



Board of Director's Meeting Agenda

Meeting Date/Time: March 19, 2026 - 6:00pm – 8:30pm

Location: Ann Arbor District Library Downtown (4th Floor) - Virtual via [Zoom](#) Passcode: 983308

Members: Kathleen Mozak (Chair), Mike Allemang (Treasurer), Jesse Miller (Secretary), Chris Allen, Simi Barr, Rich Chang, Julie Grand, Susan Pollay, Praveena Ramaswami, Georgia Valentine

Agenda Item	Info Type	Start Time	Details	Page #
1. OPENING ITEMS				
1.1 Approve Agenda	D	6:00	Mozak	
1.2 Public Comment	O			
1.3 General Announcements	O			
2. CONSENT AGENDA				
2.1 Board Meeting Minutes: February 19, 2026	D	6:05		3
2.2 Committee Meeting Summaries	D			9
2.3 Cash & Investments (2.6)	D			19
2.4 Executive Committee & OMA	D			33
3. EMERGENT ITEMS				
3.1 Closed Session (Pursuant to 8(c) of OMA)	D	6:10	Mozak	
4. OWNERSHIP LINKAGE				
4.1 Ownership Linkage Task Force Updates	O	6:45	Chang	Verbal
4.2 OLTF: Committee or Task Force	D	6:50	Mozak	35
5. MONITORING / DEVELOPMENT				
5.1 Annual Plan of Work	D	7:10	Mozak	37
5.2 Communication & Support to the Board (2.9)	M	7:30	Carpenter	41
6. POLICY				
6.1 Policy Language Discussion (if needed)	D	7:40	Mozak	
6.2 Policy 2.5 Consultant Guidance	D	7:50	Allemang	77
7. BOARD EDUCATION / DISCUSSION				
8. OPERATIONAL UPDATES				
8.1 BTC Relocation Update	O	8:00	Johnson	80
8.2 FY2026 Q1 Service Report	O	8:15	Brooks	82
8.3 Legislative Updates	O	8:25	Pfeifer	Verbal
8.4 CEO Report	O		Carpenter	87
9. CLOSING ITEMS				
9.1 Action Item Recap	O	8:30	Holt	
9.2 Topics for Next Meeting Environmental Sustainability Governance Process Policies (3.5-3.9) Board Management Delegation (4.0-4.4)			April 16, 2026 6:00 – 8:30pm <i>Riverside Arts Center, Ypsilanti</i>	
9.3 Public Comment	O			
9.4 Adjournment				

* M = Monitoring, D = Decision Preparation, O = Other

If additional policy development is desired:

Discuss in Board Agenda Item 3.0 Policy Monitoring and Development. It may be appropriate to assign a committee or task force to develop policy language options for board to consider at a later date.

Emergent Topics

Policy 3.1.3 places an emphasis on distinguishing Board and Staff roles, with the Board focusing on “long term impacts outside the organization, not on the administrative or programmatic means of attaining those effects.” Policy 3.1.3.1 specifies that that Board use a structured conversation before addressing a topic, to ensure that the discussion is appropriately framed:

1. What is the nature of the issue? Is the issue within the scope of the agency?
2. What is the value [principle] that drives the concern?
3. Whose issue is this? Is it the Board’s [Policy, 3.0 and 4.0] or the CEO’s [running the organization, 1.0 and 2.0]?
4. Is there already a Board policy that adequately covers the issue? If so, what has the Board already said on this subject and how is this issue related? Does the Board wish to change what it has already said?

Board of Director's Meeting Minutes

Meeting Date/Time: February 19, 2026 - 6:00pm – 8:30pm

Location: Ann Arbor District Library (4th Floor) - Virtual via Zoom

Members Present: Kathleen Mozak (Chair), Mike Allemang (Treasurer), Jesse Miller (Secretary), Chris Allen, Simi Barr, Rich Chang, Julie Grand, Susan Pollay, Georgia Valentine

Members Absent: Praveena Ramaswami (Excused)

Chairwoman Mozak called the meeting to order at 6:00pm

1. OPENING ITEMS

1.1 Approve Agenda

No additions or changes noted to the agenda.

Mr. Miller motioned to approve the agenda, seconded by Mr. Chang

No discussion on the motion.

All in favor of approving the agenda:

Mr. Mike Allemang: Yes
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Ms. Julie Grand: Yes
Mr. Jesse Miller: Yes
Ms. Susan Pollay: Yes
Ms. Georgia Valentine: Yes
Chairwoman Kathleen Mozak: Yes

The motion to approve the agenda passed unanimously.

1.2 Public Comment

Gaurav Kulkarni shared his experiences as a local transit rider and highlighted issues like missed buses, poor signage at some bus stops, and visibility challenges for bus drivers at night. He also discussed the location of the bus stop at Westgate Library and suggested the stop be moved directly in front of the library.

1.3 General Announcements

No general announcements.

2. CONSENT AGENDA

2.1 Board Meeting Minutes: January 22, 2026

2.2 Committee Meeting Summaries

2.3 MDOT Grant Application Approval

Ms. Valentine motioned to accept the Consent Agenda, seconded by Mr. Barr.

No discussion on the motion.

All in favor of accepting the Consent Agenda:

Mr. Mike Allemang: Yes
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Ms. Julie Grand: Yes
Mr. Jesse Miller: Yes
Ms. Susan Pollay: Yes
Ms. Georgia Valentine: Yes
Chairwoman Kathleen Mozak: Yes

The motion to accept the Consent Agenda passed unanimously.

3. OWNERSHIP LINKAGE

3.1 Ownership Linkage Task Force Updates

Mr. Chang shared that members of the task force had recently met with the City of Ypsilanti. He will be sending an overview of recent city/township meetings to the Board.

4. BOARD EDUCATION / DISCUSSION

4.1 UM-2050

Sue Gott, University of Michigan's campus planner, shared transit specific details of the [UM 2050 campus plan](#). She also provided information on dedicated bus lanes - North University is currently under construction - and future key projects within the plan.

Staff member Raymond Hess discussed the alignment between UM 2050 and TheRide's Long-Range Plan. He also highlighted the importance of dedicated transit lanes and on-going collaboration with the City of Ann Arbor and the University of Michigan.

Mr. Hess and Ms. Gott fielded questions from Board members about the implementation of planned project timelines and collaborative planning for other corridors within the community.

5. MONITORING / DEVELOPMENT

5.1 Audit Presentation

Ms. Reed introduced auditors Pam Hill and Christopher Gilbert (Plante Moran) to present the FY2025 Audit Report ([Board packet, page 66](#)). TheRide had a successful financial year with a strong net position and improved cash position. The auditors shared the audit report findings and noted that financial statements and compliance with federal spending resulted in a clean audit report. Financial highlights included a \$18M net position increase and strong long-term financial stability.

Chairwoman Mozak noted the Board did not need to motion to approve the audit report, rather they needed to motion that they had received the report.

Ms. Grand motioned to receive the audit report, seconded by Mr. Barr

No discussion on the motion.

All in favor of receiving the audit report:

Mr. Mike Allemang: Yes
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Ms. Julie Grand: Yes
Mr. Jesse Miller: Yes
Ms. Susan Pollay: Yes
Ms. Georgia Valentine: Yes
Chairwoman Kathleen Mozak: Yes

The motion to receive the audit report passed unanimously.

5.2 Financial Conditions (2.5)

Ms. Reed presented the Financial Conditions & Activities (policy 2.5) monitoring report, noting compliance within the report. She fielded questions from Board members about underbudgeted capital projects and the impacts of project timing, deferments and funding delays and compliance with the new capital reserve requirement

Mr. Miller specifically requested the Board consider removing language in policy 2.5 “without limiting the scope of the foregoing by this enumeration” as it contradictory the CEO interpretation which limits the scope to only include the sub-policies. After a brief discussion it was determined that the Finance Committee would review the policy language.

The Finance Committee recommended the Board accept the Financial Conditions & Activities (Policy 2.5) monitoring report as (A) a reasonable interpretation for all policies items and that the evidence demonstrates compliance with the interpretations.

Mr. Allemang motioned to accept the Financial Conditions & Activities (Policy 2.5) monitoring report as (A), seconded by Mr. Allen.

No discussion on the motion.

All in favor of accepting the Financial Conditions & Activities (Policy 2.5) monitoring report as (A):

Mr. Mike Allemang: Yes
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Ms. Julie Grand: Yes
Mr. Jesse Miller: No
Ms. Susan Pollay: Yes
Ms. Georgia Valentine: Yes
Chairwoman Kathleen Mozak: Yes

The motion to accept the Financial Conditions (Policy 2.5) monitoring report as (A), passed with a vote of (8) Yes and (1) No.

5.3 Annual Plan of Work

The Board discussed the plan for work for FY 2026 which includes ongoing topics of discussion and new projects. Board members recommended additional General Education Topics: fare study scope presentation, use of millage funds / service change metrics and library of general education topics for website

Policy Topics:

Ownership Value? Affordability & Property

General Education Topics:

Funding (local)
Post Pandemic Ridership Trends
UM 2050
~~Staff Responses / Impacts to UM 2050 Plan~~
Transit Service & Land Use Plan
Artificial Intelligence
Grants / Special Projects Process
Fare Study Scope Presentation
Use of Millage Funds – Service Change Metrics
Library of General Education Topics on Website

The work plan will be reviewed at the committee level for further discussion.

6. POLICY

6.1 Policy Language Discussion (if needed)

The Finance Committee will review policy language in policy 2.5.

7. OPERATIONAL UPDATES

7.1 FY2026 Q1 Financial Report

Ms. Reed provided an overview of the FY2026 Q1 Financial Report which indicates slightly favorable revenues and expenses and is trending on budget. She noted that the state operating assistance is moderately higher as it had been budgeted at 26% and the final state budget moved it closer to 29%. She also noted that the balance sheet indicated a strong cash position with the reserve target met.

7.2 Legislative Updates

Mr. Pfeifer provided legislative updates which included the approval of \$750K for YTC

construction, updates on the state's executive budget recommendations for 2027 LBO funding and noted that March 12th will be the MPTA Advocacy Day in Lansing.

7.3 CEO Report

Mr. Carpenter shared an update from the Transportation Commission meeting that MDOT is in the planning process for repaving Washtenaw from South University to Stadium. The plan is supportive of including a dedicated bus lane. He will be sending Board members a link for further information. Board members discussed the importance of a bus lane and potential impacts for safety and traffic flow.

8. EMERGENT ITEMS

N/A

9. CLOSING ITEMS

9.1 Action Item Recap

- Financial Conditions & Activities monitoring report was accepted as (A) a reasonable interpretation.
- Audit report was accepted and documents will be added to the website.
- Annual Work Plan General Education Topics additions: Fare study scope presentation, use of millage funds / service changes metrics and library of general education topics on website.
- Discuss language revisions for policy 2.5 at Finance Committee.
- Mr. Carpenter will forward information on service standards and the MDOT report on repaving Washtenaw.

9.2 Topics for Next Meeting

Communication & Support to the Board (2.9)
Cash & Investments (2.6)
FY2026 Q1 Service Report
Board Management Delegation (4.0-4.4)
OLTF: Committee or Task Force
Executive Committee + OM Act

9.3 Public Comment

Gaurav Kulkarni shared his experiences using the fare app and highlighted challenges navigating single fare or day pass purchasing. He noted that those challenges might discourage potential riders.

9.4 Closed Session (Pursuant to 8(c) of OMA)

Chairwoman Mozak took a roll call vote to go into Closed Session pursuant to 8(c) of the Open Meetings Act, the closed session is for strategy connected with the negotiation of a collective bargaining agreement.

Vote to go into closed session (Yes/No response):

Mr. Mike Allemang: Yes
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Ms. Julie Grand: Yes
Mr. Jesse Miller: Yes
Ms. Susan Pollay: Yes
Ms. Georgia Valentine: Yes
Chairwoman Kathleen Mozak: Yes

The Board unanimously voted to go into closed session at 7:49 pm.

Vote to move out of closed session (Yes/No response):

Mr. Mike Allemang: Yes
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Ms. Julie Grand: Yes
Mr. Jesse Miller: Yes
Ms. Susan Pollay: Yes
Ms. Georgia Valentine: Yes
Chairwoman Kathleen Mozak: Yes

The Board unanimously voted to move out of closed session at 9:01 pm.

9.5 Adjournment

Mr. Miller motioned to adjourn the meeting, seconded by Mr. Barr.

There was no discussion on the motion.

All in favor of adjourning the meeting:

Mr. Mike Allemang: Yes
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Ms. Julie Grand: Yes
Mr. Jesse Miller: Yes
Ms. Susan Pollay: Yes
Ms. Georgia Valentine: Yes
Chairwoman Kathleen Mozak: Yes

Chairwoman Mozak adjourned the meeting at 9:01 pm.

Respectfully Submitted by Deborah Holt

Governance Committee Meeting Notes

Meeting Date/Time: Thursday, February 26, 2026, 3:00pm – 5:00pm

Members: Kathleen Mozak (Chair), Mike Allemang, Rich Chang

Staff: Matt Carpenter, Dina Reed, Forest Yang, George Brooks, Rosa-Maria Kamau, Deb Holt

Location: REMOTE – Via Zoom

Chairwoman Mozak called the meeting to order at 3:00 pm

1. OPENING ITEMS

1.1 Agenda (Additions, Approval)

Chairwoman Mozak requested the addition of 3.3 to discuss Policy 2.5 Interpretation. No other changes noted to the agenda

1.2 Communications

No new communications.

2. BOARD DEVELOPMENT

2.1 Recruitment / Training / Attendance

Chairwoman Mozak shared updates on two Board members whose terms are ending in May. One will be applying for reappointment, and the other will not be reapplying. The committee discussed the upcoming vacancy and potential candidates.

2.2 OLTF

Mr. Chang discussed information he had gathered after meetings with local government entities and next steps to determine if OLTF moves from a task force into a committee.

2.3 Optional Co-Chairs

Mr. Allemang provided an update on the discussion of optional co-chairs at the Finance Committee – he noted that there had been no interest from Finance Committee members. The committee determined that the option is open for future discussion if needed.

3. POLICY MONITORING & DEVELOPMENT

3.1 Board Annual Plan of Work Preparation

The committee discussed feedback from the Board on the Annual Plan of Work and additional items that had been included. Committees will continue the discussion in March.

DRAFT 2026 Work Plan TEMPLATE

Policy Topics or Decisions	Status
1. Ownership Value? Affordability & Property	
2.	
3.	
4.	

General education topics suggested by Board: TEMPLATE

Education Topics
1. Funding (local)
2. Post Pandemic Ridership Trends
3. UM2050
4. Staff Response / Impacts to UM 2050 Plan
5. Transit Service & Land Use Plan
6. Artificial Intelligence
7. Fare Study Scope Presentation
8. Use of Millage Funds – Service Change Metrics
9. Library of General Education Topics on Website

3.2 Board Management Delegation (4.0-4.4)

The committee reviewed and discussed Board member feedback within the Board Management Delegation survey. The Board will be discussing it further at the March Board meeting. The committee also discussed updating the survey to only have yes or no options.

3.3 Policy 2.5 Interpretation

Chairwoman Mozak shared guidance from the Policy Governance consultant Sue Radwan related to language within Policy 2.5. This guidance will be shared at the Finance Committee. The committee also discussed compiling consultant guidance into one location for Board members to access.

4. STRATEGY & OPERATIONAL UPDATES: CEO

4.1 Immigration Updates

Mr. Carpenter shared he had no new immigration enforcement updates.

4.2 BTC Relocation Updates

Mr. Yang provided an update on the temporary relocation of the BTC during upcoming long-term construction occurring around the facility on 4th Street – routes and schedules are being finalized that will reflect logistical changes. The relocation begins in May and communication to customers is being shared via social media and signage. Committee members discussed potential budget impacts and staff noted they will be weighing that during their mid-year budget evaluation.

4.3 Negotiation Updates

Mr. Carpenter provided an update on the status of the union contract negotiations. The current contract is through the end of March.

4.4 Legislative Updates

Mr. Carpenter provided an update that the FTA notified the organization that they had received a \$7.2M grant for the YTC construction project. Submissions for new federal earmark requests have opened and staff are reviewing funding requests for projects. Ms. Reed shared of a recent submission for funding from the MI Competitive Fund grant for bus lanes with the US-23 project with MDOT.

Mr. Carpenter also shared that he will be contacting Board members about attending the MPTA Advocacy Day (Lansing) and APTA Legislative Conference (Washington, DC). He noted the impact of local elections in November.

4.5 YTC Updates

Ms. Reed summarized funding and next steps moving forward with the YTC project. The construction package will be fully funded with grants, federal and state funding.

4. EMERGENT ITEMS

No emergent items noted.

5. CLOSING ITEMS

6.1 Committee Agendas

Service Committee – No changes noted.

Finance Committee – Add Policy 2.5 consultant guidance to Finance Committee agenda, no other changes noted.

Board Meeting – Add Finance Committee determination on Policy 2.5 consultant guidance (under Policy).

