



NYC Technology Development Corporation

Minutes of a Board Meeting Held on July 25, 2014 at 10:00 AM at City Hall, 2nd Floor New York, New York 10007

1. Meeting Called to Order; Quorum Noted

The meeting was called to order at approximately 10:10 a.m. The Secretary read the roll and noted a quorum was present consisting of Anne Roest, Chairperson, Lisa Flores, John Paolucci and Steven Salzinger.

2. Minutes From Meeting on December 4, 2013

The Chairperson stated that since there were only two remaining members from the last held Board meeting (Mr. Paolucci and Mr. Salzinger), a vote would not be taken to approve the minutes, but she asked if there were any corrections. Mr. Paolucci and Mr. Salzinger stated that they had no corrections.

3. Governance Committee

The next item on the agenda was a resolution to appoint members to the Board's Governance Committee. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that pursuant to section 6.01 of the By-Laws of the Corporation, in addition to the Chairperson of the Board who, pursuant to section 5.09 of the By-Laws, serves, *ex officio*, as a member of the Governance Committee, the Board of Directors hereby consents to the Chairperson's appointment of the following persons to serve on the Governance Committee at the pleasure of the Board, which appointments shall supersede any previous appointments:

Anthony Shorris, Chair; and
Lisa Flores

4. Audit Committee

The next item on the agenda was a resolution to appoint members to the Board's Audit Committee. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that pursuant to section 6.01 of the By-Laws of the Corporation, in addition to the Chairperson of the Board who, pursuant to section 5.09 of the By-Laws, serves, ex officio, as a member of the Audit Committee, the Board of Directors hereby consents to the Chairperson's appointment of the following persons to serve on the Audit Committee at the pleasure of the Board, which appointments shall supersede any previous appointments:

Dean Fuleihan, Chair; and
Steve Salzinger

Following the vote on this item, Board Member Dean Fuleihan joined the meeting.

5. Amendment to Travel Policy

The next item on the agenda was a resolution to amend the Board's Travel Allowance Policy to include a provision regarding lodging expenses at out-of-town conferences, seminars and conventions to the Corporation's Travel Allowance Policy. The Chairperson explained that a similar provision for lodging expenses at out-of-town conferences, seminars and conventions is contained in New York City Comptroller's Directive No. 6. Upon motion duly made and seconded, the Board unanimously adopted the following resolution:

WHEREAS, TDC'S Travel Allowance Policy is based upon the rules set forth in New York City Comptroller's "Directive 6 – Travel, Meals, Lodging and Miscellaneous Agency Expenses"; and

WHEREAS, the existing Policy inadvertently omitted the special provision in Directive 6 for lodging expenses at out-of-town conferences, seminars and conventions; and

WHEREAS, it was the original intent to conform TDC's Policy to Directive 6; now, therefore, be it

RESOLVED, that the Corporation's Travel Allowance Policy shall be amended, as reflected in the proposed amended Policy, a copy of which is annexed hereto, to include a new provision on lodging expenses at out-of-town conferences, seminars and conventions.

6. Approval of Policy on Expenses for Meetings and Special Events

The next item on the Board's agenda was a resolution to approve a new Policy on Expenses for Meetings and Special Events. The Chairperson noted that while the Corporation had a general policy authorizing reimbursement of reasonable and appropriate business expenses,

it did not have specific guidance on when and under what circumstances the Corporation could cover expenses for food or refreshments at meetings. The proposed new policy would clarify this by adopting guidelines similar to those found in New York City Comptroller's Directive No. 6.

Upon motion duly made and seconded, the Board unanimously adopted the following resolution:

WHEREAS, the Corporation has a Policy on Expense Reimbursement that generally provides for reimbursement of reasonable and appropriate business expenses, but does not provide specific guidance on when and under what circumstances the Corporation may cover expenses for food or refreshments at meetings; and

WHEREAS, the dispersed nature of TDC's consulting operations across various City agencies makes it necessary to hold periodic staff and senior management meetings to coordinate the Corporation's activities; and

WHEREAS, Section 8.0 of New York City Comptroller's Directive No. 6 provides a useful model of guidelines for when such meeting expenses may appropriately be covered; and

WHEREAS, those guidelines have been adapted for TDC in the attached Policy on Expenses for Meetings and Special Events; now, therefore be it

RESOLVED, that the proposed Policy on Expenses for Meetings and Special Events presented at this meeting, a copy of which is annexed hereto, is approved.

