



Connecticut Retirement Security Authority Board of Directors

April 20, 2018, 10:00 a.m. - 12:00 p.m.
CT Department of Labor, Conference Rooms A&B
200 Folly Brook Blvd, Wethersfield, CT 06109

Minutes

Members Present

Manisha Srivastava, Office of Policy and Management (for OPM Secretary Benjamin Barnes)
State Comptroller Kevin Lembo
Christine Shaw, Office of the State Treasurer (for Treasurer Denise Nappier)
Cesar Garcia, Department of Banking (for Commissioner Jorge Perez)
Joe Fazzino
Thaddeus Gray
Keisha Palmer (via telephone)
John Sayour
Thomas Sennett
Ed Zelinsky

Other Participants

Carolyn Treiss, Department of Labor

I. Call to Order

In the absence of the Chairman and with the agreement of the members present, Comptroller Lembo called the meeting to order at 10:08 am.

II. Adoption of Minutes from February and March meetings

Ms. Srivastava made a motion, seconded by Mr. Sennett, to adopt the minutes from the February 16, 2018 meeting. Mr. Gray noted that he had asked prior to the meeting that a change be incorporated into the minutes, and it was not. The minutes were adopted unanimously with Mr. Gray and Ms. Shaw abstaining.

Ms. Srivastava made a motion, seconded by Mr. Sennett to adopt the minutes from the March 16, 2018 meeting. There was no discussion and the minutes were adopted unanimously with Ms. Shaw abstaining.

III. Subcommittee Updates

- a. Budget/Audit/Finance Subcommittee – no update
- b. Education and Outreach – no update
- c. Governance and Bylaws

The committee expects that they will have more to report at next meeting after legal counsel has been hired.

d. Personnel and Support Subcommittee

i. Executive Director search status update

Comptroller Lembo reported that the first round of interviews had been conducted and that they went well. He stated that the matter would be taken up in detail in executive session.

e. Program Design and Investment

i. Review of responses to RFI for Program Administrator Services

Mr. Fazzino presented a summary of the goals and expectations of the RFI, the lessons that learned from the responses and the common themes that emerged from the responses. There was discussion among several members regarding the issues of bundled versus unbundled services, open architecture, and the need (or not) for an independent investment consultant and at what point such a consultant might be brought on. Mr. Gray expressed his preference for a bundled approach with open architecture, which avoids the appearance of a conflict of interest as the administrative services and the investment platform are independent. Ms. Shaw shared the purposes for which investment consultants are utilized at the Treasurer's office and how that might translate to the CRSA. Mr. Sayour felt that there was considerable expertise among board members and therefore that an investment consultant would not be necessary. Ms. Shaw reminded members of the heightened fiduciary standard for members, which was echoed by Ms. Palmer.

f. Research and Comparative Analysis

Mr. Sennett gave a brief update on the status of retirement initiatives in other states: Illinois is going live next month; Maryland has just hired its executive director; New York has just passed legislation. Mr. Sennett suggested that given some of the

IV. Old Business

Ms. Shaw asked about the status of the fiduciary training. Comptroller Lembo stated that it made sense to have the law firm hired by the board to provide the training. Mr. Gray asked about the required Statement of Financial Interest filing noting that he had not received anything from the Office of State Ethics (OSE). Ms. Treiss said she would follow up with OSE. Mr. Sayour asked about the status of the D&O policy and Ms. Treiss offered to follow up with Commissioner Jackson.

V. New Business

a. Legal Services RFP Subcommittee Recommendation

Mr. Zelinsky summarized the RFP process: seven proposals were received and the RFP subcommittee interviewed the top-scoring four. Of the four, the committee selected Pullman & Comley LLC as the winner to present to the full board and to seek the board's authorization to enter into preliminary negotiations. Mr. Zelinsky suggested that the Chairman and Natalie Braswell, the attorney from the Comptroller's office who staffed the RFP process, begin discussions with the firm to see if we can come to terms.

Comptroller Lembo made a motion to accept the recommendation of the subcommittee, to authorize the subcommittee to enter into contract negotiations with the recommended vendor, and to return to the board with the results of the negotiations for the board's approval. Mr. Sayour seconded the motion, and the motion passed unanimously with Ms. Palmer abstaining.

b. Discussion regarding selection of Vice-Chair

Comptroller Lembo noted that the statute gives the board authority to name a vice-chair and suggested that the board consider doing so in order to ensure continuity of the work. He asked that any member interested in serving in that capacity, reach out to the chair and suggested that the matter be put on the next meeting agenda for action by the board.

VI. Public Comment

Andrea Feirstein, AKF Consulting, program consultant for California Secure Choice. Ms. Feirstein commended the board for the openness of the discussion. She suggested that as fiduciaries it is helpful to have outside expertise and offered to provide names of firms that may be interested in doing some work for the CRSA on a project basis.

VII. Next Meeting Date: **Friday, May 18, 2018, 10:00am**
Legislative Office Building, Room TBD
300 Capitol Avenue, Hartford, CT 06106

VIII. Executive Session

At 11:25am, Mr. Sennett, seconded by Mr. Sayour, made a motion to recess for Executive Session for the purposes of discussing the executive director search. The motion passed unanimously.

IX. Adjournment

The meeting came back to order at 12:05. Ms. Shaw motioned to adjourn the meeting, seconded by Ms. Srivastava. The motion passed unanimously