

**AUDIT, COMPLIANCE AND GOVERNANCE COMMITTEE OF THE
CLEAN ENERGY FINANCE AND INVESTMENT AUTHORITY
Minutes – Regular Meeting
Tuesday, April 15, 2014**

A regular meeting of the Audit, Compliance and Governance Committee (“Audit Committee”) of the Board of Directors of the **Clean Energy Finance and Investment Authority (the “Authority”)** was held on April 15, 2014, at the office of CEFIA, 845 Brook Street, Rocky Hill, CT.

1. **Call to Order:** Matthew Ranelli, Chairperson of the Audit Committee, called the meeting to order at 1:04 p.m. Audit Committee members participating: Matthew Ranelli (by phone) and John Harrity.

Absent: Patricia Wrice.

Staff Attending: George Bellas, Joe Buonannata, Joe Casparino, Mackey Dykes, Brian Farnen, Bryan Garcia, David Goldberg, Madeline Priest, Cheryl Samuels.

Others Attending: Christopher Luise, ADNET.

2. **Public Comments:** There were no public comments.

3. **Approval of Minutes:**

Mr. Ranelli asked the Audit Committee members to consider the minutes from the October 4, 2013 meeting.

Upon a motion made by Mr. Harrity, seconded by Mr. Ranelli, the Audit Committee members voted unanimously in favor of adopting the minutes from the October 4, 2013 meeting as presented.

NOTE: Mr. Ranelli requested that the meeting continue with an edit to the agenda order so that the Legislative Update is presented last.

4. **Review and Recommendation to the Board of Directors of CEFIA for Approval of Certain Employee Handbook Revisions:**

Attorney Farnen recommended that the Committee review the proposed Employee Handbook revisions on an item-by-item basis.

Regarding social media use and other personal computer use during work time, Mr. Ranelli noted that it should be clear in the Employee Handbook that use of the internet by employees is a privilege and a work tool, not a right, and that a 15-minute per day time limit on personal use should be imposed. He stated that the policy should be clear in the Employee Handbook so that employees are aware of it and the CEFIA Board can defend it, if necessary.

Mr. Casparino introduced Mr. Luise, Executive Vice President of ADNET Technologies, LLC, a computer consulting firm who has developed best practices for computer and social media policy. Mr. Luise highlighted the connection of office culture to social media and personal computer use. He questioned what the difference is between an employee calling a relative on a work telephone versus using social media to contact them, to which Mr. Ranelli replied that personal social media use on a work computer can ultimately cause a bandwidth issue, is subject to the Freedom of Information Act, and should be prohibited.

Mr. Harrity pointed to the concept of general misuse of time as already potentially addressing this issue and stated that it is beneficial for employees to take a few minute-long break during the day – during which they can take care of personal matters (e.g., checking-in with their children). Mr. Harrity and Mr. Ranelli agreed to move the resolution forward to the Board, but with the caveats of zero-tolerance use of social media, streaming videos, and that CEFIA should research what policies exist at other agencies.

Mr. Ranelli stated that is it appropriate to add to the Employee Handbook that to the extent to which CEFIA employees are commenting on social media outlets in their capacity as a CEFIA employee, they should use their full name and not a pseudonym.

Mr. Ranelli recommended that Bryan Garcia or his designee keep a list of electronic blogs or forums in which CEFIA employees comment in their formal capacity in an effort to keep a record of where CEFIA is commenting. Attorney Farnen recommended that this be a responsibility of the future Director of Marketing.

Mr. Harrity stated that the Employee Handbook is very well-written overall, but asked whether it was more or less expansive than that of any other agency. Attorney Farnen noted that Suzanne Kaswan would know the answer, but that it is likely on par with those of other quasi-government agencies.

Mr. Dykes provided an overview of the vacation carry-over policy, which clarifies that an employee is allowed to carry-over a maximum of 30 vacation days per year.

Upon a motion made by Mr. Harrity, seconded by Mr. Ranelli, the Audit Committee members voted unanimously in favor of adopting the following resolution:

WHEREAS, the Clean Energy Finance and Investment Authority (CEFIA) has developed and maintains an Employee Handbook which come under continuous review by CEFIA staff and is subject to change from time to time;

NOW, therefore be it:

RESOLVED, that the Committee hereby recommends to the Board of Directors of CEFIA approval of the revisions to the CEFIA Employee Handbook as presented to the Audit, Compliance and Governance Committee on April 15, 2014 subject to staff following up on other agencies' policies and the following caveat and reservation for a broader discussion with the full Board of Directors:

- zero-tolerance for private use of social media and streaming videos.

RESOLVED, that the Committee hereby recommends to the Board of Directors of CEFIA that CEFIA staff shall be authorized to update the Employee Handbook and related appendixes and forms for non-substantive revisions and updates.

5. Review and Recommendation to the Board of Directors of CEFIA for Approval of Certain Operating Procedure Revisions:

Attorney Farnen expressed his desire to clarify Board authorizations as related to CEFIA-written Request for Proposals (RFPs). He stated that Operating Procedures are currently drafted in a manner tied to the old Connecticut Clean Energy Fund model for grants and that having to get an RFP approved by the Board at the time of release is not the most effective way to use Board Resources.

Mr. Ranelli stated that there is not much for the Board to argue in favor of their having to review each RFP. Mr. Harrity concurred, but stated that Board members should still have the option to review an RFP at their request. Mr. Dykes confirmed that this is possible and that all RFPs are made public on CEFIA's website.

Mr. Ranelli asked if the section of Page 7 of the Operating Procedure that discusses the CEFIA President's authority to modify policies is intended to remedy the sick leave policy debate of fall 2013. Mr. Garcia confirmed in the affirmative and stated that Connecticut Innovations has a similar policy. Mr. Ranelli recommended that CEFIA staff be able to explain this in more detail to the Board in case it is asked at their next meeting.

Upon a motion made by Mr. Harrity, seconded by Mr. Ranelli, the Audit Committee members voted unanimously in favor of adopting the

following resolution recommending approval of certain Operating Procedure revisions, as written:

WHEREAS, Pursuant to Section 15 of the CEFIA Operating Procedures, the Audit, Compliance and Governance Committee (the “Committee”) shall meet to review and discuss the matters addressed by these procedures and, if deemed necessary, to make recommendations for amendment of these procedures to Board of Directors;

NOW, therefore be it:

RESOLVED, that the Committee hereby approves publication of revisions to CEFIA’s Operating Procedures in the Connecticut Law Journal pursuant to the Notice set forth as **Attachment A**.

RESOLVED, that the Committee hereby recommends to the Board of Directors of CEFIA approval of the revised Operating Procedures contingent upon the review of any and all public comments.

6. Legislative Update:

Mr. Goldberg provided an update on legislation, stating that Senate Bill 357 with CEFIA’s three matters (On-Bill Repayment for electric distribution companies, microgrids in C-PACE, and the agency’s name change) was referred to the General Assembly’s Environment Committee on April 9, 2014. He hoped to have an update from the Energy & Technology Committee chairs on SB-357 in the upcoming days. He also highlighted SB-240, SB-353, SB-404, and HB-5413 as being of interest to CEFIA.

Mr. Harrity requested a copy of Mr. Goldberg’s Legislative Update slide.

7. Adjournment: Upon a motion made by Mr. Harrity, seconded by Mr. Ranelli, the Audit Committee members voted unanimously in favor of adjourning the April 15, 2014 meeting at 2:00 p.m.

Respectfully submitted,

Matthew Ranelli, Chairperson of Audit,
Compliance and Governance Committee