that include the processes and procedures necessary to implement Safety Management Systems (SMS).
- C. Majority of employees who participate in an employee engagement survey feel prepared to deal with emergency situations. This is reasonable because employee perception on their emergency preparedness matters on how they act and react during such situations.

Evidence

Source of data: Internal records and employee engagement survey results

Date of data collection: 6/4/22 as verified by the Manager of Human Resources and Corporate Strategy & Performance Officer

Data:

- A. The following safety training occurred during the monitoring period.

	Staff that received training	Target met
Fire drills	<p>All staff working on site and present when the fire drill was conducted. The drills occurred on different dates to accommodate staff working different shifts and dates. These dates were:</p> <ul style="list-style-type: none"> • 20 May 2021 • 15 July 2021 • 30 July 2021 • 21 Oct 2021 • 10 Mar 2021 	Yes

Severe weather drills	All staff working on site and present when the active shooter drill was conducted. Severe weather drills were conducted on different dates by all departments for social distancing reasons on the following dates <ul style="list-style-type: none"> • 17 May 2021 • 19 Aug 2021 • 24 Jan 2022 	Yes
Active shooter drills	All staff working on site and present when the active shooter drill was conducted on 30 Sept 2021	Yes
Safety training during new hire orientation	All new staff were given safety training as part of their new hire orientation.	Yes
Emergency procedures for bus drivers when enroute.	All bus drivers	Yes

- B. The agency operated with a current Emergency Action Plan and Public Transportation Agency Safety Plans. These documents were provided to department managers for dissemination to staff and are also accessible in an electronic drive accessible to all employees.
- C. The survey indicates majority of the staff felt that AAATA prepared them to deal with emergency situations.

	FY22 survey results	Target shows majority
% of employees who agreed that AAATA prepared them for emergency situations	75%	Yes

Policy Trendline

The policy trends for this policy are as shown below. The trendline for FY22 is not final and is dependent on Board's decision

Policies	FY 20	FY 21	FY 22
2.2	2	1	3
2.2.1	3	1	3
2.2.1.1	3	1	3
2.2.2	1	3	3
2.2.2.1	3	3	3
2.2.3	3	1	3
2.2.4	2	3	3

Legend	
1	Policy not compliant
2	Partially compliant policy
3	Compliant policy

Governance Coach Notes

See attachment on proposed policy updates on page 14

Board's Conclusion on Monitoring Report

Guidance on Determining “Reasonableness” of CEO Interpretations

The International Policy Governance Association has developed the following guidance for Board members to use in deciding whether a CEO's interpretation is “reasonable”:

An interpretation is deemed to be reasonable when it provides an operational definition which includes defensible measures and standards against which policy achievement can be assessed...

Defensible measures and standards are those that:

- *Are objectively verifiable (e.g., through research, testing, and/or credible confirmation of observable phenomena.)*
- *Are relevant and conceptually aligned with the policy criteria and the board's policy set.*
- *Represent an appropriate level of fulfillment within the scope of the policy.*

- “What makes an Interpretation Reasonable and What are the Expectations for the Operational Definition: Policy Governance Consistency Framework Report Number 2”. International Policy Governance Association. June 11, 2016. Available on the IPGA website.

Board's conclusion after monitoring the report.

Following the Board's review and discussion with the CEO, the Board finds that the CEO:

- A. Is in compliance.
- B. **Is in compliance, except for item(s) noted.**
- C. Is making reasonable progress toward compliance.
- D. Is *not* in compliance or is *not* making reasonable progress toward compliance.
- E. Cannot be determined.

Board notes (if any)

The Board found the CEO to be (B) in compliance except for items noted in the report and 2.2.1.1 which cannot be determined.

January 2, 2022

TO: AAATA Service Committee

FROM: Rose Mercier, Senior

Consultant

SUBJECT: Policy 2.2 Treatment of Staff – Suggested Amendment

We eliminated the statement “Fail to acquaint staff with the CEO’s interpretation of their protections under this policy” from all of The Governance Coach templates – which by the way are available to AAATA as a client – because the statement, particularly with the “fail to” wording, which is no longer used, is a management prescription rather than a statement of an unacceptable condition which is the purpose of Executive Limitations.

