

## NOTICE OF CONNECTICUT STATE AGENCIES

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### PAID FAMILY & MEDICAL LEAVE INSURANCE AUTHORITY

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#### NOTICE OF INTENT TO REVISE ITS PLAN OF OPERATIONS

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In accordance with sections 1-121 and 31-49o of the Connecticut General Statutes, notice is hereby given that the Board of Directors of the Connecticut Paid Family and Medical Leave Insurance Authority (“hereinafter the CT Paid Leave Authority”) intend to revise its Plan of Operations to correct typographical errors; revise the timeline for adopting a budget; establish a procedure in the event the Board of Directors does not adopt a budget in a timely fashion; and enable the CT Paid Leave Authority to utilize contracts competitively procured by any department, division or branch of the State of Connecticut.

All written comments regarding these procedures must be submitted by May 20, 2021 to the CT Paid Leave Authority via email at [PFMLIAComments@ct.gov](mailto:PFMLIAComments@ct.gov).

#### MISSION

The Paid Family and Medical Leave Insurance Authority (PFMLIA) helps Connecticut’s workforce navigate health challenges and life changes with greater financial security.

#### VISION

Connecticut’s workforce has access to reliable income replacement to take care of themselves and their families during the most important times in their lives.

#### OPERATIONS

#### ADMINISTRATION OF POLICY

The CEO has overall responsibility for directing the implementation and administration of policies and procedures. On a day-to-day basis it is the responsibility of each supervisor to administer all policies and procedures in a manner consistent with this policy.

#### GOVERNANCE

PFMLIA, a quasi-public agency of the State of Connecticut, shall be governed by a Board of Directors (Board) comprised of a number, and appointed in a manner, as prescribed in Section [41]31-49e *et seq* of the Connecticut General Statutes. The affairs of the Board shall be conducted in accordance with applicable law.

#### ADMINISTRATION

The affairs of the Authority shall be administered in accordance with applicable law, the Bylaws, this Plan of Operations and other administrative policies as may be adopted by the Board from time to time. The Board shall appoint a Chief Executive Officer in accordance with Section 31-49f of the Connecticut General Statutes, who shall have the duties and responsibilities set forth therein. References in this Plan of Operations to approval by the Board shall mean and include approval by the Board. To the extent there is any inconsistency between this Plan of Operations

and the enabling statutes or the Authority's by-laws, and the enabling statutes, the statutes shall control.

### ANNUAL OPERATING BUDGET

The fiscal year of the PFMLIA runs from July 1<sup>st</sup> through June 30<sup>th</sup>. The Chief Executive Officer shall present an Annual Operating Budget not later than [4]3 months prior to the close of the fiscal year for the forthcoming fiscal to the Finance and Audit Committee. The Finance and Audit Committee will have [45]31 calendar days to review and comment on the Annual Operating Budget prior to submittal to the Board. [In the event the Finance and Audit Committee have no comments] **After the end of the Finance & Audit Committee comment period, the proposed Annual Operating Budget will [immediately move on] be presented to the Board for discussion and consideration at the meeting immediately following the review and comment period. The Finance & Audit Committee may reduce the comment period pursuant to a majority vote by the Committee if it determines that it does not need the full 31 calendar days for review and comment.**

[Three] **No later than one** month prior to the close of the current year, the Board shall take up for consideration, modify if necessary and adopt the proposed budget to be effective beginning the first day of the forthcoming fiscal year July 1<sup>st</sup> through June 30<sup>th</sup>. **If the Board is unable to comply with these deadlines, the previous Board-approved budget shall remain in place until the Board has voted to adopt a new budget.**

The Chief Executive Officer may present modifications to the annual operating budget during the fiscal year to which it relates as fiscal outcomes become available. The Board may consider and adopt the proposed modified changes during the current fiscal year as it relates.

Any non-budgeted expenditure greater than five thousand dollars (\$5,000) for the purchase, lease or acquisition of real or personal property or personal services shall require the approval of the Board.

### TIMELINE

The Authority shall comply with statutory timelines as defined in section 31-49e *et seq* of the Connecticut General Statutes, to collect contributions, distribute benefits, and carry out all other functions and responsibilities of the Authority.

