

**STATE COMPENSATION INSURANCE FUND
BOARD OF DIRECTORS**

MINUTES OF OPEN SESSION MEETING

April 17, 2020

The Board of Directors of the State Compensation Insurance Fund met on April 17, 2020 via telephone/video conference using Zoom webinar.

AGENDA ITEM 1: CALL TO ORDER AND ROLL CALL

Board Liaison Hilda Padua welcomed everyone who joined the meeting via telephone/video conference. Ms. Padua went over the Housekeeping rules for the meeting, including how to submit Public Comments by sending an email to BoardMeeting@scif.com. Ms. Padua noted that the information was also posted on State Fund website.

The meeting was called to order on April 17, 2020 at 1:10 p.m.

Mr. Lanier requested Ms. Padua to call roll. The following were present: David M. Lanier (Chair); Senator Tom C. Berryhill; Daniel M. Curtin (joined during item 2); Richard J. Guggenhime; Senator Michael J. Machado (Ret.); Jack L. Neureuter (joined during item 2); Alexis A. Podesta; Arthur H. Pulaski; Thomas E. Rankin; Angela D. Tate; William M. Zachry; Katrina S. Hagen (Ex-officio).

Daniel M. Curtin and Jack L. Neureuter were not present during roll call.

There was a quorum.

Also present: President and CEO Vernon L. Steiner; General Counsel and Corporate Secretary and Chief of Internal Affairs Margie R. Lariviere; Chief Financial Officer Peter Guastamachio; Board Liaison and Assistant Corporate Secretary Hilda B. Padua; and Executive Analyst Candace W. Fong.

Board Chair David Lanier welcomed everyone joining the meeting via telephone/video conference and noted this was the first State Fund Board Virtual meeting. Mr. Lanier then welcomed the new board members, Richard Guggenhime and Alexis Podesta and noted their appointment terms, and Ex-Officio member Katrina Hagen.

Richard Guggenhime was appointed on March 5, 2020 by Governor Gavin Newsom for a term expiring on January 15, 2024. The oath was administered on March 9, 2020 and was submitted to State Fund on the same day. Mr. Guggenhime has been a senior counsel at Perkins Coie since 2016. He is president of the Stanley S. Langendor Foundation, serves on the San Francisco Community Advisory Board of Wells Fargo Bank, and has an extensive background in public service in San Francisco's leading civic organizations. Mr. Guggenhime has served on the city's Parking Authority, Board of Permit Appeals, Fire Commission, and Recreation and Parks Commission; he currently is a member of the City and County of San Francisco Airport Commission.

Alexis Podesta was appointed on January 23, 2020 by Governor Gavin Newsom for a term expiring January 15, 2025. The oath was administered on March 2, 2020 and was submitted to

State Fund on March 6, 2020. Ms. Podesta has served as secretary at the California Business, Consumer Services, and Housing Agency since 2017, where she was undersecretary from 2015 to 2017. Ms. Podesta served in several positions in the Office of Governor Edmund G. Brown Jr. from 2011 to 2015, including as director of external affairs, director of international affairs, and chief of protocol.

Katrina Hagen was appointed Director of the California Department of Industrial Relations (DIR) by Governor Gavin Newsom on March 11, 2020 and is now the Ex-Officio member of the Board. Prior to joining the DIR in 2020, Ms. Hagen served as chief deputy director at the California Department of Tax and Fee Administration since 2017. She was deputy director of operations at the California Department of Human Resources from 2015 to 2017 and chief of human resources at the California Public Employees' Retirement System from 2011 to 2015.

AGENDA ITEM 2: ANTITRUST ADMONITION

Mr. Lanier called attention to, and requested confirmation that the Board members read, State Fund's Antitrust Admonition, which is included in each Board member's meeting materials.

AGENDA ITEM 3: PUBLIC COMMENT ON APPROPRIATENESS OF CLOSED SESSION FOR ITEMS 5 THROUGH 7

Mr. Lanier requested public comment on the appropriateness of Closed Session for agenda items 5 through 7, of which there was none.

AGENDA ITEM 4: PUBLIC COMMENT

Mr. Lanier confirmed that no public comment was received.

ADJOURNMENT

There being no further business, Mr. Lanier adjourned the meeting at 1:15 p.m. to immediately reconvene in Closed Session.

April 17, 2020

AGENDA ITEM 8: CALL TO ORDER AND ROLL CALL

The meeting reconvened at 4:35 p.m. via telephone/video conference (Zoom webinar) and the following Members were present: David M. Lanier (Chair); Senator Tom C. Berryhill; Daniel M. Curtin; Richard J. Guggenheimer; Senator Michael J. Machado (Ret.); Jack L. Neureuter; Alexis A. Podesta; Arthur H. Pulaski; Thomas E. Rankin; Angela D. Tate; William M. Zachry; Katrina S. Hagen (Ex-officio).

There was a quorum.

Also present: President and CEO Vernon L. Steiner; General Counsel and Corporate Secretary and Chief of Internal Affairs Margie R. Lariviere; Chief Financial Officer Peter Guastamachio; Board Liaison and Assistant Corporate Secretary Hilda B. Padua; and Executive Analyst Candace W. Fong.

AGENDA ITEM 9: APPROVAL OF PERFORMANCE AWARD

Mr. Lanier noted that State Fund recognizes the dedication of essential workers throughout California who are unable to perform their essential work duties from home, including State Fund staff working from a State Fund physical office location, without whose commitment State Fund's mandate to provide insurance to California businesses and benefits to California insured workers would be compromised.

