

PAID FAMILY & MEDICAL LEAVE INSURANCE AUTHORITY

Board of Directors Meeting

450 Columbus Boulevard, Hartford, CT
Plaza Conference Rooms C & D

Friday, October 4, 2019,
8:30 a.m. – 10:30 a.m.

Attendance:

Voting Members: Josh Geballe, Adrienne Cochrane, Daryle Dudzinski, Richard Duffy, Fran Pastore, Paul Potamianos, John Scott (by phone), Michael Soltis, Glendowlyn Thames, Margaret Williamson, Henry Zaccardi and Justin Zartman.

Absent: Sal Luciano

Nonvoting Members: Eva Bermudez Zimmerman and Daniel Krupnick.

Presentors: Erin Choquette, Tom Hennick and Sara Jane Glynn

1. Call to Order:

Noting the presence of a quorum, Josh Geballe, Chairperson of the Board, called the meeting to order at 8:35 a.m.

2. Introductions:

Board members provided an overview of their back grounds. Senator Kushner addressed the Board to commemorate the historical moment, express her support for the mission of the Authority and give thanks to the Board and the advocate community.

3. Administration of the Oath of Office to Board Members:

Erin Choquette administered the oath of office to the Board Members who were physically present.

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John Scott (on phone) had taken the Oath, and submitted it prior to the meeting.

4. Overview of the Code of Ethics for State Officials and Freedom of Information Act:

Tom Hennick gave a brief overview of the Freedom of Information Act.

Erin Choquette gave a brief overview of the Code of Ethics and advised the Board members to review the Office of State Ethics materials for members of Boards and Commissions that had been provided to the Board members by email prior to the meeting.

5. Overview of Paid Family & Medical Leave in CT and other states:

Sarah Jean Glynn from the Institute for Women's Policy Research summarized the of paid family and medical leave law enacted in Connecticut and provided an overview of the paid family and medical leave programs in operation in other states.

6. Review, Possible Modification, and Adoption of By-Laws:

During the discussion of the bylaws, only one question was raised: Are the quorum requirements for the board the same requirements for sub committees? The answer was yes.

Upon motion, the Board members voted unanimously to approve Paid Family Medical Leave Insurance Authority By-Laws as presented.

By-laws attached hereto.

7. Review, Possible Modification, and Vote on resolution granting signature and contract authority to the Chairperson of the Board:

Upon motion the Board members voted unanimously to approve the resolution granting limited signature and contract authority to the Chairperson of the Board as presented.

Resolution attached hereto.

8. Review, Possible Modification, and Vote on resolution establishing an executive search committee:

During the discussion, Chairperson Geballe requested members to let him know if they were interested in serving on the executive search committee to review proposals from the search firm and conduct interviews, with a goal is to have a CEO in place by early January, 2020. A question was raised as to whether the Board had to meet to approve the selection of the members to serve on the executive search committee. The answer was that the by-laws authorized the Chairperson to appoint the committee members.

Upon motion the Board members voted unanimously to the resolution establishing an executive search committee as presented.

Resolution attached hereto.

9. Discussion on draft posting for Chief Executive Officer position:

The Board reviewed a draft for the CEO position and discussed of the benchmarks for establishing the salary range, revising the draft to include information about leave benefits and expanding the list of attributes an ideal candidate will have. Chairperson Geballe will circulate a revised draft to Board members. Members may sent thoughts on draft to members of the executive search committee for their review.

10. Discussion on draft memorandum of understanding between the Authority and the Department of Administrative Services:

The Board reviewed a draft memorandum of understanding between the Authority and DAS allowing DAS to provide back office functions to the Authority until the Authority is staffed appropriately. In response to a question about the availability for funds for the Authority, Chairperson Geballe explained that funding in the amount of approximately \$5 million was included in the 2019 budget bill to provide to the Authority monies to conduct business.

11. Discussion on outreach and stakeholder engagement:

The Board discussed the importance for outreach and stakeholder engagement, including the need to reach out to various communities, employers, employees, industry groups and health care providers. Board members expressed particular concern about the need to educate and correct misperceptions. Board members agreed that it would be appropriate to hold quarterly outreach meetings, develop marketing campaigns, and leverage other state agency resources.