6.2 Action Item Recap

- Add Policy 2.5 consultant guidance to Finance Committee agenda
- Add Finance Committee determination on Policy 2.5 to Board meeting agenda
- Staff will research creating an accessible online library of governance guidance for Board members – add topic to future agenda items as Online Governance Library

6.3 Topics for Next Meeting

Board Annual Plan of Work
CEO Expense Report
Governance Process Policies (3.5-3.9)

BTC Relocation Updates
Policy Manual Mock-Up
Negotiation Updates

Future:
Ownership Linkage Education, Governance Training Options, Online Governance
Library, Vice-Chair Succession Planning (summer)

6.4 Adjournment

Chairwoman Mozak thanked the committee and staff and adjourned the meeting at 4:52pm.

Respectfully Submitted by Deborah Holt

DRAFT

Service Committee Meeting Notes

Meeting Date/Time: Tuesday, March 3, 2026, 3:00pm – 5:00pm

Members Present: Simi Barr (Chair), Rich Chang, Jesse Miller, Susan Pollay

Members Absent: Praveena Ramaswami (Excused)

Staff: Matt Carpenter, Dina Reed, Forest Yang, George Brooks, Jeff Pfeifer, Rosa-Maria Kamau, Deb Holt

Location: REMOTE – Via Zoom

Mr. Barr called the meeting to order at 3:04 pm

1. OPENING ITEMS

1.1 Agenda (Additions, Approval)

No additions or changes to the agenda.

1.2 Communications

Ms. Pollay and the committee congratulated the PACE team for their recent APTA AdWheel Award – the team won first place in the Comprehensive Ridership Campaign category.

2. POLICY MONITORING & DEVELOPMENT

2.1 Annual Plan of Work Preparation

DRAFT 2026 Work Plan TEMPLATE

Policy Topics or Decisions	Status
1. Ownership Value? Affordability & Property	
2. Sustainability	
3.	
4.	

General education topics suggested by Board: TEMPLATE

Education Topics
1. Funding (local)
2. Post Pandemic Ridership Trends
3. UM2050
4. Staff Response / Impacts to UM 2050 Plan
5. Transit Service & Land Use Plan
6. Artificial Intelligence
7. Fare Study Scope Presentation
8. Use of Millage Funds – Service Change Metrics
9. Library of General Education Topics on Website

The committee reviewed the work plan and education topics that have been gathered in previous meetings. The committee discussed a recommended prioritization of educational topics:

Service Committee Priority Recommendations
1. Fare Study Scope Presentation
2. Post Pandemic Ridership Trends
3. Artificial Intelligence

2.2 Environmental Sustainability – Executive Limitations

The committee reviewed a recommendation from the Governance consultant as they review the residual Executive Limitations policies for Environmental Sustainability (policy 2.11). They discussed if sub policies (2.11.2 and 2.11.4) were redundant to policies addressed in the Ends policy 1.4. Mr. Chang will communicate the discussion to the consultant for additional input and invite her to the April committee meeting.

3. STRATEGY & OPERATIONAL UPDATES: CEO

3.1 YTC & BTC Updates

Ms. Reed provided an update on funding and next steps with the YTC project. With recent grant awarding, the construction package will be fully funded. Staff are in the process of meeting with the City of Ypsilanti for land acquisition and selecting a construction manager at risk via procurement. The committee discussed potential disruptions during the construction process and overall project timelines.

Mr. Yang shared updates related to temporary BTC relocation services due to long-term construction near the facility on 4th Street. Relocation to Washington & 5th will begin in May and communication to customers is being prepared/shared via social media and signage. He noted ongoing logistical challenges with various upcoming downtown construction projects. Committee members discussed potential budget impacts and cost estimates.

Updates on both projects will continue to be provided.

3.2 FY2026 Q1 Service Report

Mr. Brooks shared the FY2026 Q1 Service Report – the report has been enhanced to include benchmarking data with established targets and providing year to year comparisons. Fixed route ridership has moderately grown, and on-time performance consistently exceeds the 80% target. Paratransit services have remained consistent and Flex-ride services continue to increase while also providing a 97% trip fulfillment rate. Committee members discussed the revisions to the report and provided feedback.

3.3 Immigration Updates

Mr. Carpenter shared he had no new immigration enforcement updates beyond what had been shared at the February committee meeting.

3.4 Negotiation Updates

Mr. Carpenter shared a brief update on the progress of union contract negotiations.

3.5 Warming Shelter Update

Mr. Pfeifer provided an update on questions from local warming center staff that were raised at a Board meeting related to free/reduced rides to shelters during cold weather events.

3.6 Legislative Update

Mr. Pfeifer provided updates on the Governor's budget recommendation and LBO funding plans. MPTA Transit Legislative Day will take place March 12th in Lansing and APTA Legislative Conference will be April 12-14th in Washington, DC. He also noted that APTA's Transit Board Members & Board Administrators Seminar will take place in July in Detroit with details forthcoming.

4. EMERGENT ITEMS

None.

5. CLOSING ITEMS

5.1 Action Item Recap

- Mr. Chang will contact Sue Radwan – to outline discussion and invite her to the next Service Committee meeting
- Service Committee annual work plan education topic priority recommendations will be shared with the Finance Committee and at the March Board meeting.
- Staff will send a save-the-date to Board members for APTA Transit Board Members & Board Administrators Seminar

5.2 Topics for the Next Meeting

BTC Relocation Updates
Sustainability Policy

Future:
State Street Transit Signal Feedback

5.3 Adjournment

Mr. Barr thanked the committee and staff and adjourned the meeting at 4:54pm.

Respectfully Submitted by Deborah Holt

Finance Committee Meeting Notes

Meeting Date/Time: Tuesday, March 10, 2026, 3:00pm – 5:00pm

Members: Mike Allemang (Chair/Treasurer), Chris Allen, Julie Grand, Georgia Valentine

Staff: Matt Carpenter, Dina Reed, Forest Yang, Jeff Pfeifer, Rosa-Maria Kamau, Deb Holt, Andy Huber

Location: REMOTE – Via Zoom

Mr. Allemang called the meeting to order at 3:02 pm

1. OPENING ITEMS

1.1 Agenda (Additions, Approval)

No additions or changes to the agenda.

1.2 Communications

No new communications.

2. POLICY MONITORING & DEVELOPMENT

2.1 Annual Plan of Work Preparation

The committee reviewed the annual plan of work with no additions or changes to policy topics. They discussed the Service Committee’s recommended priorities and noted that Post Pandemic Ridership Trends / Use of Millage Funds / Service Change Metrics are all closely intertwined as discussion topics. They also discussed Land Use and impacts with rapid bus lane expansions and construction projects at the YTC & BTC. The committee noted prioritizing Land Use.

The committee also discussed removing Artificial Intelligence (too broad of a topic) and Library of General Education Topics on Website (a topic staff were tasked to look into, not necessarily an educational topics).

Finance Committee Education Recommendations
Fare Study Scope Presentation
Post Pandemic Ridership Trends
Transit Service / Land Use Plan
Funding (local)

2.2 Policy 2.5 Consultant Guidance

The committee was tasked with reviewing language in policy 2.5 as a Board member had raised a concern that the wording seemed contradictory. They reviewed and discussed policy language guidance provided by the Governance consultant and determined “Further, without limiting the scope of the foregoing by this enumeration” could be replaced with “This includes but is not limited to.”

The committee determined they will put forth a recommendation to the Board to vote on revising the policy language.

2.3 Cash & Investments (2.6)

Ms. Reed provided an overview of Cash & Investments (policy 2.6) monitoring report. She noted that there were no areas of non-compliance and the report had utilized data from FY2025. The committee will recommend the report be accepted as (A) a reasonable interpretation for all policies.

3. STRATEGY & OPERATIONAL UPDATES: CEO

3.1 YTC & BTC Updates

Ms. Reed shared updates on funding and next steps for the YTC. Recent grant awarding completes the necessary funding for the construction project with additional funding received for security upgrades. Staff will be discussing land acquisition with the City of Ypsilanti and beginning the procurement process for a construction manager.

Mr. Yang shared updates for the temporary BTC relocation services to Washington and 5th Avenue due to long-term construction projects. The relocation will start in May and PACE is working on robust communications to customers. There will be on-going logistical challenges for staff and customers due to multiple construction projects in the downtown area. Staff will continue to provide updates to the Board.

3.2 Immigration Updates

Mr. Carpenter shared there were no new immigration enforcement updates beyond what had been shared at prior committee meetings.

3.3 Negotiation Updates

Mr. Carpenter provided an update on the progress of union contract negotiations.

3.4 Legislative Updates

Mr. Pfeifer shared that the annual APTA Legislative Conference will take place in April in Washington, DC – staff attending will be meeting with senators/representatives. The MPTA Legislative Day is Thursday, March 12th in Lansing - staff have several meetings with local legislators to promote transit and educate on local park and rides.

The committee discussed impacts with recent gas price increases and supply chain delays.

4. EMERGENT ITEMS

None.

5. CLOSING ITEMS

5.1 Action Item Recap

- Finance Committee recommendation of priorities for Annual Plan of Work Education Topics will be included for discussion at the Board meeting.
- Finance Committee will recommend to the Board to revise policy language in 2.5 “Further, without limiting the scope of the foregoing by this enumeration” be replaced with “This includes but is not limited to.”
- Finance Committee will recommend Cash & Investments be accepted as (A) a reasonable interpretation for all policies.

5.2 Topics for Next Meeting

BTC Relocation Updates
Negotiation Updates
Future Meeting:
Gas Tax Information Update

5.3 Adjournment

Mr. Allemang thanked the committee and staff and adjourned the meeting at 4:14pm

Respectfully Submitted by Deborah Holt

Monitoring Report:
Cash and Investments (Policy 2.6)
Monitoring Period: Fiscal Year 2025

Finance Committee Meeting Review Date: March 10, 2026

Board of Directors Meeting Review Date: March 19, 2026

INFORMATION TYPE
Monitoring
RECOMMENDED ACTION(S)
<p>The Finance Committee reviewed the monitoring report at their March 10, 2026 Finance Committee meeting and recommend that the Board review this monitoring report and consider accepting it as:</p> <p>(A) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations.</p> <p>(B) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO’s stated non-compliance with item(s) x .x, which the Board acknowledges and accepts the proposed dates for compliance.is making reasonable progress towards compliance.</p> <p>(C) 1. For policy items x.x.x – there is evidence of compliance with a reasonable interpretation 2. For policy items x.x.x – the interpretation is not reasonable 3. For policy items x.x.x – the interpretation is reasonable, but the evidence does not demonstrate compliance 4. For policy items x.x.x – the Board acknowledges and accepts the CEO’s stated non-compliance and the proposed dates for compliance</p>
PRIOR RELEVANT BOARD ACTIONS & POLICIES
<p>Monitoring Reports are a key Policy Governance tool to assess organizational/CEO performance in achieving Ends (1.0) within Executive Limitations (2.0). A Policy-Governance-consistent Monitoring Process is:</p> <ol style="list-style-type: none"> 1. CEO sends Monitoring Report to all board members 2. At Board meeting, board accepts Monitoring Report through majority vote (or if not acceptable, determines next steps)
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,</p>

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.

Per Appendix A of the Board Policy Manual, this report was scheduled for monitoring in March 2026 and was submitted in February 2026.

I certify that the information is true and complete, and I request that the Board accept this as indicating an acceptable level of compliance.

CEO's Signature



Date

2/27/26

ATTACHMENTS

1. Monitoring report for Fiscal Year 2025 (Policy 2.6 - Cash and Investments)

Table of Contents

POLICY TITLE: CASH AND INVESTMENTS	Page#	Compliance
2.6 The CEO will not fail to hold cash for short-term operations or surplus capital for investment according to the Board’s investing priorities: first ensuring safety of principal, next providing adequate liquidity, and third, returning the highest yield compatible with prudent investing. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:	4	
2.6.1 Hold AAATA operating cash or surplus capital in insecure instruments, including federally uninsured checking accounts or non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.	5	
2.6.2 Deviate from the “Investment Policy to Comply with Michigan PA 20 of 1943” as stated in the Appendices, invest in instruments other than those so authorized, or invest unlawfully with respect to state and federal laws, including Michigan PA 20 of 1943.	8	

 Fully Compliant
  Partially Compliant
  Non-Compliant

Preliminary CEO Interpretations and Evidence

POLICY 2.6

The CEO will not fail to hold cash for short-term operations or surplus capital for investment according to the Board's investing priorities: first ensuring safety of principal, next providing adequate liquidity, and third, returning the highest yield compatible with prudent investing. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not

Degree of Compliance

Compliant 

Interpretation

Operational Definition

The policy is fully refined in policies 2.6.1 and 2.6.2, below. No further interpretation is necessary.

Measure/Standard & Level of Achievement

Compliance with this policy is demonstrated through compliance with policies 2.6.1 and 2.6.2.

Evidence

Source of Data: Internal Documents

Date of Data Review: 02/27/2026 as verified by Dina Reed, DCEO of Finance and Administration

Data:

See below

POLICY 2.6.1

Hold AAATA operating cash or surplus capital in insecure instruments, including federally-uninsured checking accounts or non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.

Degree of Compliance

Compliant 

InterpretationOperational Definition

I interpret this policy to apply to the agency's approach to short-term cash management. Agency funds should be kept safe to protect the agency and customers from loss, service disruptions, and organizational instability, while at the same time maintaining adequate liquidity to transact normal business and generate some degree of investment return. However, safety is the priority not investment returns, and we consequently have a low risk tolerance for investments.

Measure/Standard & Level of Achievement

Compliance with this policy will be demonstrated when statements for all accounts from the most recent financial quarter illustrate that all funds held in checking and money market savings accounts:

1. Are held in accounts that are Federal Deposit Insurance Corporation (FDIC) insured and at banking institutions where all accounts are FDIC insured up to \$250,000, and
2. That deposit accounts generate interest.

I further interpret this policy to allow funds to be unsecured and not generate revenue if liquidity and cash-flow needs require them for transactions such as payroll.

Rationales

This is a reasonable interpretation because:

- A. Account statements are legally required tallies of each account produced by the institution. Account statements are generated by the financial institution (not AAATA staff), reflect all cash transactions in reported accounts, and a true representation of accounts, transactions, interest earned, fees and balances for the reporting period.
- B. All funds needed for immediate operations (e.g. payables, payroll, etc.) are included and our funds are safe (financial institutions backed by the FDIC provide guaranteed insurance up to \$250,000 per depositor and protects insured depositors). The level of necessary cash in these accounts varies based on projected operating and capital expenses, timing of deposits generated from revenue, and investment transfers. Approximately one month's projected operating expenses *plus* projected capital expenditures are required for managing the cash flow. Excess funds are transferred to CDARS-ICS accounts, fully federally insured accounts,

or longer-term investment accounts. At times, investment transfers require placing funds in money market accounts for up to 24 hours.

C. All these accounts generate some interest.

Evidence

Source of Data: Internal Documentation

Date of Data Review: 02/27/2026 as verified by Dina Reed, DCEO of Finance and Administration

Data:

A review of all account statements (Reed, 02/27/2026) from all financial institutions holding AAATA monies as of September 30, 2025 discloses that:

1. All accounts holding AAATA funds produce interest.
2. Cash held in accounts that exceed federally insured limits were required to facilitate ease of transactions. At the end of Q4 FY 2025 there was \$8.5 million in cash, checking and money market balances (excluding CDARS-ICS money market funds). Operating expenses during this time period were approximately \$5.4 million per month. All uninsured balances were required to facilitate ease of financial transactions.

As of September 30, 2025, total cash, checking, and money market bank account balances were \$63.3 million and are distributed below in Table 2.6A.

Table 2.6A

Cash, Checking and Money Market Balances	
<i>(\$ in thousands)</i>	
Cash, Checking or Money Market Account	As of 09/30/2025
Imprest	\$1,729
Operating	1,595
Payroll	2,863
Passes and Tokens	38
Capital	54
Money Market Savings	1,839
Flex Spending	41
GetDowntown	373
Sub-Total (Insured up to \$250,000)	8,532
CDARS-ICS (Insured up to \$75,000,000)	54,753
Total Cash, Checking & Money Market	\$63,285

All monies held in bank accounts and investments are in deposit at The Bank of Ann Arbor, which is an FDIC insured bank with FDIC insured accounts. Additionally, based on information reported by the Federal Financial Institutions Examination Council (FFIEC), in the Uniform Bank Performance Report (UBPR), Deposit Accounts by Lending Tree, an unbiased evaluator of banking institutions, gave Bank of Ann Arbor a A+ rating as of September 30, 2025, for overall bank health. Rating summaries are provided below.

