



THE STATE INSURANCE FUND

ANDREW M. CUOMO
GOVERNOR

GENERAL SESSION AGENDA
BOARD OF COMMISSIONERS' REGULAR MEETING
WEDNESDAY, JANUARY 16, 2019, 10:00 A.M.

1. PRESENTATION TO COMMISSIONER MARIO MUSOLINO
2. MOTION
TO ACCEPT THE PROPOSED MINUTES OF THE DECEMBER 19, 2018 BOARD MEETING
3. STANDING REPORT(S)
 - A. REPORT OF EXECUTIVE DIRECTOR & CEO ERIC MADOFF
 - 1) EMPLOYEE RECOGNITION: NYSIF RETIREE SHERWIN TAYLOR, DIRECTOR OF UNDERWRITING
 - B. REPORT OF GENERAL ATTORNEY WILLIAM O'BRIEN
4. REPORT OF DIRECTOR OF FINANCIAL ADMINISTRATION PATRICIA CARROLL
 - 1) PROCUREMENT REVIEW
5. REPORT OF STANDING COMMITTEE(S)
 - A. INVESTMENT COMMITTEE: COMMITTEE MEMBER ALEXIS THOMAS
6. MOTION
TO ACCEPT THE WRITTEN REPORTS AS SUBMITTED
7. EXECUTIVE SESSION (*IF NECESSARY*)
8. ADJOURN

PROPOSED MINUTES OF THE REGULAR MEETING
OF THE COMMISSIONERS OF THE STATE INSURANCE FUND
HELD ON WEDNESDAY, NOVEMBER 14, 2018 AT 10:00 A.M.
AT 199 Church Street, 12th floor Board Room, New York, New York 10007

PRESENT

Board

Kenneth Theobalds, Chairman
Barry Swidler, Vice Chair ¹
David Ourlicht
Charles MacLeod ²
Alexis Thomas¹
Louis Roberti ³
Navneet Kathuria
Ryan Delgado
Dennis Kessler
Mario Musolino, *ex officio* ⁴

Executive Staff

Eric Madoff, Executive Director & CEO
Shirley Stark, Deputy Executive Director & Chief of Staff
William O'Brien, General Attorney
Robert Sammons, Asst. Deputy Executive Director
Gregory Francis, Chief Investment Officer
Joseph Mullen, Director of Policyholder Services
Melissa Jensen, Director of Exec Project Mgt. Office (EPMO)
William Gratrix, Acting Chief Financial Officer

Additional Staff/Attendees

Patricia Carroll, Director, Financial Administration
Alan Angelo, Contract Mgt. Specialist
Benjamin John, Information Technology Specialist
David Moses, Mgr. Information Technology Services
Erik Samarija, Director, Research & Analytics
Jason Hall, Senior Administrative Analyst
John Murdaugh, Director, NYSIF Property Services
Megan McClune, Contract Mgt. Specialist

¹ not present at the December 19th Board Meeting

² participated via webcast from Melville office

³ participated via webcast from White Plains office

⁴ participated via webcast from Albany office

Chairman Theobalds presided. A quorum was announced and present throughout the meeting. For the record, Vice Chair Swidler and Commissioner Thomas were unable to attend the December 19th Board meeting. Their absences were excused.

1. Minutes of the November 14, 2018 Board Meeting

Upon motion by Commissioner Ourlicht, duly seconded by Commissioner Kessler, the Board unanimously voted that the minutes of the November 14th regular Board meeting be accepted and filed as the official minutes of the Board of Commissioners. The vote: Commissioner Musolino – yes; Commissioner Kessler – yes; Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner Roberti – yes; Commissioner MacLeod – yes; Commissioner Ourlicht – yes; Chairman Theobalds – yes.

2. Standing Report(s)

Presentation of Certificates

Chairman Theobalds and Executive Director and CEO Eric Madoff recognized key members of the Administration and Information Technology team who helped ensure a successful renovation project at 199 Church Street. The team worked tirelessly into the late nights and weekends to get staff moved on and off each of the floors and made sure that all NYSIF's systems worked without interruption. The team moved a total of 1,000 people multiple times over the two-year project.

Certificates were awarded to Alan Angelo; Benjamin John; David Moses; Jason Hall; John Murdaugh and Megan McClune.