### PERSONNEL POLICIES

The Authority shall promulgate personnel policies that are compliant with all state and federal laws and regulations concerning workplace conduct and rights under all applicable state and federal statutes. The policies shall include but are not limited to policies concerning compensation, job classifications and postings, performance evaluation, dismissal, fringe benefits, business travel and reimbursement, paid time off, Workers' Compensation, overtime, hours of work, pay periods, conflicts of interest and workplace conduct including harassment and sexual harassment. Such policies shall be created by the Authority and approved by the Board of Directors.

### PURCHASE AND LEASE OF REAL AND PERSONAL PROPERTY

The Authority, acting through the Chief Executive Officer or another duly authorized officer, shall have the authority to invest in, acquire, lease, purchase, own, manage, hold and dispose of real and personal property, and to lease, convey or

deal in or enter into agreements with respect to such real and personal property, on any terms necessary or incidental to the carrying out of the purposes of the Authority.

### PROCUREMENT PROCEDURES

The Authority may purchase, lease or acquire real and personal property on a bid, negotiated or open-market basis, including through a sole source procurement or in such other manner as the Chief Executive Officer determines to be appropriate and in the best interests of the Authority under the circumstances.

### CERTAIN REAL ESTATE TRANSACTIONS

The Authority may purchase, lease or acquire real property for its use with amounts appropriated by the state to the Authority or with the proceeds of bonds supported by the full faith and credit of the state.

### PROCUREMENT PROCEDURES

The Authority, acting through the Chief Executive Officer or another duly authorized officer, shall have the authority to acquire, lease, purchase, own, manage, hold and dispose of real and personal property, to lease, convey or deal in or enter into agreements with respect to such real and personal property, and acquire or contract for personal services and professional services on any terms necessary or incidental to carrying out the purposes of the Authority.

Any non-budgeted expenditure greater than five thousand dollars (\$5,000) for the purchase, lease or acquisition of real or personal property or personal services shall require the approval of the Board.

The Authority may purchase, lease or acquire **real and personal property** on a bid, negotiated or open-market basis, including through a sole source procurement or in such other manner as the Chief Executive Officer determines to be appropriate and in the best interests of the Authority in the circumstances, in accordance with the following:

- Minor nonrecurring purchases of any type of goods up to \$5,000 (annually, per item), also known as direct or open market purchases, may be made without obtaining quotations or bids.
- Purchases or contracts over \$5,000 and up to \$100,000 (annually, per item) must be based upon, when possible, at least three written quotations or bids from responsible and qualified sources of supply.
- Purchases or contracts over \$100,000 (annually, per item) must be based upon when possible, on a competitive procurement process resulting in at least three written quotations or bids, from responsible and qualified sources of supply.

Contracts for *personal services* and professional services shall be awarded by the Authority in such manner, including on the basis of a sole source procurement, as the Chief Executive Officer determines to be appropriate and in the best interests of the Authority in the circumstances, in accordance with the following:

- Minor nonrecurring purchases of any type of services up to \$5,000 (annually, per item), may be made without obtaining quotations or bids.
- Contracts requiring an expenditure by the Authority in excess of \$5,000 and not less than \$100,000 over the period of one fiscal year must be based upon, when possible, at least three written quotations or bids, from responsible and qualified sources of supply.

- Contracts requiring an expenditure by the Authority in excess of one hundred thousand dollars (\$100,000) over a period of one fiscal year, wherever possible, such contract shall be awarded pursuant to a process of competitive negotiation where proposals are solicited from at least three (3) qualified parties.

If the Chief Executive Officer determines that a competitive procurement process is not possible, including but not limited to the following situations, the Chief Executive Officer shall provide a written justification of that determination to the Board:

- When the Chief Executive Officer determines that a sole source procurement is appropriate and in the best interests of the Authority.
- When the Chief Executive Officer determines that it is necessary to engage in emergency repairs and emergency purchases (excluding real property) costing up to \$200,000. An “emergency” exists where the normal operation of the Authority, the health or safety of any person, or the preservation of property would be seriously impaired, threatened or jeopardized if immediate action were not taken to correct the situation.