A+

Data as of Q3 2025

[Learn why bank health matters](#)

Health Grade Components

A+ Texas Ratio ▼ **C+** Texas Ratio Trend ▼ **A+** Deposit Growth ▼ **A+** Capitalization ▼

<i>OVERALL</i>		<i>ASSETS AND LIABILITIES</i>		
FDIC Certificate #	34120	Assets	Q3 2025	\$3.3B
Year Established	1996		vs Q3 2024	\$3.15B
Employees	321	Loans	Q3 2025	\$2.63B
Primary Regulator	FDIC		vs Q3 2024	\$2.49B
<i>PROFIT MARGIN</i>		Deposits	Q3 2025	\$2.77B
Return on Assets - YTD	1.79%		vs Q3 2024	\$2.64B
Return on Equity - YTD	13.1%	Equity Capital	Q3 2025	\$462.8MM
Annual Interest Income	\$135.1MM		vs Q3 2024	\$421.9MM
		Loan Loss Allowance	Q3 2025	\$31.8MM
			vs Q3 2024	\$27.5MM
		Unbacked Noncurrent Loans	Q3 2025	\$6.6MM
			vs Q3 2024	\$1.7MM
		Real Estate Owned	Q3 2025	\$1.6MM
			vs Q3 2024	\$4.1MM

POLICY 2.6.2

Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:

Deviate from the “Investment Policy to Comply with Michigan PA 20 of 1943” as stated in the Appendices, invest in instruments other than those so authorized, or invest unlawfully with respect to state and federal laws, including Michigan PA 20 of 1943.

Degree of Compliance

Compliant 

InterpretationOperational Definition

This policy is already fully defined and requires no additional interpretation.

Measure/Standards & Achievement

Compliance will be demonstrated when:

1. Account statements for investments indicate that funds are held only in Certificates of Deposit (not to exceed \$4 million in any one financial institution), bonds or other direct obligations of the U.S. (maturity limited to 3 years or less), or government mutual funds.
2. Investments are held in accounts which:
 - a. Ensure the safety of the principal balance,
 - b. Remain liquid, and
 - c. Return the highest yield compatible with prudent investing.
3. A listing of investment accounts, with balances, maturity dates, and interest rates for each account, is provided to the Board at least quarterly.

Rationale

This is reasonable because these are the only types of investment instruments that are legal under Michigan Public Act 20 and authorized by the Board’s policy.

Evidence

Source of Data: Internal Documentation

Date of Data Review: 02/27/2026 as verified by Dina Reed, DCEO of Finance and Administration

Data:

1. AAATA’s investments were held in Certificates of Deposits (CDs), U.S. Agency Bonds, and/or Money Market Savings accounts. Each of these are legal, authorized instruments per the policy, and do not exceed limits on amounts or maturities as required by the policy.

2. Regarding the Board's established priorities for investing:

(a) Safety of Principal: Cash was held in checking and savings accounts at the Bank of Ann Arbor. Some investments were held in the Certificate of Deposit Account Registry Service (CDARS) managed by Bank of Ann Arbor (which invests funds to the FDIC insured limit in other banks), Certificates of Deposit (CDs) and Money Market Savings or ICS accounts. Bank accounts, CDs, and Money Market accounts are FDIC insured. Other investments were held in U.S. Agency Bonds, which are federally insured direct obligations of the U.S. government.

(b) Adequate Liquidity: Cash in checking and savings accounts is immediately available. Monies held in investments are available within 30 days' notice to the financial institution. Liquidity has been sufficient to meet operating needs during the monitoring period, as AAATA has been able to pay its expenses without using debt, and no expenses have been deferred due to insufficient liquidity of capital.

(c) Highest Yield Compatible with Prudent Investing: Yields on investments are the highest rates available for investment options allowed under current policies and regulatory limits and meets policies for safety and liquidity. AAATA has followed the advice of expert financial consultants at Bank of Ann Arbor in making prudent investing decisions according to the Board's policy and priorities.

3. A review of monthly Board meeting agendas and minutes (Reed, 2/27/2026) indicates that the required disclosure of investment accounts, balances, maturity dates, and interest rates was provided in quarterly financial reports presented to the Board since this policy was last monitored in March 2025. Investments for quarters 2, 3, and 4 for FY2025 were reported in May, August and November 2025, respectively, and FY2025 Q1 investments were presented in February 2026.

As of September 30, 2025 investment account balances totalled \$19.8 million and are distributed as shown on the next page in Table 2.6B.

Table 2.6B

Investments Summary					
<i>(\$ in thousands)</i>					
Investment Instrument	Date of Maturity	Interest Rate	Value as of 9/30/2024	Transactions	Value as of 9/30/2025
U.S. Treasury Notes	10/31/2024	4.63%	\$ 2,000	\$ (2,000)	\$ -
U.S. Treasury Notes	11/12/2024	4.66%	2,500	(2,500)	-
U.S. Treasury Notes	11/29/2024	4.70%	2,000	(2,000)	-
U.S. Treasury Notes	12/26/2024	4.57%	2,000	(2,000)	-
U.S. Treasury Notes	2/20/2025	4.45%	1,300	(1,300)	-
U.S. Agency Bond	2/24/2025	3.76%	200	(200)	-
U.S. Agency Bond	3/28/2025	2.85%	2,500	(2,500)	-
U.S. Agency Bond	3/28/2025	3.11%	2,000	(2,000)	-
U.S. Agency Bond	6/27/2025	3.28%	2,000	(2,000)	-
U.S. Agency Bond	8/8/2025	4.11%	1,400	(1,400)	-
U.S. Agency Bond	1/22/2026	4.13%	750	-	750
U.S. Agency Bond	3/13/2026	4.38%	-	1,000	1,000
U.S. Treasury Notes	3/31/2026	2.25%	-	2,500	2,500
U.S. Agency Bond	4/24/2026	2.13%	-	1,000	1,000
U.S. Agency Bond	2/3/2027	1.63%	-	250	250
U.S. Treasury Notes	5/15/2027	4.50%	-	1,000	1,000
U.S. Treasury Notes	10/31/2027	4.13%	-	750	750
U.S. Agency Bond	11/1/2027	4.00%	-	2,500	2,500
U.S. Treasury Notes	11/15/2027	2.25%	-	2,200	2,200
U.S. Agency Bond	12/27/2027	4.25%	-	2,200	2,200
U.S. Treasury Notes	1/31/2028	3.50%	-	1,500	1,500
U.S. Agency Bond	2/24/2028	4.25%	-	1,400	1,400
U.S. Agency Bond	6/9/2028	4.00%	-	2,300	2,300
Money Market Funds	N/A	4.03%	428	(23)	405
Mark-to-Market Adjustment			(125)	128	3
Total Investments:			\$ 18,953	\$ 18,705	\$ 19,758

Policy Trendlines

Policy	FY 22 (March)	FY 22 (August)	FY 22 (April)	FY23	FY24	FY25
2.6	3	3	3	3	3	3
2.6.1	3	3	3	3	3	3
2.6.2	3	3	3	3	3	3

LEGEND	
	Policy is not compliant
	Policy is partially compliant
	Policy is compliant

Guidance on Determining “Reasonableness” of CEO Interpretations

Are the interpretations reasonable?

An interpretation is reasonable if the following are provided,

1. a measure or standard,
2. a defensible rationale for the measure or standard,
3. a level of achievement necessary to achieve compliance and
4. a rationale for the level of achievement.

Is evidence verifiable?

Evidence is verifiable if there is

1. actual measurement/data,
2. the source of data and
3. the date when data was collected is provided.

CEO Notes: (If Applicable)

Board's Conclusion on Monitoring Report

Board's conclusion after monitoring the report.

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

- (A) a reasonable interpretation for **all** policy items and that the evidence demonstrates compliance with the interpretations.
- (B) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO's stated non-compliance with item(s) x .x, which the Board acknowledges and accepts the proposed dates for compliance.is making reasonable progress towards compliance.
- (C)
 1. For policy items x.x.x – there is evidence of compliance with a reasonable interpretation
 2. For policy items x.x.x – the interpretation is not reasonable
 3. For policy items x.x.x – the interpretation is reasonable, but the evidence does not demonstrate compliance
 4. For policy items x.x.x – the Board acknowledges and accepts the CEO's stated non-compliance and the proposed dates for compliance

Board Notes: (If Applicable)

WORKSHEET RESULTS

Cash & Investments (Policy 2.6)

Participants: (7) Board Members

Chris Allen, Mike Allemang, Rich Chang, Julie Grand,
Kathleen Mozak, Susan Pollay, Georgia Valentine

Performance on reasonable interpretation and verifiable evidence

Policy 2.6

The CEO will not fail to hold cash for short-term operations or surplus capital for investment according to the Board’s investing priorities: first ensuring safety of principal, next providing adequate liquidity, and third, returning the highest yield compatible with prudent investing. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: *N/A*

Policy 2.6.1

Hold AAATA operating cash or surplus capital in insecure instruments, including federally uninsured checking accounts or non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: *N/A*

Policy 2.6.2

Deviate from the “Investment Policy to Comply with Michigan PA 20 of 1943” as stated in the Appendices, invest in instruments other than those so authorized, or invest unlawfully with respect to state and federal laws, including Michigan PA 20 of 1943.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: *N/A*

Additional context questions

1. Is there any reason to doubt the integrity of the information presented?

NO – (7)

If you stated YES, kindly provide additional context:

- I did learn a new word today - "imprest"!

2. If the CEO has indicated NON-COMPLIANCE with any aspect of this policy, is there a commitment as to when the Board can expect to see compliance and is the proposed time-frame acceptable?

N/A – (7)

If you stated NO, kindly provide additional context: *N/A*

3. Having reviewed the monitoring report, does anything you have learned make you consider whether the POLICY ITSELF should be amended? (Policy amendment is not monitoring but should be addressed as a board decision.)

NO – (7)

If you stated YES, kindly provide additional context: *N/A*

4. Approximately how many minutes did it take you to fill out this form?

7, 5, 5, 15, 10, 10, 15

Executive Committee and the OMA

Meeting: Board of Director's

Meeting Date: March 19, 2026

INFORMATION TYPE

Monitoring

RECOMMENDED ACTION (S)

Approve changes to policy 3.7.2 as found in Attachment 1.

ISSUE SUMMARY

As directed by the Board in January 2026, the Governance Committee has met and discussed policy 3.7.2 Executive Committee and how to align that committee's defined role with the OMA (Open Meetings Act). This would be achieved by making the Executive Committee an advisory body rather than a decision-making body. The Committee has completed their work and have policy language recommendations for the Board to consider.

BACKGROUND

The Executive Committee was assembled, this summer, to discuss an urgent emergent issue requiring a decision. At the top of the meeting, a concern was brought forth as to whether the Executive Committee would be in violation of the OMA if it were to make a decision, requiring a vote, that was not held in a public forum. Much discussion was had and Corporate Counsel was brought in to advise. It was determined that if any decision was made without public notice and without a quorum the EC would be in direct violation of the OMA. The meeting continued as informational with no decision/vote carried out. At the next Governance Committee meeting, strategy was discussed on how to move forward with this conundrum. The GC has since received a written Memorandum from Corporate Counsel supporting his earlier advice and the GC are recommending the policy be reviewed and amended to be in compliance with the OMA.

PRIOR RELEVANT BOARD ACTIONS & POLICIES

3.7.2 Executive Committee A. Products: a. Time-sensitive decisions, where approval is needed before the next Board of Directors meeting (limited to acting CEO appointments, urgent purchases, and funding applications for construction projects. If the Executive Committee makes a decision on behalf of the Board, it shall notify the Board of Directors not more than three business days after a decision is made.

OPEN MEETINGS ACT : Act 267 of 1976

IMPACTS OF RECOMMENDED ACTION(S)

- Budgetary/Fiscal: N/A or other
- Social: N/A or other
- Environmental: N/A or other
- Governance: Align Executive Board Policy with the OMA

ATTACHMENTS

1. 3.7.2 Suggested Policy Language Revisions

Attachment 1: 3.7.2 Suggested Policy Language Revisions

Current Policy Language	Suggested Policy Language for Discussion
<p>3.7.2 Executive Committee A. Products: a. Time-sensitive decisions, where approval is needed before the next Board of Directors meeting (limited to acting CEO appointments, urgent purchases, and funding applications for construction projects. If the Executive Committee makes a decision on behalf of the Board, it shall notify the Board of Directors not more than three business days after a decision is made.</p>	<p>3.7.2 Executive Committee A. Products: a. Time-sensitive decisions issues, where approval initial introduction and discussion is needed before the next Board of Directors meeting (limited to acting CEO appointments, urgent purchases, and funding applications for construction projects. If the The Executive Committee makes a decision on behalf of the Board, it shall notify the Board of Directors not more than three business days after a decision is made. will then consider if a special Board of Directors meeting is needed to make a decision or bring the issue to the Board at the next scheduled Board of Directors meeting.</p>

OLTF: Task Force or Committee

Meeting: Board of Director's

Meeting Date: March 19, 2026

INFORMATION TYPE

Discussion and preparation for decision.

RECOMMENDED ACTION(S)

That the Board consider changing the OLTF to a standing Task Force, a committee or assign Ownership Linkage directly to the Service Committee.

ISSUE SUMMARY

What is being brought forward?

BACKGROUND

The Board currently has an Ownership Linkage Task Force that was formed in 2024 to begin the work of connecting the Board to both the Legal and Moral Owners of the AAATA. The OLTF has done a fine job in connecting with and creating a regular cadence with the Legal Owners and will be continuing it's work to assess how best to connect with the Moral Owners. Under Board Policy 3.7 *Unless otherwise stated, a committee ceases to exist as soon as its task is complete*. The OLTF is not part of the permanent committee structure listed in Policy 3.7 which are as follows: Governance Committee, Service Committee, Finance Committee, Executive Committee and Audit Task Force. The importance of Board Linkage with Owners cannot be overstated. Understanding the needs of the people and the communities we serve is paramount to aiding the Board in matters involving our current and future policy decisions. The Chair is concerned that by not having a permanent Ownership Linkage Task Force or Committee, this important work may potentially be left unattended in the future.

PRIOR RELEVANT BOARD ACTIONS & POLICIES

3.0 GLOBAL GOVERNANCE PROCESS: The purpose of the Board, on behalf of the residents and workers of the member jurisdictions and government jurisdictions with whom we have service agreements (Ownership), and as stewards of the future, is to see to it that the Ann Arbor Area Transportation Authority (AAATA) (a) achieves appropriate results for appropriate persons at an appropriate cost, and (b) avoids unacceptable actions and situations.

3.1 GOVERNING STYLE: The Board will govern lawfully, observing the principles of the policy governance, with an emphasis on (a) the best interests of the entirety of the ownership and stewardship of the agency, (b) outward vision rather than an internal preoccupation, (c) encouragement of diversity in viewpoints, (d) strategic leadership more

than administrative detail, (e) clear distinction of Board and chief executive roles, (f) collective rather than individual decisions, (g) future rather than past or present, and (h) proactivity rather than reactivity.

3.2 BOARD JOB DESCRIPTION: Specific job outputs of the Board, as an informed agent of the ownership, are those that ensure appropriate organizational performance. Accordingly, the Board has direct responsibility for: 3.2.1 The authoritative linkage between the ownership and the operational organization. 3.2.1.1 Members shall maintain effective ambassadorship and coordinated advocacy with member municipalities.

3.7 BOARD COMMITTEE STRUCTURE Committees are intended to expedite work of the Board so that monthly meetings can be efficient and as advisory bodies. The full Board retains all decision-making powers. Committees are, therefore, empowered to: • Conduct detailed reviews of monitoring reports, and recommend acceptance or rejection to the full Board, • Conduct reviews of policy language and make recommendations for changes to the full Board, • Receive preliminary Strategy Updates from the CEO, • Discuss Ends policies, and • Advise the Board. Standing committees are arranged by function and have formal responsibility for monitoring certain policies which have been grouped by theme (governance, financial, service) so the committees can emphasize those subjects.

Unless otherwise stated, a committee ceases to exist as soon as its task is complete.

IMPACTS OF RECOMMENDED ACTION(S)

- Budgetary/Fiscal: N/A or other
- Social: N/A or other
- Environmental: N/A or other
- Governance: Ensure that the task of Ownership Linkage continues to remain at the forefront of the Board's work.

ATTACHMENTS

None

Board's Annual Work Plan

Meeting: Board of Director's

Meeting Date: March 19, 2026

INFORMATION TYPE

Decision Preparation

RECOMMENDED ACTION(S)

Begin discussion of a Board Plan of Work for FY 2026.

ISSUE SUMMARY

The Board sets the future of the organization through policies. At the beginning of every fiscal year the Board decides what proactive issues it wants to spend time on, which may lead to the development of new policy. Board members are encouraged to bring ideas to add to the tables in Attachment 1.

Attachment 1 illustrates the status of previous topics (FY2025) and provides space for members to suggest new topics.

BACKGROUND

The Board's annual work plan is an inherent part of Policy Governance. This is a key mechanism for ensuring that the Board is driving its own agenda and not merely reacting to staff or outside issues. Policy 3.4 outlines how the board sets its agenda. Excerpts of the relevant passages are provided in Attachment 1.

PRIOR RELEVANT BOARD ACTIONS & POLICIES

Board policy 3.4 (Attachment 1). Agenda setting process.

IMPACTS OF RECOMMENDED ACTION(S)

- Governance: The annual work plan is how the Board sets the direction for the organization.