Report of General Attorney William O'Brien

General Attorney William O'Brien stated there were no legal matters to report this month.

3. Report(s) of Standing Committees

Governance & Legal Affairs Committee

Commissioner Musolino, Chair of the Governance and Legal Affairs Committee, reported that the committee met via telephone conference on November 26th to discuss changes to the current committee charter. Commissioner Musolino stated the new charter does not change substantially from the prior charter but is rewritten to more clearly articulate the role and function of the Governance Committee.

General Attorney O'Brien reported that structure of the charter is in line with the charters of the other Committees, where they include the statement of purpose, the composition of the committee, the number of annual meetings, and the Committee's responsibilities. The goal of the revised charter is to provide greater flexibility and transparency for the Board and the Committee to complete their responsibilities.

Upon motion by Commissioner Musolino, duly seconded by Commissioner Roberti, the Board unanimously voted to approve and adopt the amended Governance and Legal Affairs Committee Charter as submitted. Commissioner Musolino – yes; Commissioner Kessler – yes; Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner Roberti – yes; Commissioner MacLeod – yes; Commissioner Ourlicht – yes; Chairman Theobalds – yes.

Business Operations Committee

Commissioner Roberti, Chair of the Business Operations Committee, reported that the committee met via telephone conference on December 13th. A full report will be provided in Executive Session, subject to a motion to enter Executive Session, for a discussion regarding a particular policy holder.

Investment Committee

Commissioner Ourlicht, Chair of the Investment Committee, reported that the committee met on December 18th to discuss several items pertaining to NYSIF's strategic asset allocation and the annual authority to trade resolution.

Commissioner Ourlicht explained that the committee continued to implement the strategic asset allocation as set out in the Investment Policy Statement by authorizing the issuance of an RFP for private markets consultants.

The Committee also reviewed the authorization to trade resolution. The resolution authorizes the Investment Department to trade securities in compliance with the Investment Policy Statement. This resolution is the same as the resolution passed by the Board in June of this year but authorizes trade for the whole calendar year of 2019.

Upon motion by Commissioner Ourlicht, duly seconded by Commissioner Delgado, the Board unanimously voted to authorize NYSIF's Investment Department, for the calendar year 2019, subject to such approval

by the Superintendent of the Department of Financial Services as may be required, to purchase securities eligible for investment under Section 87 of the Workers' Compensation Law and to sell securities for the account of the Workers' Compensation Fund, Disability Benefits Fund and the Aggregate Trust Fund, subject to the limitations and restrictions set forth in the Investment Policy Statement regarding asset allocation and duration, credit and liquidity risks, as the same may be modified pursuant to the provisions of the investment Policy Statement. The vote: Commissioner Musolino – yes; Commissioner Kessler – yes; Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner Roberti – yes; Commissioner MacLeod – yes; Commissioner Ourlicht – yes; Chairman Theobalds – yes.

4. Motion to Accept Written Reports

Upon motion by Commissioner Kessler, duly seconded by Commissioner Delgado, the Board unanimously voted to accept the written reports as distributed at the December 19, 2018 Board meeting. The vote: Commissioner Musolino – yes; Commissioner Kessler – yes; Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner Roberti – yes; Commissioner MacLeod – yes; Commissioner Ourlicht – yes; Chairman Theobalds – yes.

5. Executive Session

Upon motion by Commissioner Ourlicht, duly seconded by Commissioner Kathuria, the Board unanimously voted to enter Executive Session for a discussion regarding the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation; and for a discussion regarding the proposed acquisition, sale or lease of real property – specifically this applies to a particular policy holder and NYSIF's real estate projects. The vote: Commissioner Musolino – yes; Commissioner Kessler – yes; Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner Roberti – yes; Commissioner MacLeod – yes; Commissioner Ourlicht – yes; Chairman Theobalds – yes.

6. Return from Executive Session

Chairman Theobalds announced no actions were taken in Executive Session.

The next regular meeting of the New York State Insurance Fund Board of Commissioners will be held on Wednesday, January 16, 2019 at 10:00 a.m. at 199 Church Street, 12th floor Board Room.