The above-referenced requirement for a written justification shall not be required in connection with the following transactions:

- Purchase transactions between or among the Authority and State agencies;
- The purchase of goods or contractual services from the United States Government, a federal agency, and any state government or any of their political subdivisions;
- The purchase of goods or contractual services utilizing [an existing DAS]contract **that has been competitively procured by a department, division or branch of the State of Connecticut** instead of independently engaging in a competitive solicitation;

The purchase of the following types of goods or services the nature of which preclude competition:

- Seminar or Certification Fees for Employees (i.e., Skill Path, Fred Pryor (or other local) seminars and/or professional designation/certification type trainings or workshops)
- Rental of conference and/or hotel facilities
- Publications
- Subscriptions (including electronic subscriptions)
- Advertising (including online and/or social media advertising fees)
- Dues, Fees, Tuitions, [Honariums]**Honoraria**, Sponsorships, Mentorships
- Certain public utility services (electric generation services, electric distribution services; water services, and natural gas distribution services)
- Cable and satellite television equipment and services (excluding internet services and excluding telephone services)
- Renewal of software licenses and Renewal of software maintenance
- Postage
- Licenses (excluding software licenses)
- Transportation of persons and freight
- Donations to charitable organizations and scholarship funds
- Gift cards
- Exhibit space and booths at trade-shows/conventions or other events

- Hiring of guest speakers (i.e., notable persons or personalities) for conferences and/or other events
- Catering services
- Car wash services
- Florist services
- Payments of parking fees (including validations)
- Products or services from professional associations to which the agency is a member
- Expert Witnesses

**Solicitation of Proposals for Certain Services:** The Authority shall solicit proposals at least once every three (3) years for financial, legal, bond, underwriting and other professional services required by the Authority on a regular and ongoing basis. The Authority shall not contract with the same person, firm or Authority to conduct financial audits of the Authority for more than six (6) consecutive fiscal years.

Nothing in this section shall prohibit the Authority from utilizing accountants, attorneys, financial advisers, and other professional services approved or provided by such state agency or quasi-public authority as a part of its normal contracting process, provided such use does not create any conflict of interest.

Any solicitation of bids or proposals by the Authority shall be published on the State Contracting Portal.

#### **STATE CONTRACTING REQUIREMENTS**

Any solicitation of bids or proposals by the Authority, and any award of a contract by the Authority, shall be subject to all state procurement and contracting requirements applicable to quasi-public agencies of the state, including without limitation the following to the extent applicable in the circumstances:

- Section 9-612(g) of the General Statutes, as amended, relating to campaign contributions by state contractors and their principals and related notices to state contractors and prospective state contractors;
- Section 4-252 of the General Statutes relating to affidavits as to gifts from contractors under certain large state contracts;
- Section 4a-81 of the General Statutes relating to affidavits with respect to consulting fees;
- Section 3-13l of the General Statutes relating to the prohibition of finder's fees in connection with investment transactions;
- Section 3-13j of the General Statutes relating to the disclosure of third-party fees attributable to investment services contracts;
- Section 4-61dd of the General Statutes relating to whistleblower protections; and
- Section 4a-60 and 4a-60a of the General Statutes relating to non-discrimination in state contracting and documentation of contractor adoption of a corporate policy supporting the non-discrimination agreements and warranties required by Sections 4a-60 and 40a-60a.

#### **PFMLIA TRUST FUND SOLVENCY**

The Authority shall make every effort to assure the solvency of the PFMLIA Trust Fund by regularly monitoring contributions and benefits payments and making regular reports to the Board of Directors regarding the Trust Fund's use and solvency. In the event that the Fund's solvency is in question, the Authority shall immediately take corrective actions to assure the solvency of the PFMLIA trust fund, including

adjusting benefit payments to covered employees by the minimum amount necessary to assure the program's solvency, pursuant to its authority to do so under Public Act 19-25 of the Connecticut General Statutes.

#### **PFMLIA OPERATIONAL REVIEW AND AUDIT**

The Authority shall assure the integrity of the Trust Fund and the Authority's operations by performing regular reviews and audits of contributions, claims payments and the general operations of the Authority and its Trust Fund. Findings of the reviews and audits shall be reported regularly to the Board of Directors, and the Authority shall take all reasonable corrective actions to address issues and concerns raised by the findings. The CEO or his or her designee shall immediately report to the Executive Committee of the Board of Directors and to the Board any contribution, payment, or operational concerns, and **shall** consult with the Board of Directors regarding actions taken to resolve the concerns and address the findings.

#### **AMENDMENT OF POLICIES**

This Plan of Operations may be amended in accordance with Section 1-121 of the Connecticut General Statutes.

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