Molly Williamson offered to coordinate outreach efforts. Board members were encouraged to send their ideas to Ms. Williamson who will consolidate them into a proposal for the next meeting.

12. Discussion on future meeting schedule and meeting topics:

Board will establish a monthly meeting schedule.

Topics for future meetings include inviting colleagues from NY & MA to share what their experiences and best practices, and elect Vice-Chair & Secretary and continue to discuss outreach efforts.

13. Other Business:

Chairperson Geballe thanked the representatives of the Governor’s office, the Lieutenant Governor’s Office and DAS, as well as representatives from the PFMLA advocacy groups, who attended the meeting.

Chairperson Geballe also opened the meeting to receive comments from the public. No members of the public spoke.

14. Adjournment:

Upon a motion the Board voted unanimously in favor of adjourning the October 4, 2019 meeting at 10:22a.m.

Respectfully submitted,

Josh Geballe
Chairperson
Paid Family & Medical Leave
Insurance Authority

BY-LAWS
OF
THE PAID FAMILY AND MEDICAL LEAVE INSURANCE AUTHORITY

ARTICLE I

THE AUTHORITY

- 1.1 **Name of the Authority.** The name of the Authority shall be “the Paid Family and Medical Leave Insurance Authority.”
- 1.2 **Seal of the Authority.** The Authority may create a seal in any form approved by the Board of Directors. The Chief Executive Officer of the Authority shall be the custodian of any Seal created.
- 1.3 **Logo.** The Authority may adopt a logo to identify the Authority and its property.
- 1.4 **Office of the Authority.** The office of the Authority shall be maintained at such place or places within the State of Connecticut as the Board may designate.

ARTICLE II

BOARD OF DIRECTORS

- 2.1 **Powers and Number.** The powers of the Authority shall be vested in and exercised by the Board of Directors. The composition of the Board and the appointment and qualifications of its members shall be as set forth in the Act. Prior to assuming office, each member of the Board shall take and subscribe the oath or affirmation required by Article XI, Section 1 of the State Constitution, a record of which shall be filed in the office of the Secretary of the State.
- 2.2 **Compensation.** The members of the Board shall receive no compensation for the performance of their duties, but each such member shall, within available appropriations, be reimbursed in accordance with Section 5-141c-1 et seq. of the Regulations of State Agencies for all necessary expenses that they may incur through service on the board.
- 2.3 **Attendance.** Any appointed Director who fails to attend, in person or participate as permitted in Section 4.7 hereof, in three consecutive meetings of the Board or who fails to attend, in person or participate as permitted in Section 4.7 hereof, in fifty percent (50%) of all meetings of the Board held during any calendar year shall be deemed to have resigned from the Board. An appointed Director does not include ex officio Board members.

ARTICLE III

OFFICERS AND EMPLOYEES

3.1 **Officers.** The officers of the Authority shall be the Chairperson, the Vice-Chairperson, the Secretary, the Chief Executive Officer and any such other officers as may be appointed by the Board and not in conflict with law.

3.2 **Chairperson.** The Chairperson shall perform the duties enumerated in the Act, these By-laws, and by resolution of the Board. The Chairperson shall preside at all meetings of the Authority at which he or she is present. At each meeting, the Chairperson or the Chairperson's designee shall submit such recommendations and information as the Chairperson may consider appropriate concerning the business, affairs and policies of the Authority. The Chairperson shall have direct supervisory authority over the Chief Executive Officer.

3.3 **Vice-Chairperson.** The Board shall elect from its members a Vice-Chairperson. Except as otherwise prohibited by law, the Vice-Chairperson shall perform all the duties and responsibilities of the Chairperson in the absence or incapacity of the Chairperson, and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

3.4 **Secretary.** The Board shall elect from its members a Secretary. The Secretary shall perform the duties and have such other powers as the Board of Directors may from time to time prescribe.

