

**RECOMMENDATION PAPER
TO THE BOARD OF DIRECTORS**

DESIGNATION OF ETHICS OFFICER

OCTOBER 2012

RECOMMENDATION

That the Board of Directors consider approving the President and Chief Executive Officer's designation of Naomi Klaus, Associate General Counsel, as Ethics Officer for the Airports Authority.

BACKGROUND

On September 19, 2012, the Board of Directors adopted revised Codes of Ethics for Members of the Board of Directors and for Employees. Both Codes provide for the designation of an Authority Ethics Officer who will be responsible for the following:

- Distributing copies of the Ethics Code to Directors and employees;
- Distributing, receiving, and reviewing annual disclosure statements submitted by Directors and certain employees;
- Discussing potential conflicts of interests with Directors and employees;
- Advising Directors and employees about the application of the Codes to specific questions or situations presented and documenting when ethics advice has been provided;
- Arranging for the preparation and delivery of ethics training materials and sessions;
- Serving as primary support staff to the Board's Ethics Review Committee; and
- Receiving allegations of violations of the Codes, conducting preliminary investigations into such allegations, and reporting all allegations of violations by Directors to the Board's Ethics Review Committee with a recommendation for or against further inquiry based on the preliminary investigation.

The President proposes to designate Associate General Counsel Naomi Klaus as the Airports Authority Ethics Officer and presents this designation for the Board's review and approval.

DISCUSSION

Naomi Klaus has spent her entire legal career working for public organizations. She has served with the Airports Authority as Associate General Counsel for the past 23 years and, before that, for Arlington County as Assistant County Attorney and as Deputy Commissioner of the Revenue. She drafted the Airports Authority's first Code of Ethics in 1998, has trained employees on numerous occasions since then, has been responsible for assisting employees in completing financial disclosure forms, in reviewing those forms, and generally has been the primary person within the Airports Authority to advise employees on the meaning and application of the Code. She also played a major role in drafting the recently adopted revised Code of Ethics for Employees.

In addition to her work with the Airports Authority, Ms. Klaus has served on the Tenth District Committee of the Virginia State Bar for Lawyer Discipline and on the faculty for the bar's professionalism course for new attorneys.

CONCLUSION

It is recommended that the Board of Directors consider approving the designation of Naomi Klaus as Ethics Officer for the Airports Authority.

Prepared by:

Office of General Counsel

October 2012