

A Meeting of the Dormitory Authority of the State of New York (“DASNY”) Governance Committee was held in DASNY’s New York City Office located at 28 Liberty Street, New York, NY 10005 on Tuesday, October 11, 2022 with proceedings commencing at 3:30 p.m.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Beryl Snyder, Governance Committee Chair at 3:30 p.m. and a quorum was declared present.

Ms. Snyder thanked the members for supporting her as the new Governance Committee Chair. She thanked John Johnson for his many years of service as a Board Member and Governance Committee Chair and stated that she will strive to do an excellent job, as he did.

The following Board Members and Staff were present:

Governance Committee Members Present

Beryl L. Snyder, Esq. – Governance Committee Chair
Alfonso L. Carney, Jr. –Governance Committee Member, Board Chair
Joan M. Sullivan – Governance Committee Member

Other Board Members Present

Gerard Ronski, Esq. – Vice Chair
Janice McKinnie – Board Member
Lisa Gomez—Board Member
Adrian Swierczewski--Designated Representative of the Director of the Budget, Board Member (ex officio)

Board Members Absent

Jonathan Gardner, Esq. – Board Member
Phyllis Morris---Designated Representative of the Commissioner of Education, Board Member (ex officio)
Ken Evans, Designated representative of the Commissioner of Health, Board Member (ex officio)

Staff Members Present (in NYCO or Zoom)

Reuben R. McDaniel, III, President and Chief Executive Officer
Paul G. Koopman, Vice President
Nadine Fontaine, Esq., General Counsel
Kimberly A. Ellis, Chief Financial Officer
Portia Lee, Managing Director, Public Finance and Portfolio Monitoring
Ricardo Salaman, Esq., Deputy General Counsel
Sara Potter Richards, Esq., Managing Senior Director, Governance and Administration

Dena Amodio, Esq., Assistant General Counsel
Jeffrey Gordon, Senior Director, Communications & Marketing
Matthew Bergin, Director, Public Finance
Craig Schreivogl, Director, Portfolio Monitoring
Amanda Nazario, Confidential Legal Assistant

Several members of the public were also present via Zoom.

Upon a motion by Ms. Sullivan and a second by Mr. Carney, the Minutes of the March 1, 2022 Governance Committee Meeting were approved unanimously.

Corporate Governance Committee Charter and Governance Principles—Annual Review

Ms. Snyder asked Ms. Richards to explain the documents before the Committee for consideration today. Ms. Richards stated that the first items on the agenda are the Governance Committee Charter and Governance Principles. She indicated that staff is not recommending any changes to these documents at this time. Ms. Richards stated that no Board action is required, but the Committee is required to review them on an annual basis. The Committee agreed that no changes are necessary at this time.

Review of Mission Statement and Performance Metrics

Ms. Richards informed the Committee Members that Public Authorities Law Section 2824-a requires that DASNY's Mission Statement and Performance Measures with Metrics to Quantify Performance Goals must be reviewed and approved annually by the Board. She reminded the Committee Members that at last year's meeting, a suggestion was made to change the metrics to include SDVOB goals, which the full Board approved in March 2022. Ms. Richards stated that no new changes are recommended at this time, and this review gets the Mission Statement and Performance Metrics back on the Fall review schedule.

The Committee Members agreed that no changes to the documents are needed at this time. Upon a motion from Mr. Carney and a second from Ms. Sullivan, the Committee unanimously agreed to recommend approval by the full Board at tomorrow's meeting.

Annual Review of Guidelines Pertaining to Disposition of Certain Property

Ms. Richards stated that the full Board is required to approve the Guidelines on an annual basis. She informed the Committee Members that staff is not recommending any changes at this time.

The Committee Members agreed that no changes to the Guidelines are needed at this time. Upon a motion from Ms. Sullivan and a second from Mr. Carney, the Committee unanimously agreed to recommend approval by the full Board at tomorrow's meeting.

Annual Review of Corporate By-laws---Amendment

Ms. Snyder stated that the Board now has the opportunity to officially and permanently authorize Board meetings via videoconference. She observed that the Members have been meeting via remote technology for 2 ½ years as a result of the COVID pandemic, and the proposed changes to the by-laws will enable the Board to continue this practice in certain circumstances. She asked Ms. Richards to walk through the proposed new language.