3.5 **Chief Executive Officer.** The Chief Executive Officer shall be the executive director of the Authority. The Chief Executive Officer shall serve at the pleasure of the Board and receive such compensation as shall be decided by the Board. The Chief Executive Officer shall enter into such employment arrangements with the Authority as approved by the Board as shall be appropriate from time to time. The Chief Executive Officer, who shall not be a member of the Board, shall direct and supervise administrative affairs and the technical activities of the Authority in accordance with the directives of the Board, and shall perform such other duties as are imposed by the Act, these By-laws, or by resolution of the Board. The Board, by a majority vote, may by resolution delegate to some other person or persons all or part of the above enumerated duties of the Chief Executive Officer and may appoint one or more persons to serve as acting Chief Executive Officer in the event of the absence or incapacity of the Chief Executive Officer. The Chief Executive Officer shall attend all meetings of the Board except where the Board expressly indicates otherwise.

3.6 **Additional Personnel.** The Authority may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions pursuant to the Act, and any and all other laws of the State of Connecticut applicable thereto. The selection and compensation of such personnel shall be determined by the Chief Executive Officer and approved by the Board in accordance with Board-approved policies, applicable procedures and relevant law.

3.7 **Signature Authority.** The Chief Executive Officer and other Officers and employees of the Authority shall have such signature authority as may from time to time be provided by resolution of the Board.

ARTICLE IV

BOARD MEETINGS

4.1 **Regular Meetings.** Regular meetings of the Board or any Committee for the transaction of any lawful business of the Authority shall be held in accordance with a schedule of meetings established by the Board or such Committee.

4.2 **Special Meetings.** The Chairperson may, when the Chairperson deems it expedient, call a special meeting of the Board for the purpose of transacting any business designated in the notice of such meeting. The Committee Chair of any Committee may, when the Committee Chair deems it expedient, call a special meeting of such Committee for the purpose of transacting any business designated in the notice of such meeting.

4.3 **Legal Requirements.** All meetings of the Board or any Committee shall be noticed and conducted in accordance with the applicable requirements of the Act and the Connecticut Freedom of Information Act. Agendas and minutes of such meetings shall be posted in accordance with the Connecticut Freedom of Information Act.

4.4 **Order of Business.** The order of business of any meeting of the Board or any Committee shall be as set forth in the agenda for such meeting, provided that the Board or Committee may vary the order of business in its discretion.

4.5 **Quorum and Voting.** A majority of the voting members of the Board shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. The affirmative vote of a simple majority of voting members present at a meeting of the Board or any Committee at which a quorum is present shall be sufficient for action, including the passage of any resolution, except as may otherwise be required by law.

4.6 **Designation of Substitutes for Ex Officio Directors.** Each *ex officio* member of the Board may designate any staff member to serve as a representative at any meeting. In the case of voting *ex officio* members, such designee shall have the full power to act and vote at such meeting.

4.7 **Participation of Members in Meetings by Electronic Means.** Members of the Board or any Committee may participate in any meeting of the Board or any Committee by means of teleconferences, videoconference or similar communication arrangement that permits each Board member to hear and be heard by each other Board member as if present in person.

4.8 **Executive Session.** The Board or any Committee may hold an executive session upon the vote of two-thirds (2/3rds) of the Board members thereof present and voting for the purposes and in the manner provided by the Connecticut Freedom of Information Act.

4.9 **Conduct of Meetings.** The proceedings of the Board or any Committee shall be conducted as mutually agreed by members of the Board or Committee, except where inconsistent with these By-Laws. In the absence of agreement, the rules contained in the current edition of the Robert's Rules of Order shall govern all proceedings at the Board or any Committee, except where such rules are inconsistent with these By-Laws.

ARTICLE V

COMMITTEES

5.1 **Powers of Delegation.** The Board may, by resolution, delegate any and all things necessary or convenient to carry out the purpose of the Authority to three (3) or more members of the Board.

5.2 **Standing and Other Committees.** The Board may establish such standing and other committees from time to time as it deems necessary for the proper carrying out of its functions. The Board shall determine the size and purpose of each such committee. Members of each such committee shall be appointed by the Chairperson of the Board. The Chairperson of such committee shall be appointed by the Chairperson of the Board.

5.3 **Report of Committee Action.** Minutes of each committee shall be prepared and shall be filed promptly with the Chief Executive Officer. Each Committee shall report from time to time to the Board on such Committee's actions and activities.

ARTICLE VI

GOVERNANCE

6.1 **Fiscal Year.** The fiscal year of the Authority shall commence July 1 of each calendar year and conclude June 30 of the following calendar year.