ATTACHMENTS

1. Excerpt Policy 3.4 – Agenda Planning Policy
2. FY2025 Work Plan & Education & FY2026 Template
3. Service & Finance Committee Education Recommendations

Attachment 1: Board Policy 3.4: Agenda Planning

(Emphasis added)

3.4 AGENDA PLANNING

To accomplish its job products with a governance style consistent with Board policies, the Board will follow an annual agenda cycle which:

- (a) completes a re-exploration of Ends Policies annually,*
- (b) continually improves Board performance through Board education and enriched input and deliberation, and*
- (c) re-examines for relevance the underlying values that support existing policy.*

3.4.1 The cycle will conclude each year so that administrative planning, strategic planning, and budgeting can be based on accomplishing a one-year segment of the Board's most recent statement of long-term Ends.

3.4.2 The cycle will start with the Board's development of its agenda for the next year.

A. Consultations with selected groups in the ownership, or other methods of gaining ownership input will be determined and arranged in the first quarter, to be held during the balance of the year.

B. Governance education, and education related to Ends determination, (e.g., presentations by researchers, demographers, advocacy groups, staff, etc.) will be arranged in the first quarter, to be held during the balance of the year...

Attachment 2: FY2025 Work Plan & Education & FY2026 Template

2025 Work Plan

Policy Topics or Decisions	Status
1. Ends review	Completed
2. Sustainability	On-going
3. Determining Reasonableness	Completed
4. Ownership Value? Affordability & Property Taxes	Forthcoming

2025 General education topics suggested by Board:

Education Topics	Status
1. Funding	
-State and Federal	Completed
- Local	Forthcoming
2. Ridership/Coverage	Completed
3. Post Pandemic Ridership Trends	Forthcoming
4. UM 2050	Completed
5. Land Use	TBD
6. Artificial Intelligence	TBD

DRAFT 2026 Work Plan TEMPLATE

Policy Topics or Decisions	Status
1. Ownership Value? Affordability & Property	
2.	
3.	
4.	

General education topics suggested by Board: TEMPLATE

Education Topics
1. Funding (local)
2. Post Pandemic Ridership Trends
3. UM2050
4. Staff Response / Impacts to UM 2050 Plan
5. Transit Service & Land Use Plan
6. Artificial Intelligence
7. Fare Study Scope Presentation
8. Use of Millage Funds – Service Change Metrics
9. Library of General Education Topics on Website

Attachment 3: Service & Finance Committee Education Recommendations

Service Committee Priority Recommendations
1. Fare Study Scope Presentation
2. Post Pandemic Ridership Trends
3. Artificial Intelligence

Finance Committee Education Recommendations
Fare Study Scope Presentation
Post Pandemic Ridership Trends
Transit Service / Land Use Plan
Funding (local)

**Monitoring Report:
Communication and Support to the Board (Policy 2.9)
Monitoring Period: Jan 2024 – Dec 2025**

Board of Directors Meeting Review Date: March 19, 2026

INFORMATION TYPE
Monitoring
RECOMMENDED ACTION(S)
<p>That the Board review this monitoring report and consider accepting it as:</p> <p>(A) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations.</p> <p>(B) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO’s stated non-compliance with item(s) x .x, which the Board acknowledges and accepts the proposed dates for compliance.</p> <p>(C) 1. For policy items x.x.x – there is evidence of compliance with a reasonable interpretation 2. For policy items x.x.x – the interpretation is not reasonable 3. For policy items x.x.x – the interpretation is reasonable, but the evidence does not demonstrate compliance 4. For policy items x.x.x – the Board acknowledges and accepts the CEO’s stated non-compliance and the proposed dates for compliance</p>
PRIOR RELEVANT BOARD ACTIONS & POLICIES
<p>Monitoring Reports are a key Policy Governance tool to assess organizational/CEO performance in achieving Ends (1.0) within Executive Limitations (2.0). A Policy-Governance-consistent Monitoring Process is:</p> <ol style="list-style-type: none"> 1. CEO sends Monitoring Report to all board members 2. At Board meeting, board accepts Monitoring Report through majority vote (or if not acceptable, determines next steps)
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</p>

other monitoring reports, the Board decides whether the interpretations are reasonable, and the evidence is convincing.
Per Appendix A of the Board Policy Manual, this report was scheduled for monitoring in March and was submitted in March.

I certify that the information is true and complete, and I request that the Board accept this as indicating an acceptable level of compliance.

CEO's Signature



Date

3/9/2026

ATTACHMENTS

1. Monitoring report for Communication and Support to the Board (Policy 2.9)

Table of Contents

POLICY TITLE: COMMUNICATION & SUPPORT TO THE BOARD	Pg #	Comp.
2.9 The CEO will not permit the Board to be uninformed or unsupported in its work. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:	6	
2.9.1 Withhold, impede, or confound information relevant to the Board's informed accomplishment of its job.	7	
2.9.1.1 Neglect to submit monitoring data required by the Board in Board-Management Delegation policy "Monitoring CEO Performance" in a timely, accurate and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy "Delegation to the CEO," as well as relevant data.	8	
2.9.1.2 Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy, regardless of the Board's monitoring schedule.	9	
2.9.1.3 Allow the Board to be without decision information required periodically by the Board, including the agency and situational context and implications for a decision.	10	
2.9.1.4 Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.	11	
2.9.1.5 Let the Board be unaware of material internal changes, including changes in policy interpretation, significant reputational, legal, political, or financial risks, developments that have significant negative implications for the budget, threatened or pending lawsuits, relevant trends and any other incidental information requested by the Board. Incidental information includes: A. operational and financial performance metrics B. customer satisfaction metrics, C. quarterly budget to actual financial reports, D. timely notification of execution of budgeted items over \$250,000. E. unbiased information on industry norms for CEO	12	

Communication and Support to the Board (Policy 2.9)

<p>compensation at least every two years.</p> <p>F. advance notification of intended changes to staff rules (unionized or non-unionized), procurement manual, benefits, or compensation structure.</p> <p>G. CEO's personal expense report to the Governance Committee of the Board at least quarterly, with explicit notation of the expenses of any other employee which benefited the CEO, aside from group expenses where the CEO's participation was incidental.</p> <p>H. Annually, a presentation to the Board about relevant emerging trends and technologies with applicability to the transit authority and its services, and innovations trialed or introduced to Authority operations over the past year.</p> <p>I. Strategic context.</p>		
2.9.1.6 Allow the Board to be unprepared to be responsive to community concerns or public questions.	14	
2.9.1.7 Let the Board be unaware if, in the CEO's professional opinion, the Board or individual Board members may not be in compliance with the Board's own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that could be detrimental to the agency's reputation or the working relationship between the Board and the CEO.	15	
2.9.2 Withhold from the Board and its processes logistical and clerical assistance.	16	
2.9.2.1 Allow the Board to be deprived of a workable, user-friendly mechanism for official Board, officer, or committee communications.	17	
2.9.2.2 Allow the Board to be deprived of pleasant, productive and efficient settings and arrangements for Board and committee meetings.	18	
2.9.2.3 Hinder access to the Board for any person who alleges unethical or unlawful action or circumstance in the organization or by its representatives.	19	
2.9.2.4 Neglect to transfer policy updates to the official record of the Board's Policy Manual in a timely manner.	20	
2.9.3 Impede the Board's holism, misrepresent its processes and role, or impede its lawful obligations.	21	

Communication and Support to the Board (Policy 2.9)

<p>2.9.3.1 Interact with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.</p>	<p>22</p>	
<p>2.9.3.2 Neglect to supply for the Required Approvals agenda all items delegated to the CEO, yet required by law, regulation, or contract to be Board-approved, along with the applicable monitoring information.</p>	<p>23</p>	

 Fully Compliant

 Non-Compliant

Preliminary CEO Interpretations and Evidence

POLICY 2.9

The CEO will not permit the Board to be uninformed or unsupported in its work. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:

Degree of Compliance:

Not compliant 

Interpretation

Measure/Standard & Level of Achievement

Compliance with policies 2.9.1 – 2.9.3 will demonstrate compliance with this policy.

Rationale

This is reasonable because the Board has fully articulated its expectations in the policies below.

Inform: Policy 2.9.1 provides evidence that the Board receives clear, sufficient, and relevant information to support effective decision-making. Further, Policy 2.9.3 provides compliance information on timely submissions of required approvals.

Support: Policy 2.9.2 provides evidence of clerical, logistical, legal, and policy governance assistance.

Evidence

Source of Data: Lower-level policies

Date of Data Review: 02/09/2026 as verified by Corporate Strategy and Performance Officer

Data: Policies 2.9.1.1 and 2.9.2.3 are not compliant and hence this policy is not compliant. Compliance timelines are provided in respective policies.

POLICY 2.9.1

Withhold, impede, or confound information relevant to the Board's informed accomplishment of its job.

Degree of Compliance:

Not Compliant



Interpretation

Measure/Standards & Achievement

Compliance with policies 2.9.1.1 – 2.9.1.7 will demonstrate compliance with this policy.

Rationale

This is reasonable because the Board has fully articulated its expectations in lower-level policies.

More specifically, Policy 2.9.1.1 provides evidence of timely, accurate, and understandable monitoring reports. Additionally, timely notifications are provided when requirements cannot be met (2.9.1.2). Further, Policy 2.9.1.3 and 2.9.1.4 provides evidence of staff providing relevant, organized information and concise briefs designed for simple comprehension, and material internal information necessary for the Board to address community concerns (2.9.1.6) and to do its job as established in Governance Process and Board-Management Delegation policies (2.9.1.7).

Evidence

Source of Data: Low-level policy compliance

Date of Data Review: 02/09/2026 as verified by Corporate Strategy and Performance Officer

Data: Policy 2.9.1.1 are not compliant and hence this policy is not compliant. See policy for a compliance timeline.

POLICY 2.9.1.1

Neglect to submit monitoring data required by the Board in Board-Management Delegation policy “Monitoring CEO Performance” in a timely, accurate and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy “Delegation to the CEO,” as well as relevant data.

Degree of Compliant

Not Compliant ●

Interpretation

Measure/Standard & Level of Achievement

Compliance will be demonstrated when:

- A. 90% of monitoring reports are submitted for the Board’s consideration on the schedule determined by the Board in Appendix A of the Policy Manual.
- B. 100% of monitoring reports include a signed attestation from the CEO attesting the accuracy of the information, and
- C. Board minutes show no records of the Board not accepting a monitoring report because information was not factually correct, or did not provide evidence of reasonable interpretations for each policy item.

Rationales

This is reasonable because:

- A. Timeliness can be objectively determined by comparing the scheduled date of submission with the actual date of submission. 90% is a reasonable degree of compliance as operational needs and staffing limitations sometimes impact development and submission of reports.
- B. Attestation clarifies the CEO’s accountability for the accuracy of the information. While inaccurate information can sometimes does appear in reports, the CEO’s accountability encourages quick corrections.
- C. The comprehensibility and comprehensiveness of reports is determined by the full Board and not individual Board members. The board records its decision in the minutes, which is the official record of the board’s assessment of the monitoring report.

Communication and Support to the Board (Policy 2.9)

Evidence

Source of Data: Monitoring report data and Board minutes.

Date of Data Review: 02/09/2026 as verified by Corporate Strategy and Performance Officer

Data:

- A. 68% of the reports were on time. Therefore the CEO notes this policy as non-compliant.
- B. 100% of reports included a signed CEO attestation
- C. 100% of the monitoring reports were accepted and there were no records of the Board concluding that reports were unclear or included inaccurate information.

Compliance Timeline:

The CEO expects to achieve compliance in the next monitoring period.

POLICY 2.9.1.2

Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy, regardless of the Board's monitoring schedule

Degree of Compliance

Compliant ●

Interpretation

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when there are no documented Board concerns that the CEO has not notified the Board, its officers, or other delegates in an appropriate manner and within a reasonable time after the CEO becomes aware that noncompliance has occurred or is likely to occur.

Rationale

This is reasonable as noncompliance may not be important enough for the board to be concerned between monitoring periods, and noncompliance may not be apparent until the report is being prepared.

Evidence

Source of Data: Board meeting minutes

Date of Data Review: 1/30/2026 as verified by the Executive Administrative Assistant

Data:

A review of meeting minutes found no records that the Board had raised concerns with the reporting of noncompliance.

POLICY 2.9.1.3

Allow the Board to be without decision information required periodically by the Board, including the agency and situational context and implications for a decision.

Degree of Compliance

Compliant ●

Interpretation

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when a review of Board meeting minutes and board packet confirms that

- A. Board decisions have been supported by relevant and/or requested support material; and
- B. There is no record in the minutes that the Board determined that any of its decisions were impaired or unreasonably delayed by the lack of adequate information for which staff were responsible. This applies only to decisions the Board has reserved for itself (i.e., changes to policies, tax rates, or fares; accepting monitoring reports; approving collective bargaining agreements, annual budgets, CEO compensation, real estate transactions, and Costs of Governance (3.8.3)).

Rationale

- A. This is reasonable because the Board has identified each decision that it has reserved for itself and for which it may require information. All other decisions are delegated to the CEO (4.3.3) and not covered by this policy. Staff can anticipate and prepare information for Board decisions. Challenges or delays with such decisions should appear in the minutes and no Board decision should be undermined by lack of information, although reasonable delays may be acceptable to the Board.
- B. It is reasonable to use the full Board to judge adequacy of the information as the policy refers to “the Board” rather than board members, and staff cannot write for 10 separate preferences. The CEO as also already been authorized by the Board to disregard individual preferences under certain circumstances (4.1.2).

Evidence

Source of Data: Board meeting minutes

Date of Data Review: 1/30/2026 as verified by Executive Administrative Assistant

Data:

- A. Review of Taskforce, Committee and Board meeting minutes indicate that relevant material was provided to support the Board in making decisions. There was no findings of the Board indicating inadequate provisions.
- B. There were no records of unreasonable delays or concerns with the quality or timing of information from staff in support of Board decisions.

POLICY 2.9.1.4

Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.

Degree of Compliance

Compliant 

Interpretation

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when:

- A. Concise summary briefs (max 5 pages) accompany 95% of agenda items in all board and committee meeting packets,
- B. A review of meeting minutes finds no records of the Board determining that summary information was complex or lengthy, and
- C. Agenda items are labeled as M (Monitoring), D (Decision preparation) or O (Other)

Rationale

This is reasonable because:

- A. Short briefing force summarization, and 95% is reasonable because most items should have such summaries unless the accompanying information is so self-explanatory that a summary is not needed,
- B. It is the Board as a whole rather than individual members that judge clarity as staff cannot be expected to write for 10 different individual preferences.
- C. The policy requests that information is provided in this manner.

Evidence

Source of Data: Board meeting packets

Date of Data Review: 1/30/2026 as verified by Executive Administrative Assistant

Data:

- A. 100% of agenda items included an Issue Brief summary – 158agenda items were reviewed that would require an issue brief and 158 of those included one. None of the issue briefs were longer than 5 pages. Most were less than 3 pages.

-
- B. A review of meeting minutes found no records that the Board found deficiencies with the clarity or length of information presented by staff.
 - C. 100% of agenda items were labeled M, D, or O.

POLICY 2.9.1.5

Let the Board be unaware of material internal changes, including changes in policy interpretation, significant reputational, legal, political, or financial risks, developments that have significant negative implications for the budget, threatened or pending lawsuits, relevant trends and any other incidental information requested by the Board.

Incidental information includes:

- A. operational and financial performance metrics
- B. customer satisfaction metrics,
- C. quarterly budget to actual financial reports,
- D. timely notification of execution of budgeted items over \$250,000.
- E. unbiased information on industry norms for CEO compensation at least every two years.
- F. advance notification of intended changes to staff rules (unionized or non-unionized), procurement manual, benefits, or compensation structure.
- G. CEO's personal expense report to the Governance Committee of the Board at least quarterly, with explicit notation of the expenses of any other employee which benefited the CEO, aside from group expenses where the CEO's participation was incidental.
- H. Annually, a presentation to the Board about relevant emerging trends and technologies with applicability to the transit authority and its services, and innovations trialed or introduced to Authority operations over the past year.
- I. Strategic context.

Degree of Compliance

Compliant 

Interpretation

I define material changes to mean emergent risks significant enough to affect the agency's ability to pursue its goals or policy compliance. This includes: legal jeopardy or lawsuits, political risks, financial/budgetary risks, and any other information the CEO deems pertinent. It does not include all issues that may be of interest, or the multitude of small challenges experienced in regular business operations. The CEO can use their professional judgement in judging the risks, and when and how to transmit the information.

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when

- (A-C) Operational, financial performance and customer satisfaction metrics, budget to-actuals are reported in quarterly reports published in regular board packets.

Communication and Support to the Board (Policy 2.9)

- D. The Board is notified within two months of expenditures on single purchases over \$250,000.
- E. The Chair or Governance Committee is provided with information on CEO compensation, including relevant comparable, every even year.
- F. The Board is notified of changes to union contracts, staff handbooks, procurement manual, or compensations and benefit programs within two months.
- G. The Governance Committee is provided with CEO expenses quarterly.
- H. An innovation presentation is provided to the board annually.
- I. Discussions and decisions are placed within a multi-year context addressing opportunities, trade-offs, priorities, longer-term goals, and risks.

Additionally,

- J. Overall, there are no records in board or committee meetings that indicate that the Board, or its officers, felt uninformed of key risk information in a timely manner if the CEO was aware of that information.