If you read the statement and ask why it would be unacceptable for staff to not be aware of the CEO’s interpretations – the answer might be because staff would be unaware of performance expectations or standards and expectations. This suggests that the larger policy statement is what would be unacceptable. The CEO might, as part of his reasonable interpretation, determine that a criteria for compliance with this policy is that staff would be aware of their protection afforded to them by the interpretations of the policy.

Should you wish more specific detail you might state the following: *“Shall not permit staff to be uninformed regarding the CEO’s interpretation of their protections under this policy.”*

As with many elements of Policy Governance, there has been evolution in the thinking about Executive Limitations policies, particularly with a view to ensuring that a limitations policy states a condition which is the board considers unacceptable because it is imprudent or unethical and does not prescribe a management method. In looking at the photocopied page with the policy template, I am uncertain of the precise source, but the most recent editions of Carver publications are 2006, predating when John and Miriam Carver stopped using “fail to” language and emphasized the caution against statements that did not describe unacceptable conditions.

In considering the proposed amendment to Treatment of Staff, you might consider amending your current policy statement (2.1.2) so that not only is being without current enforced rules and contracts unacceptable but, so too is staff being uninformed of these. You could consider something like the following:

- 2.1.2 Operate without up-to-date, clear, available, written, and enforced personnel rules or contracts *of which staff are uninformed* that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and unfairly preferential treatment for personal reasons.

I would also suggest that you consider deleting the current policy item 2.1.2.1 (now 2.2.2.1). Beyond its use of “fail to” language – it is a management prescription. It tells the CEO the management method to use for enforcement. Might there not be other means for achieving enforcement? If you feel it is necessary to specify that any reasonable interpretation that does not include having internal controls would be unacceptable, then I suggest restating this without the “fail to” language. For example, “*Allow internal controls insufficient to achieve enforcement of rules and contracts.*”

Two options for a more current articulation of this policy (inclusive of making clear that staff being uninformed would be unacceptable) are:

OPTION A:

2.1.2 Allow staff to be without clear, up to date, documented, and enforced personnel rules or contracts that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions.

...

2.1.6 *Shall not permit staff to be uninformed regarding the CEO’s interpretation of their protections under this policy.*

OPTION B:

2.1.2 Allow staff to be without clear, up to date, documented, and enforced personnel rules or contracts *of which they are informed* that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions.

You could, if you choose, add to either of these options the above suggested 2.1.2.1: *Allow internal controls insufficient to achieve enforcement of rules and contracts.*

On the following page is a comparison of your current policy with the starting template that we offer clients when developing policies. This might be useful in appreciating the framework for my suggestions.

CURRENT AAATA POLICY	THE GOVERNANCE COACH TEMPLATE
<p>The CEO will not cause or allow employment conditions that are inconsistent, discriminatory, unfair, unsafe, unhealthy, undignified, disorganized, or unclear.</p> <p>Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:</p> <p>2.2.1 Operate in a manner that undermines the organization as a workplace of choice.</p> <p>2.2.1.1 Operate with a work environment that devalues the humanity, creativity and knowledgeable contribution of its workforce or inhibits the recruitment of highly qualified people.</p> <p>2.2.2 Operate without up-to-date, clear, available, written, and enforced personnel rules or contracts that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and unfairly preferential treatment for personal reasons.</p> <p>2.2.2.1 Fail to provide internal controls necessary to enforce such policies.</p> <p>2.2.3 Allow retaliation against any staff member for nondisruptive expression of dissent.</p> <p>2.2.4 Allow staff to be unprepared to deal with emergency situations.</p>	<p>The CEO shall not cause or allow a workplace environment that is unfair, disrespectful, unsafe, or disorganized or otherwise interferes with employees' ability to do their jobs.</p> <p>Further, without limiting the scope of the above statement by the following list, the CEO shall not:</p> <p>2.2.1. Allow staff to be without current, enforced documentation of <i>which they are informed</i> that clarifies expectations and working conditions, provides for effective handling of grievances, and protects against wrongful conditions.</p> <p>2.2.1.1. Permit staff to be without adequate protection from harassment.</p> <p>2.2.1.2. Permit staff to be uninformed of the performance standards by which they will be assessed.</p> <p>2.22. Retaliate against any staff member for non-disruptive expression of dissent.</p> <p>2.2.3. Allow staff to be unprepared to deal with emergency situations.</p> <p>4. [OPTIONAL] Permit staff to be without reasonable opportunity for professional growth and development.</p>