7. Adjournment of Meeting

Upon a final motion by Commissioner Kessler, duly seconded by Commissioner Ourlicht, the Board unanimously voted to adjourn the Board of Commissioners' regular meeting. The vote: Commissioner Musolino – yes; Commissioner Kessler – yes; Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner Roberti – yes; Commissioner MacLeod – yes; Commissioner Ourlicht – yes; Chairman Theobalds – yes.

Respectfully submitted,

Michael Totaro, Assistant Secretary

Board of Commissioners Procurement Presentation

January 16, 2019



New York State Insurance Fund

Workers' Compensation & Disability Benefits Specialist since 1914

PROCUREMENT PROCESS

Designed to:

- Ensure fair and open competition
- Guard against favoritism, fraud and corruption
- Ensure that the results meet agency needs
- Protect the interests of NYSIF and its stakeholders



PROCUREMENT METHODOLOGIES

Order of Precedence:

- Preferred Source Offerings
- Service Disabled Veteran-Owned Business Set-Aside (SDVOB), if applicable
- Office of General Services (OGS) Centralized Contracts
- Agency or Multi-Agency Contracts
- Open Market Procurements



PUBLIC NOTICE AND OUTREACH

- New York State Contract Reporter
- NYS Minority and Women-Owned Business Enterprise (MWBE) database
- Minority Commerce Weekly
- Service-Disabled Veteran-Owned Business (SDVOB) listing
- NYSIF internal vendor listing
- Trade publications for specific industry



WHAT'S NEW

- Service Disabled Veteran-Owned Business (SDVOB) Set-Aside Program
- New System for MWBE reporting
- Beginning January 1, 2019, state contractors are required to submit an affirmation that they have a sexual harassment policy and that they have trained all of their employees



MWBE REPORTING

- Quarterly Empire State Development reporting under Executive Law, Article 15-a
- Annual reporting to the Governor, the Legislature and Chief Diversity Officer under Workers' Compensation Law, Article 6, §87-i -MWBE asset management and financial institution strategy



MWBE UTILIZATION RATES

- **Executive Law, Article 15-a Empire State Development Reporting:**

Quarter ending September 2018 = 35.48%

- **Workers' Compensation Law, Article 6, §87-i**

State Fiscal Year Ending March 31, 2018 = 44.22%



SERVICE DISABLED VETERAN-OWNED BUSINESS

- Executive Law, Article 17-b
- Enterprise Goal of 6%
- Utilization from October 1, 2017 – September 30, 2018 = 2.56%
- Plan for increased utilization



ADDITIONAL PROCUREMENT ITEMS

- Procurement Lobbying Law – State Finance Law §139-j and §139-k
- Upcoming Procurements
- Quarterly Board Reports





2019 - NYSIF Board of Commissioners Meeting Schedule

NYSIF Holiday

| January | | | | | | |
|---------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |

| February | | | | | | |
|----------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | | |

| March | | | | | | |
|-------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | | | 1 | 2 |
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| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | | | | | | |

| April | | | | | | |
|-------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
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| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | | | | |

| May | | | | | | |
|-----|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | 1 | 2 | 3 | 4 |
| 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 | |

| June | | | | | | |
|------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
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| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | | | | | | |

| July | | | | | | |
|------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | 31 | | | |

| August | | | | | | |
|---|---|---|---|---|---|---|
| S | M | T | W | T | F | S |
| The Board does not convene during the month of August. | | | | | | |

| September | | | | | | |
|-----------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | | | | | |

| October | | | | | | |
|---------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |

| November | | | | | | |
|----------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |

| December | | | | | | |
|----------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 | | | | |

The New York State Insurance Fund Board of Commissioners generally meet on the third Wednesday of each month at 10:00 a.m.– unless otherwise noted.
The Board does not convene during the month of August.



THE STATE INSURANCE FUND

ANDREW M. CUOMO
GOVERNOR

PROPOSED MOTION*

The following is a procedural vote considered by the Board of Commissioners of the State Insurance Fund at a meeting held on Wednesday, January 16, 2019. A quorum was present throughout:

A motion was made that the minutes of the December 19, 2018 meeting be accepted and filed as the official minutes of the Board of Commissioners.