Rationales

This is reasonable because:

- A.- I. This is what the Board has requested, and the timelines are realistic within organizational resources and Board's expectations.
- J. This additional review ensures that beyond the information requested by the Board, there are no other instances where the Board has felt uninformed or unaware of key information.

Evidence

Source of Data: Board and Committee packets and minutes, internal emails

Date of Data Review: 1/30/2026 as verified by CEO, Executive Administrative Assistant and the DCEO of Finance and Administration

Data:

(A-C) All quarterly reports were provided to the Board.

- D. A review of Board meeting packets demonstrates that staff informed the Board of contracts above \$250,000 as part of the CEO report.
- E. A review of emails demonstrates that the CEO provided compensation information to the Chair in 2024.
- F. There were no changes in staff rules (union contract or non-union handbook), procurement manual, compensation and benefits structures during the monitoring period.

Communication and Support to the Board (Policy 2.9)

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-
- G. All quarterly CEO expense reports were provided to the Governance Committee.
 - H. The CEO provided an innovation presentation to the Board in March 2024 and February 2025.
 - I. There are no documented concerns from the Board that the CEO has failed to place discussions and decisions within a multi-year context addressing opportunities, trade-offs, priorities, longer-term goals, and risks.
 - J. There were no records indicating that the Board or its officers felt uninformed of key risk information

POLICY 2.9.1.6

Allow the Board to be unprepared to be responsive to community concerns or public questions.

Degree of Compliance

Compliant 

Interpretation

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when a review of Board minutes finds no records that the Board was left without staff assistance in responding to community comments.

Rationale

This is reasonable as the Board may want assistance in providing information. The limitation to the full Board is reasonable to avoid conflict with 4.1.2 which allows the CEO to defer requests for information from individuals.

Evidence

Source of Data: Board minutes

Date of Data Review: 1/30/2026 as verified by Executive Administrative Assistant

Data:

A review of Board minutes found no requests for assistance in responding to community comments.

POLICY 2.9.1.7

Let the Board be unaware if, in the CEO's professional opinion, the Board or individual Board members may not be in compliance with the Board's own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that could be detrimental to the agency's reputation or the working relationship between the Board and the CEO.

Degree of Compliance

Compliant 

Interpretation

Measure/Standards & Achievement

Compliance will be demonstrated when the CEO provides notice to the board as a whole, or to the board chair when it concerns an individual board member of instances of noncompliance with the Board's own policies (3.0-4.4) in instances of serious or repeated lapses of non-compliance or where earlier interventions have proven ineffective.

Rationales

This is reasonable because the policy already explicitly defers to the CEO's personal judgment as the key judgment factor. Compliance and degree of risk can be subjective, and over-reporting can lead to interpersonal conflict which can be counterproductive. The CEO witnesses minor lapses regularly and chooses to treat them as learning opportunities, especially if intentions are in good faith and public reporting could undermine constructive development of board capacity.

Evidence

Source of Data: Board meeting minutes

Date of Data Review: 3/9/2026 as verified by the CEO

Data:

The CEO attests that they are satisfied that, in their professional opinion, they have reported all concerns regarding behavior in a constructive manner. There were no instances of the CEO feeling it necessary to report any behaviors as serious.

POLICY 2.9.2

Withhold from the Board and its processes logistical and clerical assistance.

Degree of Compliance

Not Compliant 

Interpretation

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when

- A. Policies 2.9.2.1-2.9.2.4 are compliant.
- B. The Board and its delegates raise no concerns about obtaining access to clerical support from the Executive Administrative Assistant to the CEO or other staff.

Rationale

This interpretation is reasonable because the Board has fully articulated its expectations in 2.9.2.1-2.9.2.4, except for clerical support.

Evidence

Source of Data: Lower-level policies and Board meeting minutes

Date of Data Review: 1/30/2026 as verified by Executive Administrative Assistant, CEO

Data:

- A. Policy 2.9.2.3 was not compliant; therefore this policy is not compliant.
- B. A review of Board minutes by the Executive Administrative Assistant finds no concerns expressed by the Board or its delegates pertaining to clerical support. The CEO attests that they are not aware of any concerns with the level of clerical support.

POLICY 2.9.2.1

Allow the Board to be deprived of a workable, user-friendly mechanism for official Board, officer, or committee communications.

Degree of Compliance

Compliant 

Interpretation

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when staff circulate, to the Board, contact lists of each board member with their phone numbers and email addresses. The sheet will be updated whenever needed and circulated when board members change or upon request.

Rationale:

This is reasonable as it allows Board members direct access to its officers or fellow committee members and/or board members without relying on staff to make those connections each time a need arises. Staff and logistical support are addressed elsewhere in the policy.

Evidence

Source of Data: Emails to Board members

Date of Data Review: 1/30/2026 as verified by Executive Administrative Assistant

Data:

A review of emails found that the board member contact sheet was circulated in 4/5/2025, 3/4/2025 and 1/25/2024

POLICY 2.9.2.2

Allow the Board to be deprived of pleasant, productive and efficient settings and arrangements for Board and committee meetings.

Degree of Compliance

Compliant 

Interpretation

Compliance with this policy will be demonstrated when

- A. A review of Board minutes finds no records of Board dissatisfaction with meetings. This includes:
 - a. Staff and professional support for scheduling, reservations, paperwork, audiovisual technology etc.,
 - b. Applicable reading material and agendas are provided in advance,
 - c. Locations (physical or virtual) that are easily accessible to transit riders and professionally appointed.
- B. All Board meetings comply with the Open Meetings Act (OMA) provisions regarding notice of meetings and posting of agendas.

Rationale

This is reasonable because the Board can note in Board meetings of any collective dissatisfaction with meeting arrangements. Further, compliance with the OMA may be necessary for decisions to be legal and staff can handle the compliance steps necessary.

Evidence

Source of Data: Board meeting minutes

Date of Data Review: 1/30/2026 as verified by Executive Administrative Assistant

Data: A review of board meeting records indicate that:

- A. No records of the Board expressing dissatisfaction with meetings arrangements were found.
- B. There were no violation of the Open Meeting Act found.

POLICY 2.9.3

Hinder access to the Board for any person who alleges unethical or unlawful action or circumstance in the organization or by its representatives.

Degree of Compliance

Not Compliant 

Interpretation

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when:

- A. The CEO does not limit any person from speaking during the Board public comment period, and
- B. A mechanism for staff whistleblowing exists, is well known to staff and is easily accessible.

Rationale

This is reasonable because

- A. *Any person* can speak directly to the Board during public comment periods.
- B. *Any person* with information of malfeasance could reasonably include staff, so a mechanism for staff whistleblowing should exist.

Evidence

Source of Data: Board meeting minutes and whistleblowing

Date of Data Review: 1/30/2026 as verified by Executive Administrative Assistant, Human Resources Manager

Data:

- A. A review of Board meeting minutes finds no attempts by the CEO to prevent anyone from speaking during the public comment period.
- B. A review of staff whistleblower practices found that between the period of January 2024 and November 2024, the agency had no whistle blower policy. However, one was implemented and has remained effective as of December 2024 to date. Due to the period where such a policy was non-existent, the CEO notes non-compliance with this policy.

Compliance Timeline: Compliance was achieved on Dec 2nd, 2024.

POLICY 2.9.4

Neglect to transfer policy updates to the official record of the Board’s Policy Manual in a timely manner.

Degree of Completion

Compliant 

Interpretation

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when, within two months, any approved changes to the Policy Manual are made to the document, posted on TheRide’s website, circulated electronically to Board members and amendments recorded in Policy Manual Appendix E.

Rationale

This interpretation is reasonable as two months is adequate for staff to update the manual under normal circumstances.

Evidence

Source of Data: Board meeting records

Date of Data Review: 1/30/2026 as verified by Executive Administrative Assistant

Data:

Meeting minutes and records confirm that all approved changes were updated in Appendix E of the Board Policy Manual. Following each revision, the Board received an electronic copy, and the online manual was updated within one month. Hard copies were provided upon request. Documented changes during this period are as follows:

Date:	Changes
6/20/2024	3.2: Board Description 3.7.2(a) (b): Board Committee Structure
7/18/2024	1.1.3: New Ends policy
11/21/2024	2.7.2: Asset protection redundancy with 2.5.3 addressed
1/23/2025	Updated the monitoring schedule (Appendix A) Updated language in policy 2.1.3: Treatment of the traveling public.
2/20/2025	Updated language in policy 2.1.2, 2.1.3.1: Treatment of the traveling public.
6/19/2025	3.8.1.1: Cost of Governance
8/21/2025	3.2.13: Board Job Description Updated Appendix B added guidance on reasonable interpretation.

Communication and Support to the Board (Policy 2.9)

Policy 2.9.3

Impede the Board's holism, misrepresent its processes and role, or impede its lawful obligations

Degree of Completion

Compliant 

Interpretation**Measure/Standards & Achievement**

Compliance with this policy will be demonstrated when

- A. Policy 2.9.3.1 and 2.9.3.2 are compliant,
- B. There are no records indicating that a majority of the Board felt that the CEO had impeded Board holism by requesting Committee and Taskforces, or their chairs to make decisions that rightfully belong to the whole Board,
- C. There are no records indicating that the Board felt that the CEO had published or presented any information that contradicts the Board's roles and processes as stated in the Governance Policies or the Board-Management Delegation Policies.
- D. There are no records of the Board raising concerns that CEO or staff actions are inhibiting the Board in a general manner.
- E. Agents of the Board (auditors, legal counsel, etc.,) certify that they have seen no examples of staff impeding board-sponsored work. Staff can request reasonable delays to accommodate the workload.

Rationale

This is reasonable because none of the Board's needs should ever be prevented by staff, the Board and its agents are best positioned to determine whether staff actions are in any way impeding the Board's role, and staff may need time to accommodate requests without affecting business operations. Further, while individual Board members may not always be satisfied, these interpretations rest on whether the Board as a whole deems a transgression to have occurred.

Evidence

Source of Data: Lower-Level Policies

Date of Data Review: See below

Data:

- A. Policies 2.9.3.1 and 2.9.3.2 are compliant.

-
- B. A review of Board, Taskforce and Committee minutes and/or decisions (1/30/2026, Executive Administrative Assistant) found no instances where concerns of staff impeding Board holism were raised.
 - C. A review of Board, Taskforce and Committee minutes (1/30/2026), Executive Administrative Assistant) found no instance where the Board raised concerns that the CEO had presented any information that contradicted the Board's role and processes as set in Governance Process Policies and the Board-Management Policies.
 - D. A review of Board minutes (1/30/2026), Executive Administrative Assistant) shows no instances where the Board expressed concerns about staff involvement, or failure to achieve Board work in general.
 - E. A review of the FY 2024 and 2025 audits (02/09/2026) Deputy CEO, Finance and Administration) confirm that the auditors reported no challenges working with staff to conduct the work. Corporate counsel has certified (02/09/2026) that they have seen no concerns with staff impeding any board-sponsored work or legal requirements

POLICY 2.9.3.1

Interact with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.

Degree of Compliance

Compliant 

Evidence

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when a review of Board minutes finds no instances when the full Board has found that CEO or staff actions were biased for or against any individual board members (outside of allowances outlined above) that impacted the member's or board's ability to conduct their work.

Rationale

This interpretation is reasonable because the full Board is best situated to judge concerns from individual members as to whether the policy has been violated. No degree of personal favoritism is allowable.

Interpretation

Source of Data: Board meeting minutes

Date of Data Review: 2/4/2026 as verified by Executive Administrative Assistant

Data:

A review of meeting minutes found no discussion about violations of this policy and no suggestions of favoritism.

POLICY 2.9.3.2

Neglect to supply for the Required Approvals agenda all items delegated to the CEO, yet required by law, regulation, or contract to be Board-approved, along with the applicable monitoring information.

Degree of Compliance

Compliant 

Evidence

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when

- A. The CEO provides and recommends decisions on all outside Required Approvals for the Board’s consideration. Those required approvals are listed below.
 - a. State operational funding (annual)
 - b. Agency safety plan (annual)
 - c. Title VI policies and plans (every three years)
- B. Places approval requests in the consent agenda in a manner that meets outside deadlines,
- C. Provides accompanying context or monitoring data as needed.

Rationale

It is reasonable for the CEO to make a recommendation that includes sufficient data (including but not limited to impact on Ends and Executive Limitations) as this supports the Board in reaching a final decision on the approvals. Providing approvals in a timely manner ensures that outside body deadlines are met.

Interpretation

Source of Data: Board meeting agendas and minutes

Date of Data Review: 2/4/2026 as verified by Executive Administrative Assistant

Data: A review of board agendas and minutes confirm the following:

	State Operating Grant	Public Transit Agency Safety Plan	Title VI
A) Did the CEO make a recommendation?	Yes – 1/25/2024, and 1/23/2025, Board Meeting Consent Agenda	Yes – 11/21/2024, and 10/16/2025, Board Meeting Consent Agenda	N/A. Reviewed every 3 years. Last review was in 2023. Next review will be in 2026.

B) Was the deadline met?	Yes	Yes	N/A
C) Was context accompanying required approval provided?	Yes – an issue brief was included and outlined the request for approval.	Yes – an issue brief was included and outlined the request for approval.	N/A

Policy Trendlines

LEGEND	
	Policy is not compliant
	Policy is partially compliant <i>(no longer used)</i>
	Policy is compliant

Policy	FY21	FY22	FY23	FY24	FY25
2.9					
2.9.1					
2.9.1.1					
2.9.1.2					
2.9.1.3					
2.9.1.4					
2.9.1.5					
2.9.1.6					
2.9.1.7					
2.9.2					
2.9.2.1					
2.9.2.2					
2.9.2.3					
2.9.2.4					
2.9.3					
2.9.3.1					
2.9.3.2					

Guidance on Determining “Reasonableness” of CEO Interpretations**Are the interpretations reasonable?**

An interpretation is reasonable if the following are provided,

1. a measure or standard,
2. a defensible rationale for the measure or standard,
3. a level of achievement necessary to achieve compliance and
4. a rationale for the level of achievement.

Is evidence verifiable?

Evidence is verifiable if there is

1. actual measurement/data,
2. the source of data and
3. the date when data was collected is provided.

CEO Notes: (If Applicable)

Board's Conclusion on Monitoring Report

Board's conclusion after monitoring the report.

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

- (A) a reasonable interpretation for **all** policy items and that the evidence demonstrates compliance with the interpretations.

- (B) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO's stated non-compliance with item(s) x .x, which the Board acknowledges and accepts the proposed dates for compliance.

- (C)
 1. For policy items x.x.x – there is evidence of compliance with a reasonable interpretation
 2. For policy items x.x.x – the interpretation is not reasonable
 3. For policy items x.x.x – the interpretation is reasonable, but the evidence does not demonstrate compliance
 4. For policy items x.x.x – the Board acknowledges and accepts the CEO's stated non-compliance and the proposed dates for compliance

Board Notes: (If Applicable)

WORKSHEET RESULTS

Communication & Support to the Board (Policy 2.9)

Participants: (9) Board Members

Chris Allen, Mike Allemang, Simi Barr, Rich Chang, Julie Grand, Kathleen Mozak,
Susan Pollay, Praveena Ramaswami, Georgia Valentine

Performance on reasonable interpretation and verifiable evidence

Policy 2.9

The CEO will not permit the Board to be uninformed or unsupported in its work. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:

Percent of Board members that find the interpretation reasonable	89%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.1

Withhold, impede, or confound information relevant to the Board’s informed accomplishment of its job.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.1.1

Neglect to submit monitoring data required by the Board in Board-Management Delegation policy “Monitoring CEO Performance” in a timely, accurate and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy “Delegation to the CEO,” as well as relevant data.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context:

- Curious why 32% of the reports are not submitted on time. Are there uncontrollable circumstances that contribute to this?

- Comment: It would be helpful to have a table supporting the evidence that 68% of monitoring reports were submitted to the board on time. It could list individual monitoring reports by month with an indication whether they were submitted on time. This would also be useful in reminding the board of what was accomplished during the period covered.

Policy 2.9.1.2

Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy, regardless of the Board’s monitoring schedule.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.1.3

Allow the Board to be without decision information required periodically by the Board, including the agency and situational context and implications for a decision.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.1.4

Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.1.5

Let the Board be unaware of material internal changes, including changes in policy interpretation, significant reputational, legal, political, or financial risks, developments that have significant negative implications for the budget, threatened or pending lawsuits, relevant trends and any other incidental information requested by the Board. Incidental information includes:

- A. operational and financial performance metrics
- B. customer satisfaction metrics,
- C. quarterly budget to actual financial reports,
- D. timely notification of execution of budgeted items over \$250,000. AAATA Board Policy Manual V 2.30 – Updated January 22, 2026 14
- E. unbiased information on industry norms for CEO compensation at least every two years.
- F. advance notification of intended changes to staff rules (unionized or nonunionized), procurement manual, benefits, or compensation structure.