6. Cost of Living Adjustment for Salaried Officers

The next item on the agenda was a resolution to approve a one-time 1.5% cost of living adjustment for salaried officers of the Corporation, retroactive to the date of their one year anniversary with the Corporation in 2014. The Chairperson explained that the Acting President had granted such a one-time adjustment to the Corporation's employees earlier in the year and that this resolution would extend the adjustment to the Corporation's officers.

Lisa Flores asked whether it was permissible to grant the Board members a cost of living adjustment when there was no provision in the By-Laws authorizing such an adjustment. The General Counsel explained that the By-Laws give the President discretion to fix the compensation of the Corporation's employees and that the Board had discretion to fix the compensation of the Corporation's officers. The Acting President explained that the increase she granted to employees was a one-time adjustment for employees whose one-year anniversary with the Corporation fell in 2014 and that in the future, she intended to establish a performance evaluation system and have salary adjustments based on merit, rather than an across the board increase. Ms. Flores asked if the By-laws could be amended to require a performance evaluation system, and the General Counsel suggested that this could be done through other governing documents approved by the Board, without amending the By-laws. Ms. Flores noted that she

was not concerned with where the requirement was reflected; only that it was a documented requirement for future years.

Dean Fuleihan then proposed to table this item in order to further consider the guidelines that TDC would be using to make salary adjustments and to ensure that they were consistent with the City's fiscal plans. Upon motion duly made and seconded, this item was then tabled by a unanimous vote.

8. **Determination Under Section IV of the Code of Ethics (Outside Employment)**

The Chairperson explained that the next item on the agenda was a determination under the Corporation's Code of Ethics as to whether Dan Stone, one of the Corporation's project managers, could have a position teaching Database Management and Modeling at the NYU School of Continuing and Professional Studies at night without any conflict of interest with his duties at TDC. Upon motion duly made and seconded, the Board made the following determination:

WHEREAS, under Section IV(B) of the TDC's Code of Ethics, the Board may by a concurring vote of two-thirds of its members determine that a TDC employee's outside work with an entity that does business with the City of New York does not conflict with the purposes or interests of TDC or the City; and

WHEREAS, in the absence of such a determination by the Board, a TDC employee is prohibited under TDC's Code of Ethics from engaging in such outside work for compensation; and

WHEREAS, Dan Stone, who was hired as a project manager for TDC in March 2014 has disclosed that he teaches an evening class on Database Management and Modeling at the New York University School of Continuing and Professional Studies ; and

WHEREAS, teaching the class does not conflict or overlap with Mr. Stone's duties as a project manager at TDC ; and

WHEREAS, Mr. Stone understands that he must conduct all his work for his teaching duties on his own time and without using TDC resources or facilities, and may not disclose any confidential TDC or City information; now, therefore, be it

DETERMINED that Mr. Stone's outside teaching position at the New York University School of Continuing and Professional Studies does not create a conflict of interest with his duties as a project manager for TDC and he may continue with such position for compensation, consistent with the terms and conditions set forth herein.

Following this determination, Board Member Anthony Shorris joined the meeting.

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

The Chairperson introduced the Acting President, Eileen Cleary, to give the Corporation's Operational Update, which included a review of TDC's active projects and engagements. Mr. Salzinger and Ms. Flores asked about TDC's comparison of its costs to the costs of ITCS and PMQA consultants, such as Gartner, including the basis and derivation of both TDC cost estimates and the cost of these outside consultants. Ms. Cleary stated that this information would be provided. . .

Part way through the presentation, Mr. Shorris and Chairperson Roest had to excuse themselves from the meeting. Upon motion duly made and seconded, Mr. Salzinger was elected to chair the rest of the meeting.

Following Ms. Cleary's presentation, upon motion duly made and seconded, the meeting was adjourned at approximately 11:15 am.

Respectfully submitted,



Elissa Stein Cushman
Secretary