Ms. Richards stated that staff is proposing revisions to Section 3.7 of the DASNY By-laws to reflect changes to the Open Meetings Law regarding the use of videoconferencing. She explained that the current Section 3.7 will be replaced in its entirety with the new language. Ms. Richards informed the Members that the proposed changes try to strike a balance between in person participation to the extent practicable, while acknowledging that videoconferencing provides a viable option to in person meetings in many circumstances.

Ms. Richards directed the Members' attention to the memo and draft Resolution provided with the Board materials and explained that the revised by-laws would authorize videoconferencing among Members from one or more locations open to the public, and that a quorum may be constituted from one or more of these locations. She stated that, as required by law, the by-laws set forth the "extraordinary circumstances" that would enable a Member to participate in meetings from locations that are not open to the public. Ms. Richards explained that the Open Meetings Law allows entities to make their own determination as to what constitutes extraordinary circumstances. She stated that she had discussed the list with Ms. Snyder, the Board Chair, and DASNY staff, and the list currently set forth includes illness, religious observance, caregiving responsibilities, adverse weather conditions, and other circumstances as described in the proposed Section 3.7 language. Ms. Richards informed the Members that the DASNY offices in Albany, New York City and Buffalo will be available for videoconferencing and open to the public. The Members will participate from their choice of these locations and may only participate in a meeting from another location in the event of an extraordinary circumstance as described in the by-laws. She noted that this means that Members will no longer be allowed to participate in a Board meeting from a location not open to the public, such as their home. Ms. Richards stated that telephonic participation is not allowed, as Members must be able to be seen and heard by members of the public.

Mr. Carney thanked Ms. Richards for her work on the by-laws, as well as other DASNY staff who assisted in the redrafting effort. He stated that she did not have any comments or changes, as the proposed language is complete and understandable. Ms. Snyder observed that the changes are practical and meaningful to all of the Members. Ms. Sullivan commented that she was pleased with the list of extraordinary circumstances set forth in the proposed language. She stated that it is comprehensive and allows flexibility where the situation so requires.

Upon a motion from Ms. Sullivan and a second from Mr. Carney, the Committee unanimously agreed to recommend approval of the revised by-laws by the full Board at tomorrow's meeting.

Procurement Guidelines Overview

Ms. Snyder introduced Matthew Moore, Esq., Director of Procurement, to review proposed changes to the Procurement Guidelines that the Board will be asked to approve in the future. Mr.

Moore explained that today's presentation is informational only, and no action is requested of the Committee or of the Board at this meeting. Rather, it is intended to provide the Committee with a high level overview of the changes that will be forthcoming.

Mr. Moore thanked the Committee Members for the opportunity to address them regarding DASNY's Procurement Team and the proposed revisions to the Procurement Guidelines. He stated that the Procurement Policy and Guidelines were adopted on June 27, 2001 and have been amended 11 times, most recently in December 2019. Mr. Moore further stated that former Governance Committee Chair Johnson requested that DASNY consider redrafting the Policy and Guidelines in order to bring them current, and he informed the Members that the proposed revision fulfills that request.

Mr. Moore stated that the Procurement Division touches all aspects of DASNY, including construction, financing, and daily operations. Mr. Moore explained that DASNY utilizes a variety of Procurement methods depending upon the circumstances in order to obtain the best value for the required services. He provided an overview of the Division and its activities and stated that the redraft of the Procurement Guidelines incorporates applicable statutory provisions, guidance from the Authorities Budget Office, best practices in the industry generally as well as other New York State entities, and applicable ethical considerations. He explained that DASNY's procurement policy and procurement guidelines have been merged into a single cohesive document that is easier to follow and understand. Mr. Moore emphasized that the new Guidelines do not alter DASNY's fundamental policy or position with regards to procurements; rather, they reinforce DASNY's commitment to compliance, competition, fairness, diversity, and inclusion while providing the necessary safeguards and controls.