- G. CEO's personal expense report to the Governance Committee of the Board at least quarterly, with explicit notation of the expenses of any other employee which benefited the CEO, aside from group expenses where the CEO's participation was incidental.
- H. Annually, a presentation to the Board about relevant emerging trends and technologies with applicability to the transit authority and its services, and innovations trialed or introduced to Authority operations over the past year.
- I. Strategic context

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.1.6

Allow the Board to be unprepared to be responsive to community concerns or public questions.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.1.7

Let the Board be unaware if, in the CEO's professional opinion, the Board or individual Board members may not be in compliance with the Board's own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that could be detrimental to the agency's reputation or the working relationship between the Board and the CEO.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.2

Withhold from the Board and its processes logistical and clerical assistance.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.2.1

Allow the Board to be deprived of a workable, user-friendly mechanism for official Board, officer, or committee communications.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Worksheet Results: Communication & Support to the Board (Policy 2.9)

Policy 2.9.2.2

Allow the Board to be deprived of pleasant, productive and efficient settings and arrangements for Board and committee meetings.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context:

- Weren't there discussions of the time limit of board meetings in the past year? Wouldn't that contradict: "No records of the Board expressing dissatisfaction with meetings arrangements were found."

Policy 2.9.2.3

Hinder access to the Board for any person who alleges unethical or unlawful action or circumstance in the organization or by its representatives.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context:

- On page 23 of 31 the policy number reads 2.9.3 and s/b 2.9.2.3

Policy 2.9.2.4

Neglect to transfer policy updates to the official record of the Board's Policy Manual in a timely manner.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context:

- On page 24 of 31 the policy number reads 2.9.4 s/b 2.9.2.4

Policy 2.9.3

Impede the Board's holism, misrepresent its processes and role, or impede its lawful obligations.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context:

- This policy was brought into compliance 12/2/2024.

Policy 2.9.3.1

Interact with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Policy 2.9.3.2

Neglect to supply for the Required Approvals agenda all items delegated to the CEO, yet required by law, regulation, or contract to be Board-approved, along with the applicable monitoring information.

Percent of Board members that find the interpretation reasonable	100%
Percent of Board members that find the evidence verifiable	100%

If you stated NO, kindly provide additional context: N/A

Additional context questions

1. Is there any reason to doubt the integrity of the information presented?

NO – (9)

If you stated YES, kindly provide additional context: N/A

2. If the CEO has indicated NON-COMPLIANCE with any aspect of this policy, is there a commitment as to when the Board can expect to see compliance and is the proposed time-frame acceptable?

YES – (7)

N/A – (2)

If you stated NO, kindly provide additional context: N/A

3. Having reviewed the monitoring report, does anything you have learned make you consider whether the POLICY ITSELF should be amended? (Policy amendment is not monitoring but should be addressed as a board decision.)

NO – (9)

If you stated YES, kindly provide additional context: N/A

4. Approximately how many minutes did it take you to fill out this form?

25, 25, 10, 25, 40, 10, 11, 20, 25

Policy 2.5 Consultant Guidance

Meeting: Board of Director's

Meeting Date: March 19, 2026

INFORMATION TYPE

Decision

RECOMMENDED ACTION(S)

Receive for discussion.

ISSUE SUMMARY

The Finance Committee was tasked with reviewing and discussing Financial Conditions & Activities policy 2.5 at their March 10, 2026, meeting. After review and discussion of the policy language guidance provided by the Governance consultant, they are recommending to the Board that the language be updated from "*Further, without limiting the scope of the foregoing by this enumeration*" and be replaced with "*This includes but is not limited to.*"

BACKGROUND

In February 2026, the Board received and accepted the Financial Conditions & Activities (Policy 2.5) monitoring report. During the monitoring report review, a Board member raised concerns about the following section within policy 2.5:

2.5 Further, without limiting the scope of the foregoing by this enumeration ...

The Board member was concerned the word "enumeration" implied there are elements of 2.5 not listed within the sub-policies and contradicts the CEO interpretation scope which only includes sub-policies.

The Board tasked the Finance Committee to review policy 2.5 guidance received from Governance consultant Sue Radwan.

IMPACTS OF RECOMMENDED ACTION(S)

- Budgetary/Fiscal: N/A
- Social: N/A
- Environmental: TBD
- Governance: Clarify policy expectations

ATTACHMENTS

1. Consultant Comments re: Interpretation of Financial Conditions Monitoring Report
2. Proposed policy language revision

Attachment 1: Consultant Comments

February 25, 2026

TO: Kathleen Mozak, AAATA Board Chair

FROM: Sue Radwan, Policy Governance Consultant

RE: Interpretation of Financial Conditions Monitoring Report

Kathleen, my read of your post concerns the objection contained in the Board assessment form “(WARNING: semantic response follows, bordering on pedantic): Policy says "without limiting the scope of the foregoing by this enumeration," which indicates the board believes there are elements of 2.5 that are not enumerated by sub-policies. The CEOs interpretation explicitly limits the scope to only include the sub-policies. If the board is willing to accept this interpretation, policy should be amended to eliminate this contradiction.

Consultant response:

John Carver recommended the use of the language "without limiting the scope of the foregoing by this enumeration" to capture the umbrella nature of the broadest policy presented. He used that language to assure the board that IF something unacceptable occurred that was not explicitly laid out in lower level policy, the board could still hold the CEO accountable for the action because it is covered by the *umbrella* language.

I have observed many boards change this language to “accordingly:” then list the lower level policies...This language then limits the concerns to only what is stated in those lower level policies. I have also observed boards use the language of “This includes but is not limited to...” This certainly gets closer to Carver’s intent.

The point is that the board does not need to list *every contingency* in the topic. But only those things where there is a specific concern regarding unilateral authority.

Additionally, always keep in mind that the global executive limitation is also an umbrella for all operations and covers any action, decision or condition that would be deemed imprudent or unethical by the board. You certainly would not want policy to articulate all actions that would be deemed so. So the *umbrella* language is the vehicle to address the whole scope of imprudence or unethical activities.

Similarly, in the global EL policy, the language addresses any action that might be unlawful. We certainly don’t want to articulate every law that applies. The volumes of the Michigan Compiled Laws (MCL) does that quite well without a board’s help! So if an unlawful action occurs, the board can act on that within the global policy.

In a monitoring report, the CEO’s responsibility lies with demonstrating compliance with the specific language of the policy. IF something occurs beyond that, the CEO has an obligation to report non-compliance with ANY policy (including the global) as defined in the Communication and Support to the Board policy 2.9.1.2.

Attachment 2: Proposed Policy Language Revision

Current Policy 2.5	Proposed Policy Language Revision
<p data-bbox="201 445 646 508">2.5 FINANCIAL CONDITION AND ACTIVITIES</p> <p data-bbox="201 546 792 743">With respect to the actual, ongoing financial condition and activities, the CEO will not cause, allow or fail to address the development of fiscal jeopardy or deviation of actual expenditures from Board priorities established in Ends policies.</p> <p data-bbox="201 781 789 871">Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:</p>	<p data-bbox="824 445 1269 508">2.5 FINANCIAL CONDITION AND ACTIVITIES</p> <p data-bbox="824 546 1416 743">With respect to the actual, ongoing financial condition and activities, the CEO will not cause, allow or fail to address the development of fiscal jeopardy or deviation of actual expenditures from Board priorities established in Ends policies.</p> <p data-bbox="824 781 1256 810">This includes but is not limited to:</p>

4th Ave Street & Transit Improvements

Meeting: Board of Directors

Meeting Date: March 19, 2026

INFORMATION TYPE

Other

RECOMMENDED ACTION(S)

Receive for information

ISSUE SUMMARY

Starting May 3, the DDA, in partnership with TheRide and the City of Ann Arbor, is starting a construction project on 4th Ave to improve the pedestrian and transit amenities between William and Liberty Streets, as well as make significant underground utility upgrades or updates. Due to the significant construction that will occur, 4th Ave and the Blake Transit Center will be completely closed to the public. TheRide must move all buses that arrive and depart from BTC and 4th Ave. to 5th & Washington, located about 1-3 blocks northeast.

This relocation will have significant impact on bus operations and riders. Staff are working with our partners to develop plans to minimize the impact.

BACKGROUND

Between 2018-2022, the Downtown Development Authority, City of Ann Arbor, AAATA, and the Ann Arbor Housing Commission developed plans to improve the safety and comfort of streets for people of all ages and abilities, increase the availability of affordable housing in Ann Arbor, set sustainability goals, and consider the long-term vision for transit service and infrastructure in the greater Ann Arbor area. Two critical projects emerged from these plans: 350 S. Fifth Redevelopment and 4th Avenue Street & Transit Improvements. AAHC received direction to redevelop the 350 S. Fifth parking lot into affordable housing and partner with AAATA to expand the BTC. At the same time, the DDA set out to redesign the block of 4th Avenue adjacent to the BTC to significantly improve the transit and pedestrian experience, as well as create a safe and comfortable space for all.

Construction of 4th Avenue and 350 S. Fifth begins in May 2026. 4th Avenue needs significant investment to upgrade and replace the underground utilities that will serve the housing tower and surrounding community. This requires a full closure, and the BTC's driveway will be inaccessible for the duration of construction. Expansion of the BTC is now a separate but well-integrated third project. Design of the BTC Platform Expansion is underway, and construction will follow the other two projects.

4th Avenue construction is scheduled to finish in November 2026, but staff will plan for delays. During this time, bus operations will move to 5th Avenue between Huron and Liberty Streets, and Washington St between 5th Avenue and just east of Division St. Customer,

driver, and staff amenities will be provided to the greatest extent possible. The BTC will be open to drivers and staff only. A significant effort is also underway to communicate this major disruption to the community and ensure customers receive extra assistance throughout construction.

PRIOR RELEVANT BOARD ACTIONS & POLICIES

Staff have provided updates on the 4th Avenue and BTC project at various Board meetings.

IMPACTS OF RECOMMENDED ACTION(S)

- Budgetary/Fiscal: There will be expenses associated with this relocation, and staff are reviewing the budget impact.
- Social: This is a significant change, particularly for riders and MCOs, and it will take time and resources to adapt to this new location. Staff are working on bringing amenities to 5th & Washington and developing an extensive communication plan to inform and support the transit community.
- Environmental: N/A
- Governance: N/A

ATTACHMENTS

1. The presentation will be provided at the meeting.

FY2026 Q1 Service Report

Meeting: Board of Directors

Meeting Date: March 19, 2026

INFORMATION TYPE

Other

RECOMMENDED ACTION(S)

Receive as CEO Operational Update.

ISSUE SUMMARY

Revised Reporting:

We are enhancing our reporting framework to provide deeper insight into operational performance. By benchmarking current results against established targets and year-over-year comparisons (Q1 FY2026 vs. Q1 FY2025), we aim to better demonstrate both accountability to our goals and the momentum of our annual growth. **We welcome Board member feedback on these reporting enhancements.**

Each mode is organized into two distinct sections: (1) brief highlights for a high-level performance summary, and (2) detailed charts showcasing granular performance metrics.

Q1 2026 Highlights

- FlexRide and GoldRide ridership increased while Fixed Route and Paratransit saw a slight decrease.
- Both Fixed Route and Paratransit exceeded their respective on-time performance targets of 80% and 95%.
- FlexRide successfully fulfilled 97% of all ride requests.
- The Vanpool program achieved significant gains, increasing ridership by 3% while reducing the active fleet by 15%. This optimization resulted in a 17% reduction in the average fuel-to-rider cost ratio.

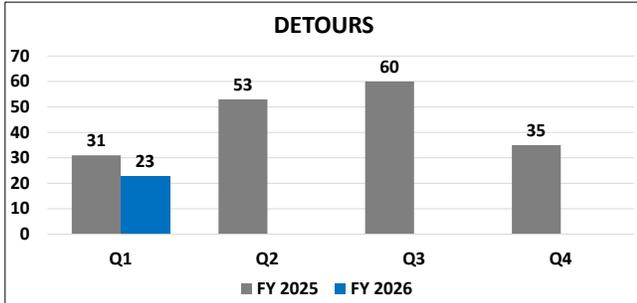
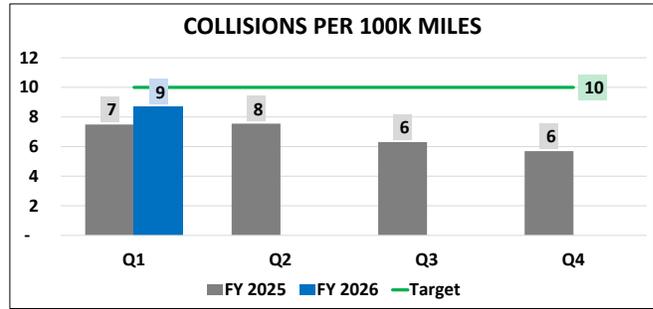
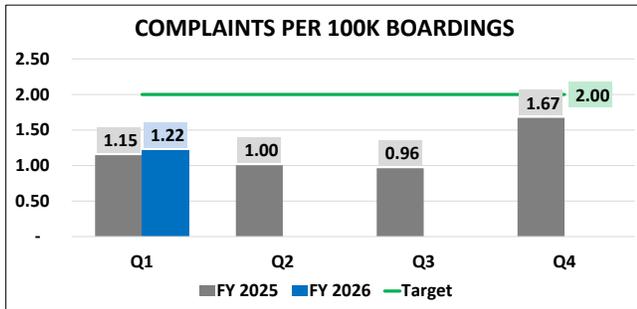
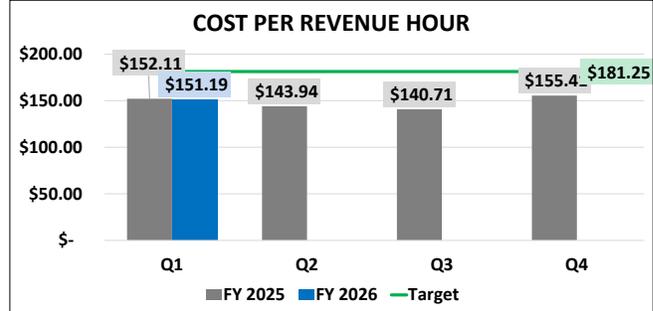
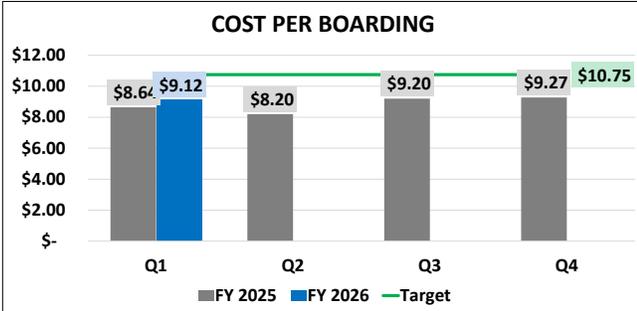
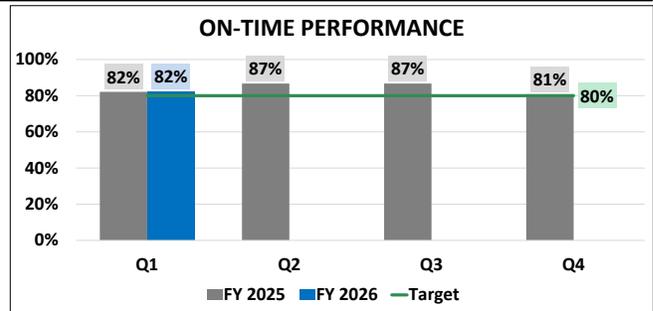
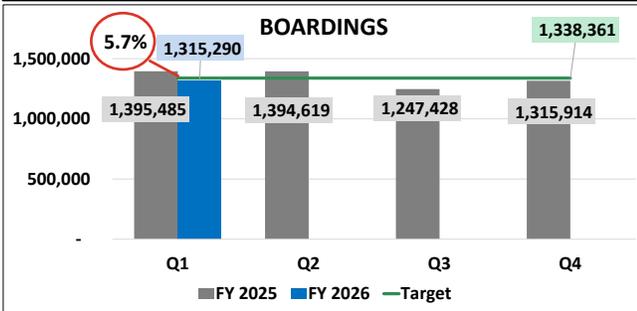
In accordance with the Board's Policy Manual, I present this Quarterly Satisfaction and Service Performance Report for the first quarter of FY2026. I certify that the information provided is true and complete, with any exceptions noted, and respectfully request that the Board accept this as an operational update.

