



RESOLUTION NO. 13-24

Amending Bylaws to Clarify Requirements for Discussion of Audit-Related Matters in Executive Session

WHEREAS, In January 2013, the Airports Authority Bylaws were amended to implement certain recommendations made by the Department of Transportation's office of Inspector General relating to the discussion in executive session of audit-related matters by the Board of Directors and Board committees;

WHEREAS, The Bylaws amendments adopted in January 2013 amended Section 3(g) of Article IX to limit the discussion of audit-related matters that may occur in executive session and to define those limits;

WHEREAS, Following its review of these Bylaws amendments, the Office of Inspector General has recommended that a further amendment be made to Section 3(g) of Article IX to include an identification of the "professional standards applicable" to auditors that are referenced in the section;

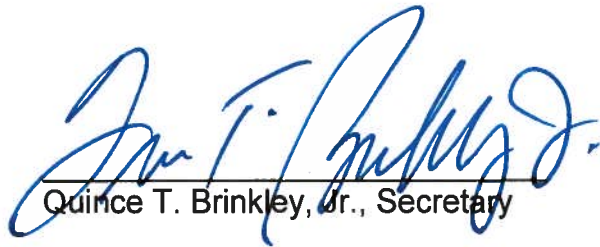
WHEREAS, An amendment to Section 3(g) of Article IX implementing the Office of Inspector General recommendation (attached to this Resolution) was approved, and recommended to the Board of Directors for adoption, by the Executive and Governance Committee at its meeting in September 2013; now, therefore, be it

RESOLVED, That the Airports Authority Bylaws be amended deleting current Section 3(g) of Article IX and inserting in place thereof a new Section 3(g) as set out in the attachment to this resolution.

RECORDED VOTE:

Members Present	<u>14</u>
Members in Favor	<u>14</u>
Members Against	<u>0</u>
Members Abstaining	<u>0</u>

Adopted September 18, 2013



Quince T. Brinkley, Jr., Secretary

Attachment

BYLAWS

* * *

ARTICLE IX

Transaction of Business

* * *

Section 3. Executive Session. All regular, special and committee meetings of the Board shall be open to the public, except that at any time the presiding officer may, without objection, order that the Board or Committee consider a matter or matters in the categories described below in executive session closed to the public. Before an executive session begins, the presiding officer shall announce the matters to be discussed. At the discretion of the presiding officer, others who can contribute to the discussion, including appropriate employees, outside counsel and consultants, may attend an executive session, with the understanding that they are honor bound not to divulge what takes place there. Only the following items or matters may be considered in the executive session:

a. Personnel matters such as employment, appointment, assignment, promotion, demotion, performance appraisal, discipline, resignation, salaries and benefits, and interviews of Directors, officers, and employees of the Authority, and applicants for the same.

b. Personal matters not directly related to the Authority's business in order to protect the privacy of individuals.

c. Existing or prospective contracts, business or legal relationships to protect proprietary or confidential information of the Authority, any person or company; the financial interest of the Authority; or the negotiating position of the Authority.

d. Financial matters, including the indebtedness of the Authority and the investment of Authority funds, particularly where competition or negotiation is involved. The annual budget may be discussed in executive session in its earliest stages, but should otherwise be dealt with in open session, From time to time certain sections may be considered in executive session, particularly where public

discussion could compromise the Authority's relationships with its employees or tenant airlines.

e. Consultation with legal counsel and briefings by staff, consultants and/or attorneys, pertaining to actual or potential litigation, pending or proposed legislation, compliance with a specific constitutional, statutory or judicially imposed requirement, or other legal matters, and discussions of such matters by the Board without the presence of counsel, staff, consultants, or attorneys.

f. Discussion of security plans and other law enforcement measures for the protection of the public from terrorism and aircraft hijacking.

g. Discussion of the following matters and information presented in or by audits or audit reports: matters involving airport security and information security; personally identifiable information or sensitive information in personnel actions and procurement matters, including vendor proprietary information and employee names, unique titles, or recommendations to discipline or terminate employees; matters related to actual or potential litigation involving the Airports Authority that may invoke the attorney-client privilege; and matters that the professional standards applicable to financial statement auditors, when conducting a financial statement audit, require to be discussed in executive session.¹

¹ These professional standards are set out in the American Institute of CPAs' Statement on Auditing Standards, AU-C Section 260, "The Auditor's Communication With Those Charged With Governance," or any successor standards.