



Minutes
Board of Directors Meeting
February 16, 2017 at 3:30 PM
City Hall,
Brooklyn Conference Room
New York, New York 10007

1. **Meeting Called to Order**

The meeting was called to order at 3:35 p.m. The Chair read the roll and noted that a quorum of directors was present consisting of: Anne Roest, Chairperson, Lisa Flores, from the Office of the City Comptroller and Steven Salzinger. Also present were, Marjorie Ginsburg, Acting President of the Company, Brendan Hancock, Treasurer, Jennifer Lupo, General Counsel and Secretary, Bob Balducci, Asst. Treasurer, Richard Cocchiara and John Boeck, Company employees.

2. **Appointment of Secretary to the Corporation**

The first item on the agenda was the appointment of Jennifer Lupo as the Secretary of the Company. The Board met in executive session to discuss the matter. Thereafter, the Board reconvened and:

Upon motion duly made and seconded, the appointment of Jennifer Lupo as Secretary of the Corporation was unanimously adopted as follows:

RESOLVED, that Jennifer Lupo, the Corporation's General Counsel, is elected as Secretary to the Corporation and is authorized to perform all the functions and duties of Secretary, in accordance with the By-Laws until a different Secretary is elected or until her death, resignation or removal.

3. **Approval of Minutes from November 1, 2016 Meeting**

Upon motion duly made and seconded, the Minutes of the November 1, 2016 Board Meeting was unanimously adopted as follows:

RESOLVED, that the minutes of the November 1, 2016 meeting of the Board of Directors, a copy of which is annexed hereto, are approved.

4. **Update on Contract with City of New York**

Chairwomen Roest stated that it was the Mayor's intention not to offer the Company a new contract when the current extension expires on June 30, 2017. Lisa Flores questioned the Chairwomen regarding the reasoning behind the Mayor's decision not to offer the Company a new contract. The Chairwomen responded that when the Company was founded, its mission was to provide oversight of major City IT initiatives and that TDC hasn't been working on those types of projects for quite some time. Ms. Flores asked why that was and if TDC could be legally reorganized and refocused on large scale IT projects for the City's many local authorities (e.g.

NYCHA; HHC; NYPD; NYFD). Ms. Lupo replied that should the Member of the Corporation (the Mayor) choose to release the corporate entity from its purpose in its Certificate of Incorporation, then the Company would be free to amend its Certificate of Incorporation to include whatever purpose the Board chooses for it, provided such purpose is not inconsistent with New York Not-For-Profit Corporation law.

The TDC's mission, consistent with its' Certificate of Incorporation, is to maximize efficiency and effectiveness in IT initiatives and operations for City IT initiatives (whether at the Agency level or otherwise) by developing best practices and retaining skilled resources to provide services that would otherwise be performed by for-profit entities. Thereafter, Ms. Flores questioned what efforts were underway to transition. Ms. Lupo indicated that the discussion regarding transition, dissolution and winding up of the Company's affairs would be addressed during the operational overview presented later in the agenda by Ms. Ginsburg. What the transition plan entails for the current Company clients affected. The Chairwomen stated that she had spoken with TDC client CIO's at the Department of Finance and the Department of Education, for example, who expressed to her that their needs could be met by DoITT employees or in other approaches, without TDC.

5. Post-Employment Conflict of Interest Waiver

The next agenda item addressed the request from Company management that the Company waive Sections II D & E of the Company's *Code of Ethics For Directors, Officers and Employees* which imposes post-employment restrictions on Company Directors, Officers, and Employees from rendering identical services rendered to the Company while employed by a third-party not affiliated with the Company or the City of New York ("City"). A discussion was had between the Directors and Company management. Commissioner Roest drew the analogy that if a person is employed by IBM on Monday working at a City agency and Tuesday is employed by Gartner in the same function as she had been at IBM and is directed by Gartner to assume work on the same project at a City agency and in the same role as she had been at IBM, she would not be barred from doing so, and since the Company is a contractor to the City and not an agency, the officers, directors and employees of the Company should be free to seek private employment and work on City agency projects post-termination of their Company employment.

Upon motion duly made and seconded, the post-employment conflict of interest waiver was unanimously adopted as follows:

RESOLVED, that the Sections II D & E of the Company's *Code of Ethics for Directors, Officers and Employee* are hereby revoked.

6 & 7. Approval of Vacation Accrual Policy and Approval of Videoconferencing Policy

The next agenda item addressed the approval of Vacation Accrual and Videoconferencing Policies.

Upon motion duly made and seconded, the Company's Vacation Accrual Policy and Approval of Videoconferencing Policy are unanimously adopted as follows:

RESOLVED, that the Company's Vacation Accrual Policy and Approval of Videoconferencing Policy, copies of each are annexed to these minutes, are hereby approved.

8. **President's Report / Operational Update**


The next agenda item discussed was the President's report made by Ms. Ginsburg. Ms. Ginsburg opened by thanking the Board and the City for the opportunity to serve the citizens and visitors of New York City. She next discussed the many high level projects that the Company is engaged to and is performing services on, for several City agencies including DOF, DOE and DOB amongst others. Her report addressed the value to the City of not having outside contractors providing the same services which is estimated to be \$4M annually. A discussion was had wherein Commissioner Roest stated that she had spoken with the CIO's of DOE and DOF and each had expressed that DoITT personnel could fulfill the same roles as Company employees and complete the projects. Thereafter, a discussion was had between Ms. Flores, Commissioner Roest and Ms. Ginsburg regarding the current projects, the requests from Company clients for additional services post June 30, 2017 and what was likely to occur, namely, that agencies would use ITCS contractors at a higher cost to the City to perform the same services as the Company provides.

Ms. Flores then asked what would need to occur to wind down Company operations. Ms. Lupo, Mr. Hancock, and Ms. Ginsburg explained, in detail, the dissolution and winding up process of a NY Not for Profit Company from finance, operations, legal and logistical standpoint. Ms. Lupo explained that it was incumbent upon the Company's directors to undertake the process or appoint persons to do so because after June 30, 2017, the sole officer of the Company would be Mr. Balducci, the Company's assistant treasurer who is not equipped to handle the myriad of matters which need to be attended to, to legally dissolve the company thus preventing continued tax, audit and public authority reporting from being necessary. Ms. Flores was surprised to hear the reality of the winding up and dissolution process and questioned whether there would be any liability for Company directors. Ms. Lupo explained that there is always potential liability to officers and directors of a company for actions undertaken during the life of the company and that is why the Company holds directors and officers insurance. Ms. Lupo informed Ms. Flores that the Company's management intends to purchase ongoing directors and officers insurance to include the time necessary to legally dissolve the Company and for a point in time thereafter.

9. **Adjournment**

The Chair adjourned the meeting at approximately 5:30 p.m.

Respectfully Submitted,


Secretary