

CITIZENS PROPERTY INSURANCE CORPORATION

**MINUTES OF THE
AD HOC COMMITTEE MEETING
Tuesday, October 27, 2020**

The Ad Hoc Committee of Citizens Property Insurance Corporation (Citizens) convened telephonically on October 27, 2020 at 2:00 p.m. (EST).

The following members of the Ad Hoc Committee were present:

James Holton, Chair
Carlos Beruff
Reynolds Henderson

The following members of the Board were present:

Bette Brown
Marc Dunbar
Will Kastroll

The following Citizens staff members were present:

Barry Gilway
Violet Bloom
Huw O'Callaghan
Barbara Walker

Call Meeting to Order

Barbara Walker: Good afternoon and welcome to Citizens October 27, 2020 Ad Hoc Committee meeting that was publicly noticed in the *Florida Administrative Register* to convene at 2 PM today. Those in attendance through the public link are automatically in "listen only" mode. Citizens Board and committee meetings are recorded with transcribed minutes available on our website. Thank you for identifying yourself prior to addressing the committee. For the record there have been no public requests to speak during today's committee meeting. Chairman Holton, would you like for me to proceed with roll call? I believe we're waiting on one more member, sir.

Carlos Beruff: I'm here right here.

Barbara Walker: Great. Would you like me to proceed with roll call, sir?

Chair Holton. Yes.

Chair James Holton, Carlos Beruff, and Reynolds Henderson were in attendance.

Chair Holton: Thank you very much and welcome members to the first meeting of the Ad Hoc Committee. As you know our purpose is to establish the process for selecting a new legal counsel. We're going to hear from staff today on how to do that. Barbara, just for the record, again, I'll ask for public comment, and the record reveals that there is none?

Barbara Walker: Yes, sir, at this time there is no public comment; however, you do have some board members that may want to comment.

Chair Holton: Okay. Do they wish to comment at this point, or reserve their comments until later in the program?

Barbara Walker: I believe they would reserve their comments until later, sir.

Chair Holton: Okay, that's fine. Since this is the inaugural meeting, there are no prior minutes. We'll get into the program. The Chair recognizes Violet Bloom for an update and her remarks on the former process of selecting legal counsel.

Violet Bloom: Thank you. Good afternoon. For the record, Violet Bloom, Chief Human Resources Officer. On behalf of Citizens' staff, we thank all of you for serving in an advisory capacity in the recruitment process for Chief Legal Officer and General Counsel job. This position provides executive oversight for Citizens Legal Services Division and performs a wide range of legal services. An expert level of legal knowledge and insurance law, preferably focused on Florida residential and commercial property and casualty insurance, is required to perform the job. It will be very difficult to find a candidate who has the breadth of experience and expertise that our current General Counsel Dan Sumner brings to the role. The primary focus of our meeting today is to review the process for recruitment and selection. We plan to follow the recruitment process and procedures that have been successfully used in the past to fill positions. Huw O'Callaghan, Assistant Director Talent Acquisition, will oversee the recruitment process. Huw has been with Citizens since 2008, and has over 20 years of experience in the talent acquisition area. Huw has previously managed the hiring of executives and senior managers for Citizens and is supported by a team of experienced recruiters and sourcing experts that are well-positioned for a search of this nature. Huw will provide you with an overview of the recruitment process and then we will open the meeting for discussion and questions. Chairman Holton may I turn the meeting over to Huw at this time?

Chair Holton: Please do.