6.2 **Evaluation of By-Laws.** The Board shall evaluate its By-laws at least every three years to ensure their currency and efficacy. By-laws and associated policies may be modified by resolution of the Board, in accordance with the applicable statutes and with the procedures set forth in the By-laws, to reflect any adjustments deemed necessary or beneficial by the Board or additional requirements of the administration relative to general governance to ensure accountability and proper internal controls.

6.3 **Amendment or Repeal.** These By-Laws may be repealed or amended or new By-Laws may be adopted by the affirmative vote of a majority of all voting members of the Board at any regular or special meeting of the Board, provided that the notice of such meeting includes notice of the proposed change. The Authority may adopt rules for the conduct of its business, and the adoption of such rules shall not constitute an amendment of these By-Laws.

6.4 **Adoption of Policies.** The Board shall be governed by basic governance principles established through codified policies and procedures to ensure accountability, transparency, security and responsibility to applicable laws, regulations, and best practices. The Board shall adopt by resolution and implement policies regarding employment, compensation, evaluation and discipline of Authority employees; signatory authority; contracting and purchase of services including thresholds and criteria for waiving competitive bidding; annual independent audits of Authority finances; financial reporting; investment policies; reserves; internal control and risk management; and such other policies as the Board deems are necessary or beneficial for the conduct and operation of the Authority.

ARTICLE VII

CONFLICTS OF INTEREST; FIDUCIARY DUTIES

7.1 **Conflicts of Interest.** Public confidence in the decisions and other actions of the Board and any Committee requires that members avoid both actual conflicts of interest as defined in Sections 1-85 and 1-86 of the Connecticut General Statutes and situations that may give the appearance of a conflict of interest. The existence and nature of any actual conflict of interest or any situation that may give the appearance of a conflict of interest shall be promptly disclosed to Board and shall comply with the provisions of Section 1-86 of the Connecticut General Statutes as applicable.

7.2 **Substantial Conflicts of Interest.** A member shall not participate in any deliberations or vote, shall not take any affirmative action as a member of the Board or any Committee, and shall not have access to any non-public confidential information with respect to a matter in which such member has an interest which is in substantial conflict with the proper discharge of the duties and responsibilities of membership on the Board or such Committee. For this purpose, the determination of whether a member has an interest which is in substantial conflict with the duties and membership on the Board or a Committee shall be made in the manner provided in Section 1-85 of the Connecticut General Statutes for conflicting interests of public officials.

7.3 **Potential Conflicts of Interest.** With respect to potential conflicts of interest, as defined in Section 1-86(a) of the Connecticut General Statute and pursuant thereto and pursuant to Section 1-81-30(c) of the Regulations of Connecticut State Agencies, the member shall either (1) excuse himself or herself from participating in any deliberation or vote on the matter and may not otherwise take any affirmative action on the matter or (2) shall prepare a written statement prepared under penalty of false statement describing the matter requiring action and the nature of the potential conflict and explaining why, despite the potential conflict, such member is able to vote and otherwise participate fairly, objectively, and in the public interest, and shall deliver a copy of such statement to the Office of State Ethics and shall enter a copy of the statement in the minutes of the Board or Committee, as applicable.

7.4 **Financial Interests in Entities Contracting with the Authority.** In accordance with subdivision (1) of subsection (k) of section 2 of the Act, no member of the Board or any officer, agent or employee of the Authority shall, directly or indirectly, have any financial interest in any

corporation, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest, or any other legal or commercial entity contracting with the Authority. As used in this section, “financial interest” does not include an interest of a *de minimus* nature or an interest that is not distinct from that of a substantial segment of the general public.

7.4.1 Pursuant to subdivision (2) of subsection (k) of section (2), it shall not be a conflict of interest or a violation of the statutes or these By-laws, for a trustee, director, officer or employee of a bank, insurance company, investment advisor, investment company, or investment banking firm to serve as a member of the Board, provided, such individual abstains from discussion, deliberation, action and vote by the Board in specific respect to any undertaking in which such firm has a direct interest separate from the interests of all similar firms generally.

7.5 **Fiduciary Duties.** Members of the Board owe the fiduciary duties of care, loyalty and compliance to the Authority.