ATTACHMENTS

1. FY 2026 Q1 Service Report

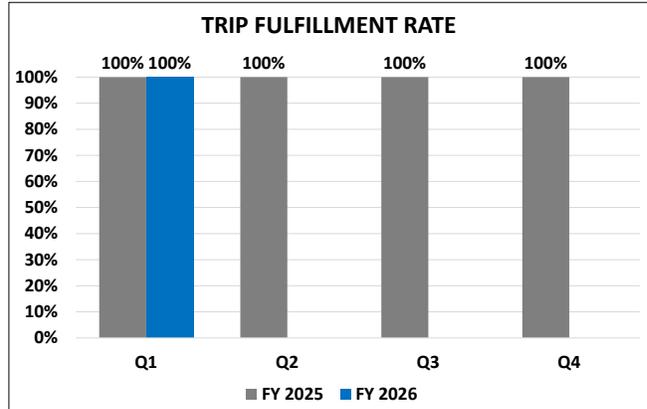
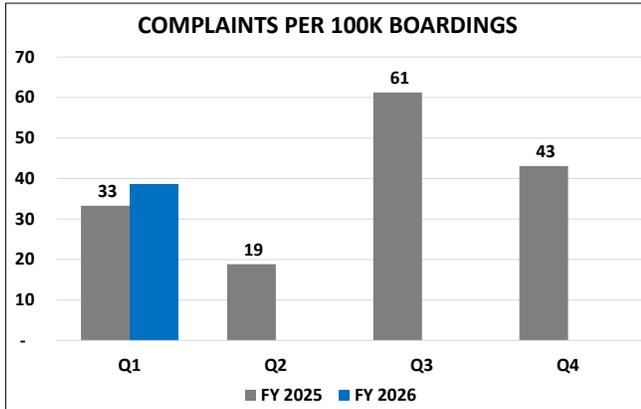
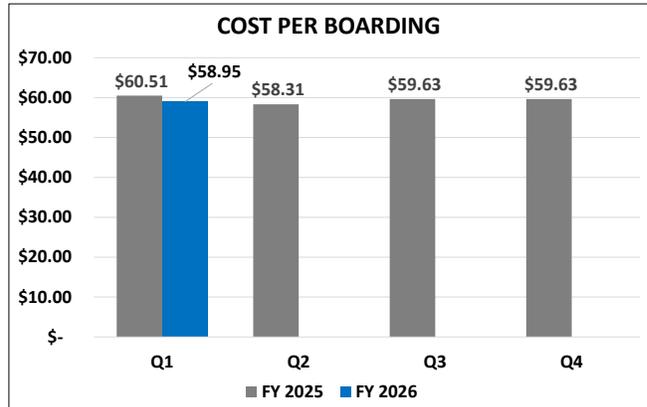
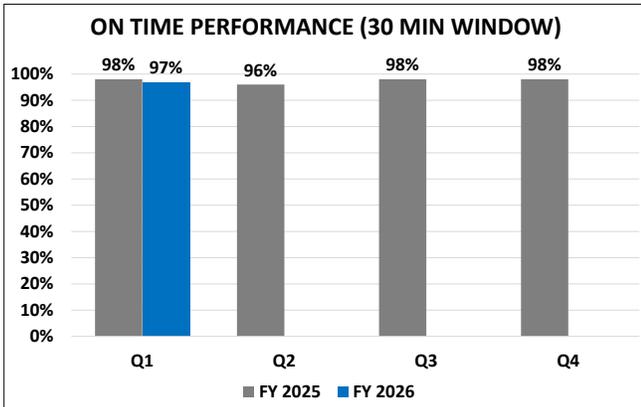
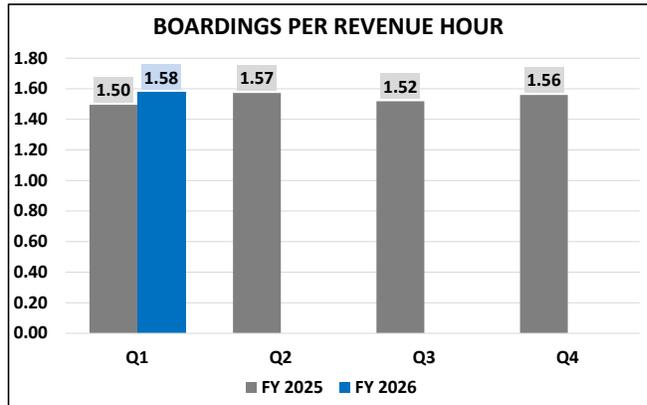
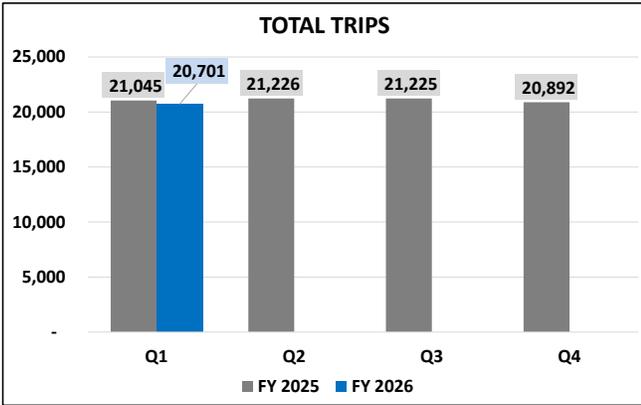
Fixed Route

Ridership dropped by 5.7%. Due to BTC closures, ridership growth targets for 2026 have been revised from 3.5% (FY 2026 Budget projections) to a range of 0–3%. Despite these adjustments, **operational metrics remained stable** as indicated by **On-Time Performance consistently exceeding the 80% benchmark**, Cost per Revenue Hour and Cost per Boarding fluctuated slightly but stayed within budget projections. Additionally, both complaints and collisions remained within established safety and service thresholds.



ARide / Paratransit (MV)

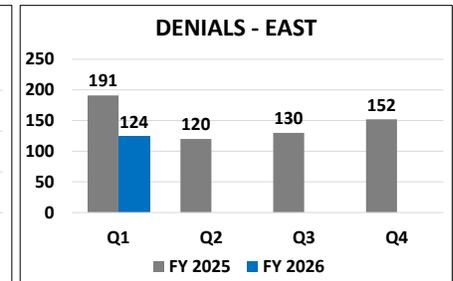
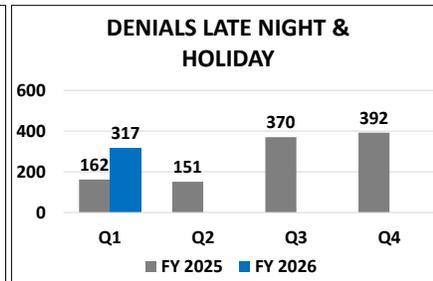
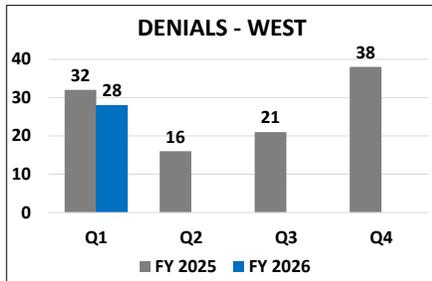
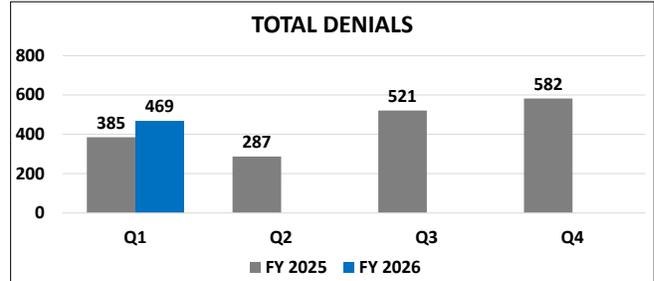
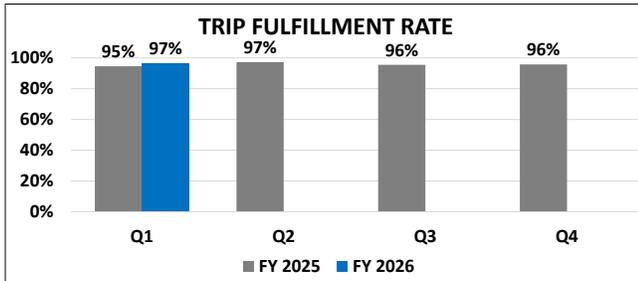
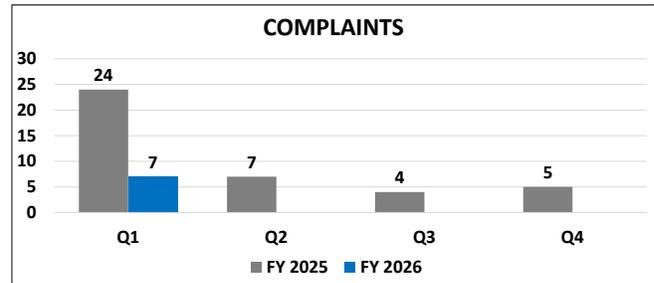
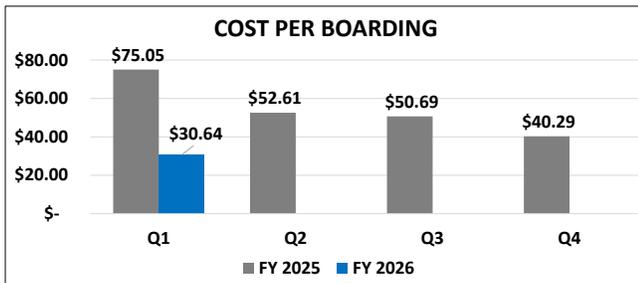
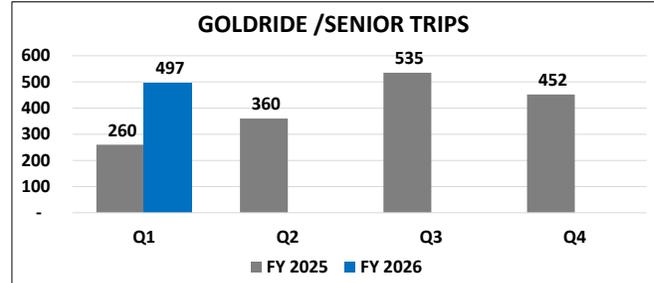
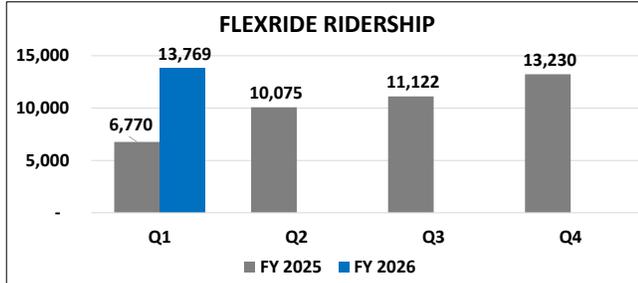
Paratransit Ridership saw a **marginal 2% decline**. However, operational efficiency was consistently sustained as evidenced by the **5% increase in boardings per revenue hour**, **2% reduction in the average cost per boarding**, and **on-time performance consistently exceeding the 95% target**.



FlexRide (Via)

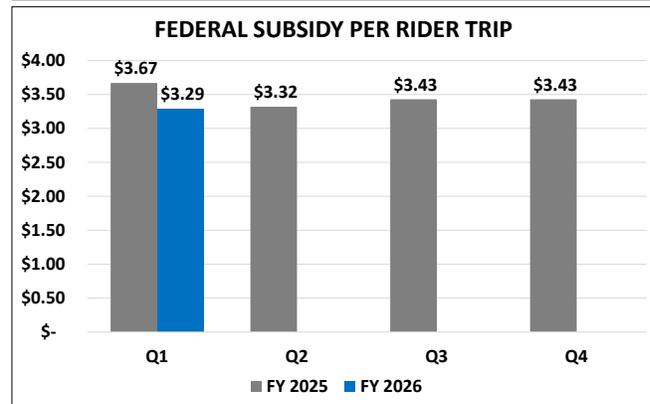
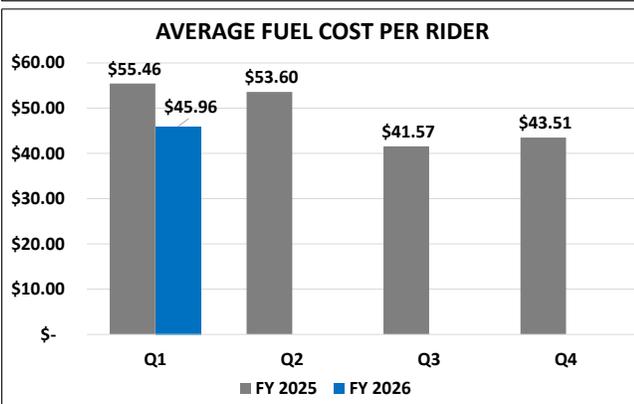
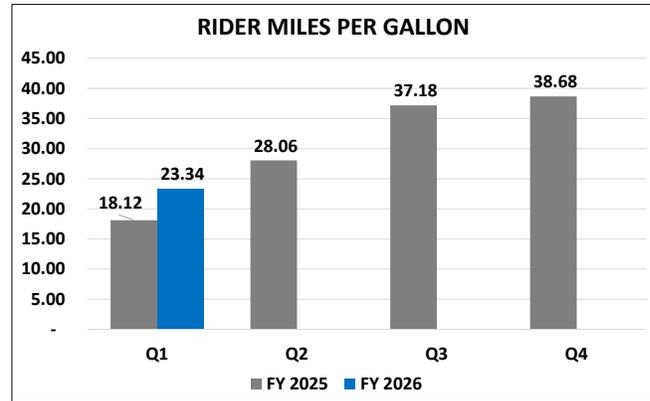
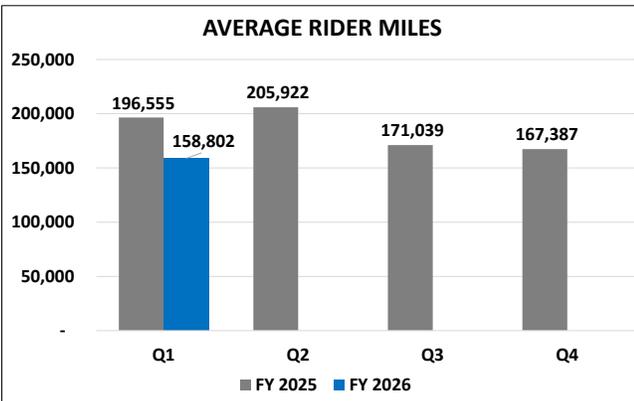
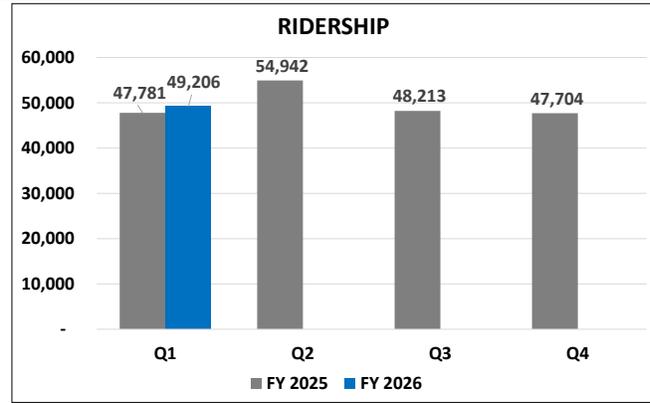
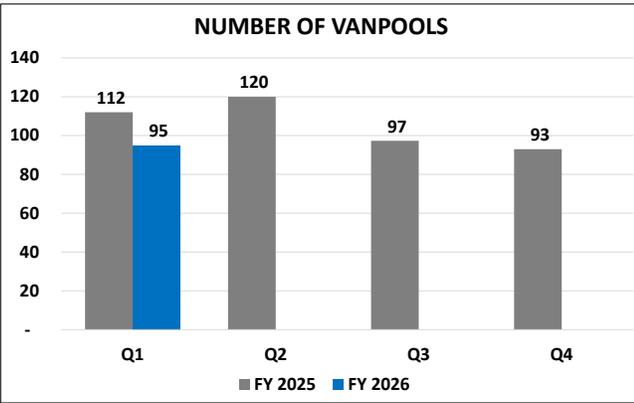
The FlexRide App's intuitive scheduling process has significantly fueled ridership growth. FlexRide **boardings have increased by 103%** and **GoldRide by 91%** compared to Q1 FY2025. Operational excellence has continuously been demonstrated by a **97% trip fulfillment rate**, and significant **reductions in cost per boarding (60%)** and **overall complaints (70%)**.

Note: This is the last period reporting FlexRide-West (Pittsfield)



Vanpool

Vanpool **fleet reduced by 15%** and ridership grew **by 3%** resulting in the **reduction of distance covered by 19%**. This increased operational density fueled a **29% surge in miles per gallon per rider**, resulting in a **17% reduction in the average fuel-to-rider cost ratio**. These gains made it possible to **decrease federal subsidy reliance by 10%**.



CEO Report

Meeting: Board of Director's

Meeting Date: March 19, 2026

INFORMATION TYPE

Other

LONG-RANGE PLAN STATUS UPDATES

YPSILANTI TRANSIT CENTER PLANNING

Staff continue to make progress on detailed design, site plan, land acquisition, and procuring a construction manager. The construction timeline and costs will become clearer as the work progresses. In February, AAATA was awarded a 5339 Buses and Bus Facilities grant for the YTC. This funding was an additional round of funding awarded to FY2025 projects. AAATA received the full amount requested, and MDOT will generously provide our local match. Congress approved the FY2026 Transportation, Housing and Urban Development Appropriations Bill in early February, which included \$750,000 for the YTC in Community Project Funding jointly sponsored by Senators Peters and Slotkin. AAATA is grateful for the support of our Congress men and women, FTA, MDOT, staff, and many others who helped bring this funding to the YTC. With over \$9 million added to the nearly \$9 million previously received, the project is likely fully funded.