Huw O'Callaghan: Good afternoon and thank you, Violet. For the record, Huw O'Callaghan, Assistant Director Talent Acquisition. As Violet mentioned, we've considered a number of different options for this search and have identified a recruitment process that I would like to review at a high level this afternoon. Our goal, in this initial point in our strategy, would be to obtain high visibility for our posting but also to ensure the visibility that we achieve is relevant and the responses and subsequent applications that we do receive are aligned with what we're looking for. So, first and foremost in those efforts will be the Citizens Career page, this is where our initial posting will be featured and where eventually those formal applications for consideration will be received for both external and internal applicants. From there we will be utilizing technology that supports the distribution of that initial

posting through the form of job aggregators. If you're not familiar with that concept, aggregators will take our initial posting and then, in turn, will add that and send that to numerous sites to further expand our reach and visibility. That happens automatically and it does help to grow our audience considerably. Also, we will be posting on Indeed and Glassdoor.com specifically as they are two of the primary jobsites with whom we currently have partnerships, and some 80% of U.S. jobseekers used a Glassdoor or Indeed.com in 2019. In a similar fashion to those aggregated I just mentioned, our posting will be picked up and then shared by them to their subscribers. LinkedIn, probably the best known tool we have to support this strategy and we have the benefit of leveraging our partnership with LinkedIn . . . currently they have approximately 660 million subscribers and our postings are added to our company page on LinkedIn as well as specialized legal groups within the LinkedIn platform and it will also feature in the newsfeed for LinkedIn subscribers. Most importantly our agreement with LinkedIn allows for the sourcing of candidates within those 600+ million members and I'll speak to that in more detail in a moment. Lastly, from a posting perspective, we will be exploring targeted ads on the Florida Bar News and Journal, lawjobs.com, Law Crossing, and other publications, sites, and groups that have an audience or readership that is specific to the role we're looking to fill here. Those are some of the examples of the outward facing and candidate awareness activities that we'll be conducting. Possibly the most important aspect of this strategy is to engage in, what I mentioned a moment ago, which is active candidate sourcing. Sourcing, in essence, involves the Talent Acquisition Team searching for and networking and initiating contact with passive candidates or perhaps with individuals who are not actively looking for a career move and may not necessarily be looking through our career pages or any of the other sites that I just mentioned. Some roles typically at this senior level do require that additional step and at certainly helps that we ensure we don't miss out on potential talent simply because they are not looking for an opportunity at this particular time. That's where we'll be leveraging that networking capabilities on LinkedIn to reach out and make contact with those individuals. We have two dedicated resources that will be engaged in that particular aspect of strategy. From a screening perspective, myself and the two resources I just mentioned will be making first contact and engaging in those preliminary conversations, fact finding with those candidates or interested parties, and establishing suitability and interest in order to draw up a short list of recommended candidates. Barry, Violet, and myself will meet weekly or as necessary to assess those responses and the levels of interest that we received up to that point. Then depending on those responses, we would then move to conduct preliminary interviews and that would include members of the Citizens Executive Leadership Team. Or, again, depending on the level of interest and suitability we continue sourcing and reviewing applicants. From those preliminary interviews, a short list of candidates from that applicant pool will be shared with the advisory committee, and you will then be invited to interview on a one-on-one basis and then share your feedback with Barry. We have also discussed the option of partnering with an outside executive search firm. Our strategy in this particular case would be to prepare a request for proposals (RFP) in order to potentially secure and execute a contract to support these efforts if that was needed. And, the estimated time to complete an RFP of that nature would be roughly seven weeks, and that timeline would run in conjunction with the other efforts that I just mentioned so that we wouldn't lose any time if indeed that option becomes necessary; we would be then ready to execute a contract with a search firm and we won't have lost any time. Again, that's only if that option was deemed necessary. That is a very high-level look at the process, and at this point, I'll invite any questions, or for that matter, any suggestions regarding advertising options, possible sources of candidates, etc.

Chair Holton: Any questions for you or Violet at this juncture?

Reynolds Henderson: I have a question.

Chair Holton: Yes, you're recognized.

Reynolds Henderson: Thank you. I would like to ask staff: are we going to stick with the original job description? Are there going to be any changes to the job description? As far as the headhunter firm, are we willing to entertain the idea of someone coming in, and if a headhunter, for the lack of a better word, brought somebody to the table, pay a fee based on performance of an executed employment contract not based on hiring somebody and then getting them to go out specifically and having some kind of exclusive . . . is there anything where we can we can put it out there, and if a headhunter came with the right person right fit, we pay them the fee but we're not obligated to pay one firm a fee when they might not be bringing us the right person?