Mr. Moore detailed several areas that will be changed in the revised Policy and Guidelines. He stated that the provisions relating to Board Exempt Procurement Contracts will be updated to reflect a more practical approach in order to create efficiencies and operational consistency. Mr. Moore explained that this would be beneficial in areas such as software purchases, where various modules may need to interface together to achieve a desired outcome. Ms. Sullivan inquired whether "Board Exempt Procurement Contracts" are the same as sole source or single source contracts. Mr. Koopman responded that the category is intended to capture the purchases that will not require the President's approval, such as DASNY's utilities contract with National Grid. He explained that the category is intended as a notification to the Board that certain types of purchases will not need further approval regardless of amount. Mr. Moore concurred that energy/utility purchases and software systems are the two areas that fall into this category. He noted that the Guidelines still require Board approval of any operational contracts in excess of \$300,000.

Mr. Moore informed the Committee Members that the revised Guidelines remove the requirement to advertise for procurements over \$50,000. He explained that the statute does not require advertisement and other entities do not advertise. Mr. Moore stated that the new Guidelines will allow more latitude, consistent with the statute, so long as there is still competition for goods and services. The Board Chair asked about the internal controls applicable to discretionary purchases. Mr. Moore replied that the Procurement leadership team will evaluate whether sufficient competition exists and how to ensure competition. He stated that the

procedures will detail the controls utilized in connection with discretionary purchases, and that he has reviewed the steps taken by other State entities to encourage competition. Mr. Koopman stated that the President's approval will be required in certain circumstances that will be set forth.

Mr. Moore informed the Committee Members that the revised Policy and Guidelines authorize empanelments for emergency contracts. He explained that empaneling firms will enable DASNY to respond quickly for itself or on behalf of its clients as required. Mr. Moore stated that as firms are empaneled, DASNY will obtain proof of insurance, and undertake the other required reviews so that the firm may respond quickly as the need arises.

Mr. Moore stated that the new Guidelines will address situations regarding unsolicited proposals, so that there is a process in place should the opportunity arise to procure goods or services for the benefit of DASNY or its clients. He noted that all opportunities that are advanced through an unsolicited proposal will require President's approval. Mr. Moore stated that this is a relatively new concept. Mr. Koopman stated that the revised Guidelines will provide DASNY with the opportunity to deal with specialized contractors, including those in the P3 realm.

Mr. Carney thanked Mr. Moore for his hard work on this initiative and noted that he is especially pleased to see that applicable ethical provisions have been incorporated into the Procurement Policy and Guidelines. Ms. Sullivan inquired whether the PACB must approve the revisions. Mr. Moore replied that PACB does not need to approve them, but DASNY is required to provide notice that the Policy and Guidelines have been updated.

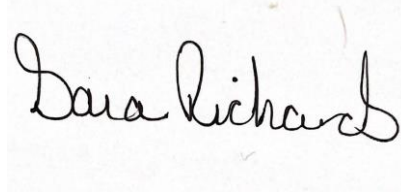
Committee Chair Snyder asked about the approval process moving forward. Mr. Moore responded that the draft guidelines have been provided for review at this point so that any comments or questions of the Members can be considered. At a future meeting, the Governance Committee will be asked to recommend the revised Guidelines to the full Board for approval.

Ms. Sullivan stated that she is very impressed with the redraft of the Policy and Guidelines. She indicated that she may have additional questions and will contact Mr. Moore to discuss.

Mr. Ronski asked whether Mr. Curro has reviewed the revised Policy and Guidelines. Mr. Moore responded in the affirmative. Mr. Koopman noted that the General Counsel has also reviewed and commented on the revisions. Mr. Moore stated that he has collaborated with multiple departments on the revisions in order to be certain the revisions work for all departments. The President complimented Mr. Moore for his efforts and stated that the Procurement unit provides a great service to DASNY and its clients.

Ms. Sullivan moved to adjourn the meeting, Mr. Carney seconded the motion, and the meeting was adjourned at 4:15 p.m.

Respectfully submitted,

A handwritten signature in black ink on a light-colored background. The signature is written in a cursive style and reads "Sara Richards".

Sara P. Richards
Assistant Secretary