Commissioner _____ provided the motion to approve

Commissioner _____ seconded the motion

| | YES | NO | ABSTAIN |
|----------------------------------|-------|-------|---------|
| Commissioner Musolino | _____ | _____ | _____ |
| Commissioner Kessler | _____ | _____ | _____ |
| Commissioner Delgado | _____ | _____ | _____ |
| Commissioner Kathuria | _____ | _____ | _____ |
| Commissioner Roberti | _____ | _____ | _____ |
| Commissioner Thomas | _____ | _____ | _____ |
| Commissioner MacLeod | _____ | _____ | _____ |
| Commissioner Ourlicht | | | |
| Vice Chair Swidler | _____ | _____ | _____ |
| Chairman Theobalds | | | |

Michael Totaro
Assistant Secretary

*This proposed motion has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)



THE STATE INSURANCE FUND

ANDREW M. CUOMO
GOVERNOR

PROPOSED MOTION*

The following is a procedural vote considered by the Board of Commissioners of the State Insurance Fund at a meeting held on Wednesday, January 16, 2019. A quorum was present throughout:

Motion to accept the written reports as submitted.

Commissioner _____ provided the motion to approve

Commissioner _____ seconded the motion

| | YES | NO | ABSTAIN |
|----------------------------------|-------|-------|---------|
| Commissioner Musolino | _____ | _____ | _____ |
| Commissioner Kessler | _____ | _____ | _____ |
| Commissioner Delgado | _____ | _____ | _____ |
| Commissioner Kathuria | _____ | _____ | _____ |
| Commissioner Roberti | _____ | _____ | _____ |
| Commissioner Thomas | _____ | _____ | _____ |
| Commissioner MacLeod | _____ | _____ | _____ |
| Commissioner Ourlicht | | | |
| Vice Chair Swidler | _____ | _____ | _____ |
| Chairman Theobalds | | | |

Michael Totaro
Assistant Secretary

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THE STATE INSURANCE FUND

ANDREW M. CUOMO
GOVERNOR

PROPOSED MOTION*

The following is a procedural vote considered by the Board of Commissioners of the State Insurance Fund at a meeting held on Wednesday, January 16, 2019. A quorum was present throughout:

A motion was made to proceed into Executive Session for a discussion regarding the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation - - specifically this applies to NYSIF's ongoing real estate projects.

Commissioner _____ provided the motion to approve

Commissioner _____ seconded the motion

| | YES | NO | ABSTAIN |
|----------------------------------|-------|-------|---------|
| Commissioner Musolino | _____ | _____ | _____ |
| Commissioner Kessler | _____ | _____ | _____ |
| Commissioner Delgado | _____ | _____ | _____ |
| Commissioner Kathuria | _____ | _____ | _____ |
| Commissioner Roberti | _____ | _____ | _____ |
| Commissioner Thomas | _____ | _____ | _____ |
| Commissioner MacLeod | _____ | _____ | _____ |
| Commissioner Ourlicht | | | |
| Vice Chair Swidler | _____ | _____ | _____ |
| Chairman Theobalds | | | |

Michael Totaro
Assistant Secretary

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THE STATE INSURANCE FUND

ANDREW M. CUOMO
GOVERNOR

PROPOSED MOTION*

The following is a motion considered by the Board of Commissioners of the State Insurance Fund at a meeting held on Wednesday, January 16, 2019. A quorum was present throughout:

A motion was made to adjourn the Board of Commissioners of the State Insurance Fund regular monthly meeting.

Commissioner _____ provided the motion to approve

Commissioner _____ seconded the motion

| | YES | NO | ABSTAIN |
|----------------------------------|-------|-------|---------|
| Commissioner Musolino | _____ | _____ | _____ |
| Commissioner Kessler | _____ | _____ | _____ |
| Commissioner Delgado | _____ | _____ | _____ |
| Commissioner Kathuria | _____ | _____ | _____ |
| Commissioner Roberti | _____ | _____ | _____ |
| Commissioner Thomas | _____ | _____ | _____ |
| Commissioner MacLeod | _____ | _____ | _____ |
| Commissioner Ourlicht | _____ | _____ | _____ |
| Vice Chair Swidler | _____ | _____ | _____ |
| Chairman Theobalds | _____ | _____ | _____ |

Michael Totaro
Assistant Secretary

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