Huw O'Callaghan: I can tackle the second part of that question if you like in regard to the executive search firm. I mentioned that strategy based on how those firms typically operate. Those search firms at that level who are servicing positions of this nature – this seniority – typically, as you are alluding to, are on a retained basis and is paid regardless. There could be an option to explore a different avenue perhaps or a different type of contract, but I think it was based on the understanding that most executive search firms work on that foundation.

Barry Gilway: For the record Barry Gilway. So, part one is that we are we are currently looking at the job description. We have reached out to a number of different sources to really take a look at the definition of General Counsel and how it operates within the state and what the requirements are. I've had multiple discussions with other CEOs in the state regarding how they structure their organization and what the responsibilities are. It's still in process. We are looking at ways to strengthen the overall General Counsel role, particularly as it relates to their strategic direction of the organization legally and also the potential involvement in the legal counsel and their influence of legal counsel over the appellate area simply because that is fundamentally where the overall legal policy and direction of the organization gets managed. We have stepped back. We're taking a look at the overall position description, and I believe Violet will comment. Our intent basically is to come up with finalized thoughts relative to the overall position description and then share that with the committee members once it's finalized. Do you have any further comments, Violet?

Violet Bloom: No. You are correct; we will share the final PD and posting.

Chair Holton: Thank you. Members, other questions? Reynolds, anything further?

Reynolds Henderson: That's it. No. I look forward to seeing that and hopefully we can have some input when that comes out. I think strengthening the . . . I think having the assistance of counsel for board governance will be helpful and other elements of procurement. I look forward to seeing what you've got.

Chair Holton: Thank you so much. Carlos, I saw you join. Do you have a question, Carlos?

Carlos Beruff: A very brief question which is the headhunting firms that I've dealt with in the past are pretty straightforward. They bring you a client. You may pay them a fee; otherwise, there is nothing paid. I don't know if it's different. This position is what – a \$200K a year position?

Barry Gilway: The range of the position would be somewhere in the \$300K to \$400K range, Governor Beruff.

Carlos Beruff: \$300K to \$400K range?

Barry Gilway: Right. Something in that range.

Carlos Beruff: Okay.

Barry Gilway: Low end of the range

Carlos Beruff: . . . it really depends on where you started. \$300K to \$400K about the last time I checked was real money. Typically the headhunting firm we've all dealt with I think . . . they will get paid if they bring you a candidate you hire; otherwise, they don't get paid anything, unless there's some difference in the way it works up there.

Violet Bloom: Governor Beruff, you are correct.

Carlos Beruff: That's the only comment I had and I look forward to seeing a lot of candidates, I guess. How are you going to vet those candidates? Mr. Chair, can I continue speaking?

Chair Holton: Yes, absolutely.

Carlos Beruff: How are you going to vet them? Have you put a process in place? Is it experienced based? One of the problems that you have that I've discussed with Mr. Gilway at some length is that we have a challenge at Citizens to have someone that can engage, I think, maybe I have a whole different arm . . . remember I've only been on this thing for practically one meeting and it was a Zoom meeting which as an old fashion guy just can't get the feel of the poker table as well than when I'm sitting with everybody together, right? So, I don't know what part, if any, this position has in helping the staff, particularly, Barry and by extension the governing board to possibly lobby for some legislative changes that are, I think, at least in my brief period I've been paying attention that need to be changed. Will he or she have any responsibility or input into that process?

Barry Gilway: Governor Beruff, absolutely. I think one of the strengths of the current General Counsel is that literally the General Counsel, you know, has been actively involved in the creation of legislation and legislative proposals, you know, that that have been recommended. In fact, many legislators really reach out to us, given our position in the marketplace and really develop our input not only in terms of overall policy and positions but actual language. So, we are a huge contributor to many of the legislative efforts in terms of actually providing language to the legislators to support a certain position or policy. So, the General Counsel would be actively involved.