7.5.1 “Duty of care” means each member must discharge his or her duties in good faith and with the same degree of care that would be used by a reasonable prudent person in the same position.

7.5.2 “Duty of loyalty” means each member must put the interests of the Authority over his or her own interests or the interests of family members and other persons, businesses or organizations in which they may be involved.

7.5.3 “Duty of compliance” means each member must be faithful to the Authority’s mission and must comply with the statutes, regulations, by-laws and policies that apply to the Authority.

ARTICLE VIII

DEFINITIONS

8.1 **Definitions.** Unless the context shall otherwise require, the following words and terms shall have the following meanings:

8.1.1. “Act” shall mean Public Act 19-25, entitled “An Act Concerning Paid Family and Medical Leave,” as amended by Public Act 19-117, entitled “An Act Concerning the State Budget for the Biennium Ending June 30, 2021, and Making Appropriations Therefor, and Provisions Related to Revenue and Other Items to Implement the State Budget,” as the same may be further amended from time to time.

8.1.2. “Authority” means the Paid Family and Medical Leave Insurance Authority.

8.1.3. “Board” means the board of directors of the Authority appointed and serving pursuant to the Act.

8.1.4. “Chairperson” shall mean the Chairperson the Authority appointed pursuant to the Act.

8.1.5. “Chief Executive Officer” shall mean the Chief Executive Officer of the Authority appointed by and serving at the pleasure of the Board pursuant to the Act.

8.1.6. “Committee” means any committee of or formed by the Board.

ARTICLE IX

AUTHORITY

9.1 These By-Laws are adopted pursuant to the Act.

RESOLUTION GRANTING SIGNATURE AND CONTRACT AUTHORITY

WHEREAS, Section 3.2 of the By-Laws provides that the Chairperson shall perform the duties imposed by the Act, these Bylaws, and by resolution of the Board;

WHEREAS, Section 3.7 of the By-Laws provides that the Officers and other employees of the Authority shall have such signature authority as may from time to time be provided by resolution of the Board; and

WHEREAS, the Board deems it appropriate and in the best interest of the Authority to authorize the Chairperson to conduct business on behalf of the Authority.

NOW, THEREFORE, BE IT:

RESOLVED, that the Board hereby authorizes the Chairperson to approve, and in the name and on behalf of the Authority enter into and execute contracts and instruments, provided that whenever possible, the Chairperson shall award contracts on the basis of a competitive process which shall include the solicitation of proposals from at least three qualified parties, as follows:

- Checks in an amount less than \$5,000;
- Purchase Agreements, contracting agreements and other operating contracts representing a commitment by the Authority of less than \$5,000;
- Agreements in connection with banking relationships, including such instruments, certificates, resolutions and agreements as may be required to establish and maintain bank accounts and other relationships with banking institutions; and
- Memoranda of Understanding with state agencies

RESOLVED FURTHER, that the Officers of the Authority be, and hereby are, authorized to certify to third parties as to the authority of the officer named above to execute such contracts on behalf of the Authority.

RESOLUTION ESTABLISHING AN EXECUTIVE SEARCH COMMITTEE

WHEREAS, Section 5.1 of the By-laws provides that the Board may delegate any and all things necessary or convenient to carry out the purpose of the Authority to three (3) or more members of the Board; and

WHEREAS, Section 5.2 of the By-Laws provides that the Board shall establish such standing and other committees from time to time as it deems necessary for the proper carrying out of its functions and shall determine the size and purpose of each such committee; and

WHEREAS, the Board deems it necessary and convenient to establish an Executive Search Committee for the purpose of recruiting, interviewing and recommending to the Board one or more candidates to serve as the Chief Executive Officer of the Board.

NOW, THEREFORE, BE IT:

RESOLVED, that the Board hereby establishes an Executive Search Committee; and

RESOLVED FURTHER, the Chairperson is authorized to execute and deliver for and on behalf of the Authority such contract and related documents with an executive recruitment firm provided that: (1) the contract be awarded on the basis of a competitive procurement process in which proposals are solicited from at least three (3) qualified parties; (2) the contract contain such terms and conditions as the Chairperson shall deem to be in the best interests of the Authority; and (3) the contract shall not require an expenditure greater than \$60,000.