Mr. Lanier, on behalf of the Board, expressed their appreciation through the establishment of a total reserve fund of One Million Two Hundred Thousand Dollars for the purpose of issuing spot awards to individual staff who demonstrate exemplary work performance during the shelter-in-place mandate and/or continue to work from a State Fund physical office location during the COVID-19 crisis thereby ensuring the continuity of State Fund's operations.

Mr. Lanier noted that the Board resolution approves funding for the COVID-19 performance award pool and establishes that the President or his delegate is authorized to determine the basis, amount and timing for the issuance of spot awards to individual staff.

Ms. Padua displayed on the screen, for Board and public view, Resolution No. 2279 "Approval of COVID-19 Performance Award". Mr. Lanier requested a Motion and Second.

MOTION: Mr. Zachry SECOND: Senator Machado

To approve COVID-19 Performance Award, Resolution No. 2279 as presented.

Mr. Lanier asked for public comment of which there was none. Mr. Lanier called for the vote.

YES: 11 NO: 0 Abstain: 0 Resolution carried.

The certified Resolution No. 2279 is attached hereto.

Mr. Lanier thanked the staff for their hard work and wished everyone to stay safe and healthy.

AGENDA ITEM 10: PROPOSALS AND SUGGESTIONS FOR MAY 28-29, 2020 AGENDA

Mr. Lanier requested suggestions for agenda items for the May 28-29, 2020 Board meeting, of which there were none.

Mr. Lanier requested public comment, of which there was none. He noted that the next Board meeting is scheduled for May 28, 2020, location to be determined, unless noticed for a new date and time

Mr. Lanier adjourned the meeting at 4:40 p.m.

Respectfully submitted,



Hilda B. Padua
Board Liaison and Assistant Corporate Secretary



**STATE COMPENSATION INSURANCE FUND
BOARD OF DIRECTORS**

APPROVAL OF COVID-19 PERFORMANCE AWARDS

WHEREAS, the Board of Directors ("Board") of the State Compensation Insurance Fund ("State Fund") has approved performance awards, from time to time, for State Fund staff based upon enterprise performance and individual performance; and

WHEREAS, on March 4, 2020, Governor Newsom proclaimed a State of Emergency to exist in California, to preserve the public health and safety, as a result of the threat of the corona virus disease of 2019 ("COVID-19") pandemic; and

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order N-33-20 ("the Order") ordering all individuals in the state of California to stay home ("shelter-in-place"), except as needed to maintain the continuity of operations of critical infrastructure sectors, including the Government Facilities and Healthcare and Public Health Sectors, which include the State Compensation Insurance Fund; and

WHEREAS, the majority of State Fund's Workforce transitioned to working remotely from their homes within one week of the shelter-in-place order, due in part to the extraordinary effort of several key staff in the State Fund workforce; and

WHEREAS, some individuals in State Fund's Workforce are required to perform their job duties at State Fund's physical office locations to ensure the continuity of State Fund's operations during the shelter-in-place order, increasing the risk of their exposure to the virus;

WHEREAS, State Fund recognizes the dedication of essential workers throughout California who are unable to perform their essential work duties from home, including State Fund staff working from a State Fund physical office location, without whose commitment State Fund's mandate to provide insurance to California businesses and benefits to California Insured workers would be compromised.

WHEREAS, the Board and State Fund would like to express their appreciation through the establishment of a total reserve fund of One Million Two Hundred Thousand Dollars (\$1,200,000.00) for the purpose of issuing spot awards to individual staff who demonstrate exemplary work performance during this shelter-in-place mandate and/or continue to work from a State Fund physical office location during the COVID-19 crisis thereby ensuring the continuity of State Fund's operations.

NOW, THEREFORE,

BE IT RESOLVED that the Board appreciates the extraordinary effort by individual staff in the State Fund workforce who demonstrate exemplary work performance during this shelter-in-place mandate and/or continue to perform their essential job duties from a State Fund physical office location enabling the continuity of State Fund's operations during the COVID-19 crisis; and

Resolution No. 2279
Approval of COVID-19 Performance Awards

IT IS FURTHER RESOLVED that the Board hereby establishes a total reserve fund of One Million Two Hundred Thousand Dollars (\$1,200,000.00) for the purpose of issuing spot awards to individual staff who demonstrate exemplary work performance during this shelter-in-place mandate and/or perform their essential job duties from a State Fund office to enable the continuity of State Fund's operations during the COVID-19 crisis; and the President of State Fund, or his delegate, is authorized to determine, in a reasonable manner, the basis, amount, and timing for the issuance of spot awards to individual staff.

PASSED AND ADOPTED at the meeting of the Board of Directors of the State Compensation Insurance Fund held on this 17th day of April, 2020 by the following vote:

<u>MEMBER</u>	<u>VOTE</u>
David M. Lanier, Chair	YES
Senator Tom C. Berryhill (Ret.)	YES
Daniel M. Curtin	YES
Richard J. Guggenlime	YES
Senator Michael J. Machado (Ret.)	YES
Jack L. Neureuter	YES
Alexis A. Podesta	YES
Arthur H. Pulaski	YES
Thomas E. Rankin	YES
Angela D. Tate	YES
William M. Zachry	YES

BOARD of DIRECTORS of the STATE COMPENSATION INSURANCE FUND

Certification by the Assistant Corporate Secretary

I, Hilda B. Padua, Assistant Corporate Secretary for the State Compensation Insurance Fund Board of Directors, hereby certify that the foregoing resolution was adopted by the Board of Directors at their meeting held April 17, 2020.



Hilda B. Padua, Assistant Corporate Secretary

4/17/20

Date