BLAKE TRANSIT CENTER RELOCATION & EXPANSION

TheRide continues to work with the Ann Arbor Housing Commission (AAHC) and their codeveloper (Related Midwest) on the joint development of the old Y-Lot site adjacent to the BTC (350 S. Fifth). The team is still tentatively preparing for construction to start in late spring 2026. Modifications to TheRide's existing BTC platform will be necessary to accommodate the housing development and approved concept of the new platform. The site plan for the existing platform and planned expansion will be submitted this summer or fall, and an environmental review is underway. The transit elements of the development will not be under construction until Q3 FY2027 at the earliest.

The Fourth Ave design team has selected a contractor and is working to put a final contract in place. The development teams on Fourth Ave and 350 S. Fifth continue to coordinate construction and timelines closely. Construction on Fourth Ave is slated to begin in early May, but utility replacement work on Fourth north of Liberty and south of William may begin as early as April.

Together, these projects will close Fourth Ave and affect the Fifth Ave bus stands. Due to various factors, the BTC and Fourth Ave will be fully closed to bus operations for the duration of construction, which is ideally scheduled to end in November 2026. Due to the nature of construction and the project's complexity, customers and employees should anticipate delays.

Staff are working earnestly across departments and with various partners to set up a temporary transfer area at 5th & Washington that will allow us to maintain a high-quality transit service in 2026.

OPERATIONAL UPDATES

LOW-NO REQUEST TIMELINE

Following Board approval in December, staff has transmitted our request for change to our Low-No application.

OPERATOR COUNT/MCO CLASSES

AAATA's current operator count is 199. An additional 13-14 drivers are expected in the April 14th MCO class.

LOCAL ADVISORY COMMITTEE (LAC)

The LAC met on March 10th and discussed service updates and received a presentation from CEO Matt Carpenter on the new Ends, and Planning and PACE provided an update on the 4th Ave project.

ANN ARBOR CITY COUNCIL

AAATA will be presenting to City Council on April 20th. He has been asked to provide updates on ridership and TheRide approach to immigration enforcement.

TRANSPORTATION COMMISSION (ANN ARBOR)

The Commission received a preview of MDOT's soon-to-be-released plans for repaving Washtenaw Avenue from Main Street east to Stadium Blvd. This is a repaving and restriping project. Three scenarios will be presented to the public for feedback. One option includes a bus lane from S University to Stadium Blvd.

WATS POLICY COMMITTEE UPDATE

The WATS Policy Committee met on Feb 18th and approved the proposed TIP amendments including projects from PEX and MDOT and an administrative change to the UPWP program for FY 2027. The Committee also received a presentation on safety target and comparison of crashes on MDOT roads and local roads and adopted SEMCOG's CY-26 safety targets for WATS.

LEGISLATIVE UPDATES

AAATA staff will provide a legislative update at the board meeting.

EMPLOYEE ANNIVERSARIES AND COMMUNITY ENGAGEMENT

EMPLOYEE ANNIVERSARIES

AAATA celebrated the 35th work anniversary of MCO Davina Murray on February 13th.



2026 INTERNATIONAL WOMEN’S DAY

This March 8, TheRide recognized a few of its female employees on International Women’s Day through a social media post across platforms.



2026 APTA ADWHEEL AWARDS

This past February, TheRide won first place in the Comprehensive Ridership Campaign category of the American Public Transportation Association’s (APTA) AdWheel Awards against other transit agencies of similar size from across the country. TheRide received first place recognition for its 2025 Ridership Campaign that launched across social media, print, and collateral channels, including exterior bus ads and billboards, with both static and video assets. The campaign can currently be viewed on TheRide’s social media platforms, including Facebook and YouTube.



EXECUTION OF CONTRACTS OVER \$250K (Policy 2.9.1.5.D)

As approved in the FY2026 budget, on March 5, 2026, the CEO authorized a contract with JNS Facility Maintenance to provide Janitorial Services. This is a one-year contract with four (4) one-year options. The estimated value of award for the first year is \$234,000.

As approved in the FY2026 budget, on February 20, 2026, the CEO authorized a contract with Shaw Systems & Integration to provide Electrical Services. This is a contract with two (2) base years and three (3) one-year options. The estimated value of award is \$250,000 annually.

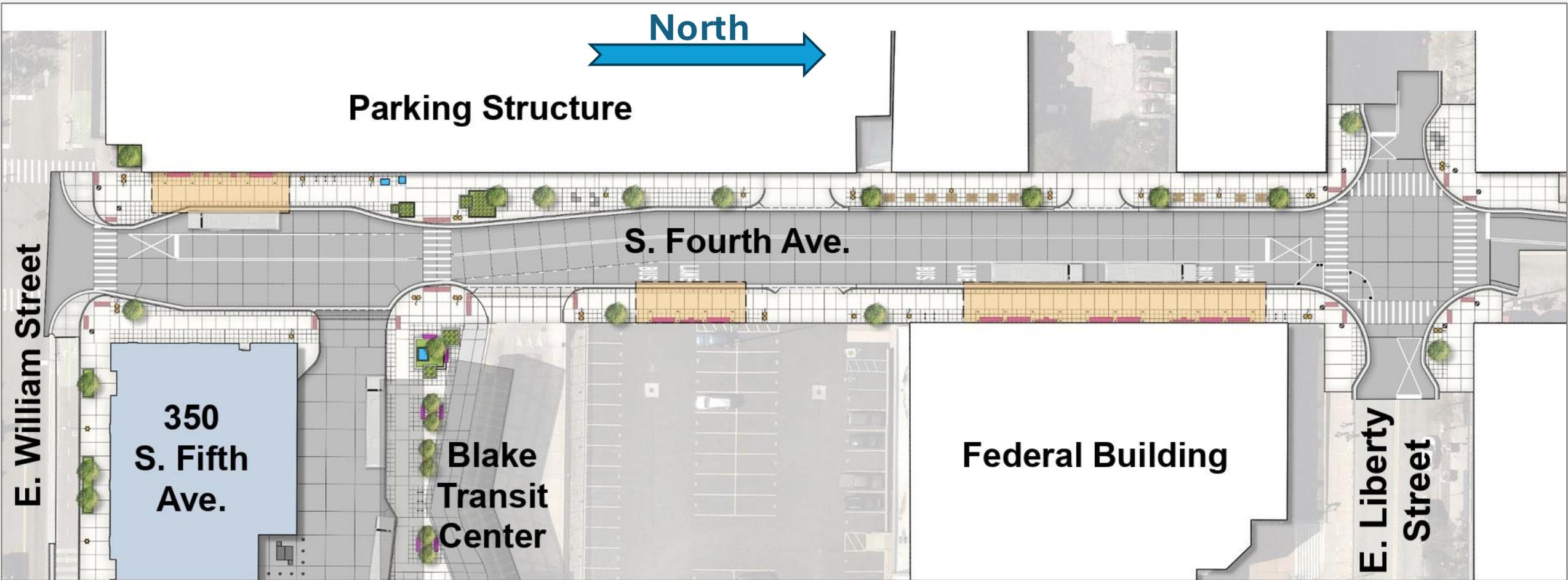


4th Ave Street & Transit Improvements

**PLUS Moving to 5th Ave & Washington St
During BTC & 4th Ave Closures**

Gretchen Johnson, Senior Project Manager, Planning & Innovation
Jeff Pfeifer, Manager of Public Affairs & Community Engagement

4th Ave Design



4th Ave Design (looking north from current Rt 4 & 23 stands)

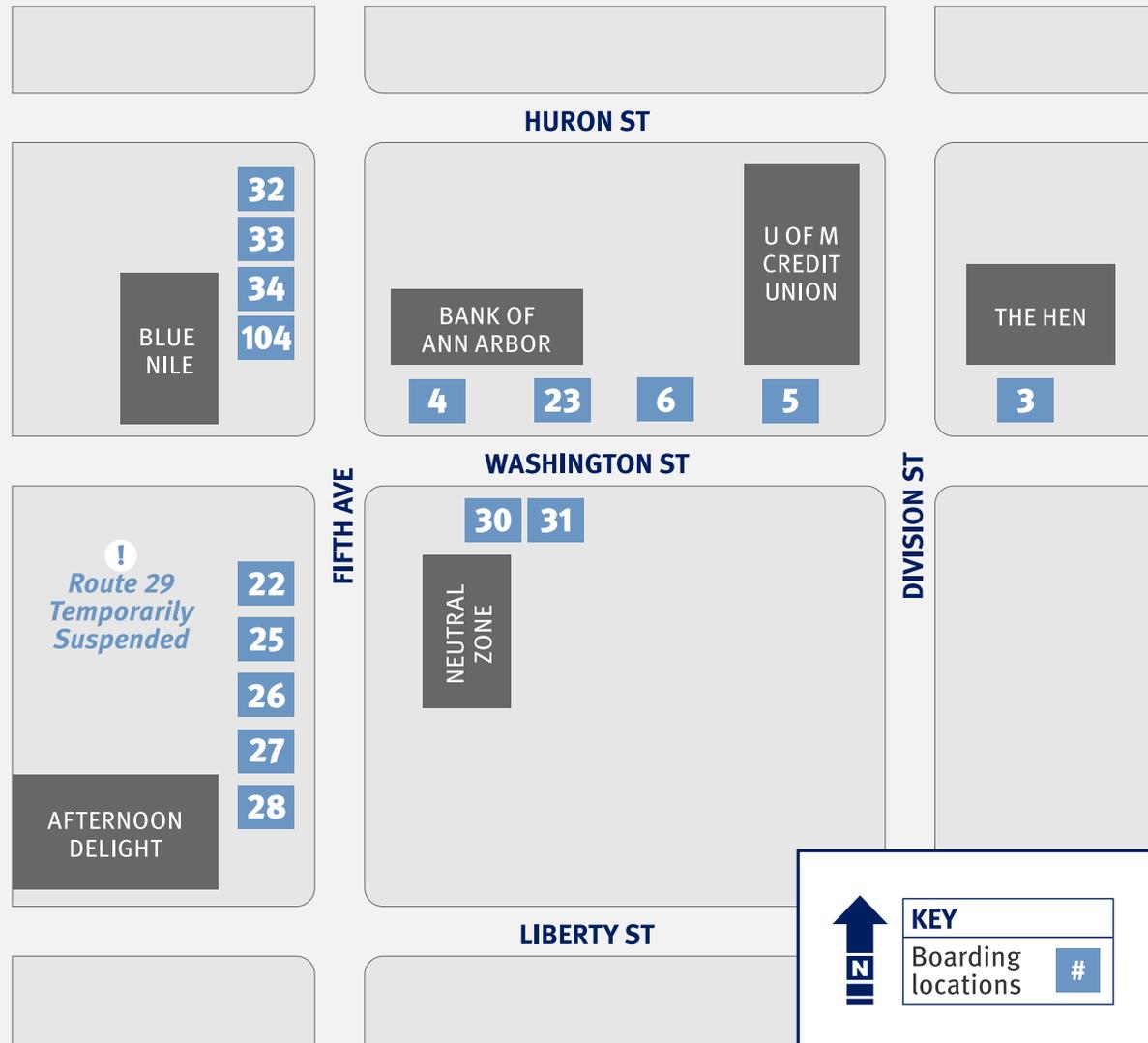


5th & Washington

- Moving all boarding and de-boarding to the blocks of 5th & Washington starting May 3, 2026
 - Will last until at least mid-November 2026, plan for delays
- BTC and 4th Ave will be completely closed to the public
- Transform curb and sidewalk
- 5th Ave bays will also close this summer



5th & Washington



5th & Washington

- **NOT** treated as a detour
- Temporary driver breakroom and bathroom
- Sales and information – likely to have a location on Washington
- Shelters and benches available
- Unable to offer @ 5th & Wash:
 - Public restrooms
 - Indoor waiting area



Communicating to the Public

The temporary changes starting May 3 are a big change for our riders. We want our riders to be equipped with the knowledge they need so there are no surprises. We've already started communicating to the public:

- Posted Bus Cards inside buses
- Posted signs at Transit Centers
- Shared info on social media
- Created a dedicated website (TheRide.org/BTC)
- Written basic FAQs for our riders
- Distributing flyers at the BTC with info

Communicating to the Public

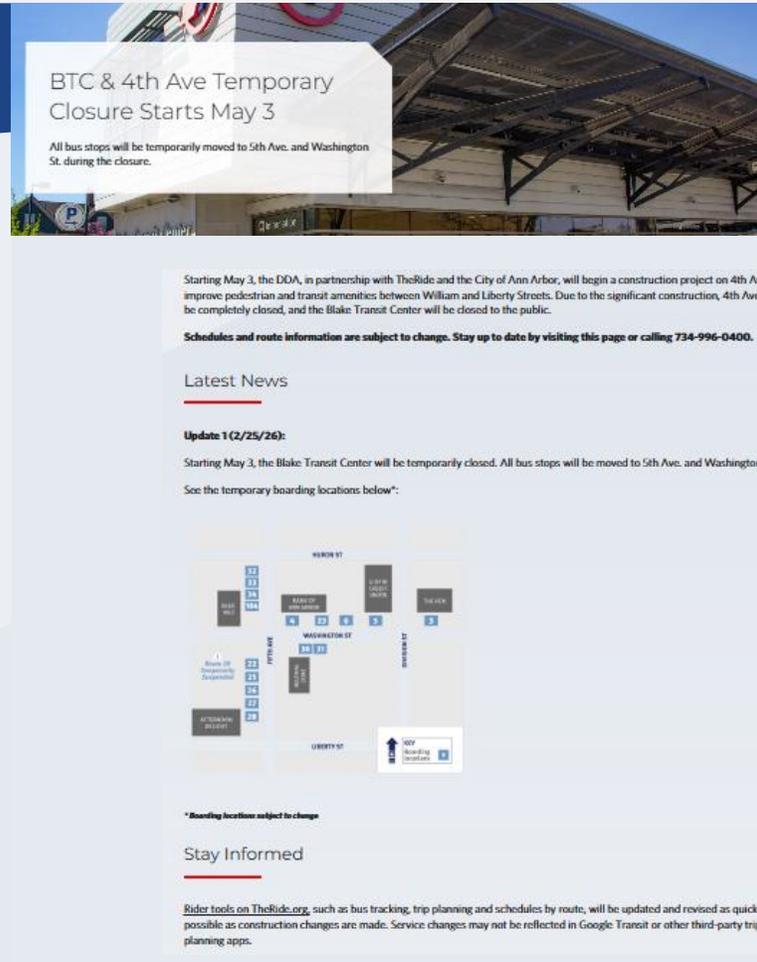
As we get closer to the temporary closure date, we will continue to communicate in additional methods, such as:

- TheRide representatives at the BTC and 5th & Washington helping our riders locate new stops and answer questions
- Sending letters to A-Ride and GoldRide card holders
- Sending information to Senior Homes
- Communicating to community partners
- Communicating to schools

Communicating to the Public

- Advertising through paid media (print ads, digital ads, etc.)
- Posting signs on 4th Ave shelters
- Inclusion in our monthly newsletters
- Issuing a Press Release with details
- Issuing Service Alerts to all routes
- Website Homepage Updates

Communicating to the Public



BTC & 4th Ave Temporary Closure Starts May 3

All bus stops will be temporarily moved to 5th Ave. and Washington St. during the closure.

Starting May 3, the DDA, in partnership with TheRide and the City of Ann Arbor, will begin a construction project on 4th Ave to improve pedestrian and transit amenities between William and Liberty Streets. Due to the significant construction, 4th Ave will be completely closed, and the Blake Transit Center will be closed to the public.

Schedules and route information are subject to change. Stay up to date by visiting this page or calling 734-996-0400.

Latest News

Update 1 (2/25/26):

Starting May 3, the Blake Transit Center will be temporarily closed. All bus stops will be moved to 5th Ave. and Washington St. See the temporary boarding locations below*:



* Boarding locations subject to change

Stay Informed

Rider tools on TheRide.org, such as bus tracking, trip planning and schedules by route, will be updated and revised as quickly as possible as construction changes are made. Service changes may not be reflected in Google Transit or other third-party trip planning apps.

Flyers/Social

Starting May 3rd: Blake Transit Center is Temporarily Closing

During the DDA's 4th Ave construction project, buses will be relocated to 5th Ave and Washington St. We know construction can be disruptive; TheRide is committed to keeping you informed throughout the project.

Stay up to date at TheRide.org/BTC



 **TheRide**
Published by Mariam Majeed · February 25 at 11:31 AM · 🌐

Starting May 3, the Blake Transit Center will be temporarily closing due to construction on 4th Ave. Boarding locations will be temporarily moved to 5th Ave. and Washington St. Stay up to date at TheRide.org/BTC.

Starting May 3rd: Blake Transit Center is Temporarily Closing



 **TheRide**

Learn More & Questions?

- Transit service information: [TheRide.org/BTC](https://www.theride.org/BTC)
- 4th Ave information from the DDA and City:
 - <https://www.a2dda.org/people-friendly-streets/projects/fourthavenue/>
 - <https://engage.a2gov.org/fourth-avenue-street-transit-improvements>
- Reach out to Planning & Innovation at **Planning@TheRide.org**