Carlos Beruff: That comment goes back to the beginning of my comment which is it is the staff reviewing the application as they come in? How do they vet the ability for people to not only . . . it is always faster for an organization to the extent that you can hire somebody that has relationships existing with some of the political body to get things done than it is to hire someone with no experience and throw them into . . . people trust people they know. Trust is earned. It's not something that, you know, you come in with a badge on your shoulders that says, "Trust me because you shall." How is the staff going to vet that in that process?

Barry Gilway: When you see the PD, it lays out very specifically what the background, history, experiences of any candidate. So, the candidates will actually be vetted against the level of experience not only on an overall basis and ability to provide governance over all our divisions but most definitely their overall ability to provide input on Florida market's specific issues. We couldn't agree more that the experience relative to the Florida Market will be one of the primary things that we're assessing here in terms of looking at candidates.

Carlos Beruff: Mr. Gilway, so is it the intent of the staff for us to get a list of everyone that applies for the position or only a condensed list after they vetted the list? If we get to see everybody who applied, then you don't have to worry about what's been vetted out.

Barry Gilway: That would be the decision of this committee, Governor Beruff. The committee basically can decide, you know, to what extent they want to be advised of candidates that we're developing. If it is the desire of the committee to see a list of candidates, then I'm certain that can be arranged. The original intent was for, you know, staff basically to match the candidate against the specific list of requirements and then really vet out a number of candidates that would really go to that second round, if you will. At your choice – at that the chairman and ad hoc committee's choice – you know, we can keep you engaged in the process to whatever extent that you feel comfortable.

Carlos Beruff: Mr. Chairman, thanks for giving me the opportunity to ask my questions. I'm fine. I'm done.

Chair Holton: Thank you for that. One kind of follow up I had to that, guys, as well, is hopefully we can get this done without the need for a recruiter, but if a recruiter is necessary how long again is it going take to get the RFP out?

Huw O'Callaghan: Possibly several weeks.

Chair Holton: Does it make sense, then, to maybe get the RFP out early? We're obviously under no obligation to accept it. If you guys can consider maybe doing that, then I can't see that there's much of a downside risk in doing that. And, then hopefully, if we don't need them, then we don't need them. But, it seems reasonable to get that going at least seven weeks after that.

Huw O'Callaghan: The original intent is to have the RFP initiated and running concurrently with our efforts.

Chair Holton: That is the same is now?

Huw O' Callaghan: Yes.

Chair Holton: Okay. My other follow up question Carlos' question . . . Members do you . . . Reynolds, why don't you weigh in a little on this too? Do you have a feel for how much you want to get involved in terms of actually looking at some of the candidates that apply prior to staff vetting them?

Reynolds Henderson: Yes, sir, Mr. Chair. I would like to see all of the candidates, but what I would love to do is have all that information and then have staff's pick so that we can see what they're looking at but we can go back at anybody who put in. It's going to be a big list for this position, but I would like to have that information, too, because, you know, it will help me. You know, all of us think differently and have different experiences and we may see something in the job description or resumes that pop for us.

Chair Holton: I concur with that, and to that end, if you want to move to have the committee adopt that position, why don't you do so now?

Reynolds Henderson made the motion that staff shares all the information that comes in regarding the applications for the General Counsel position. Carlos Beruff seconded the motion.

Chair Holton: Barbara, call the roll as to comply with the statute.

Carlos Beruff, Reynolds Henderson, and Chairman Holton were in favor. Motion carries.

Chair Holton: Okay thanks. Barry, do you have a couple comments?

Barry Gilway: Yes, sir. The only suggestion I have is that Violent and Huw put together a process for the approval by the committee as it respects to how that would work relative to the feedback mechanism, you know, from the board members to the material that we do provide you as candidates are developed. So, I think we probably need some structure associated with our unit . . .

Chair Holton: . . . that was our general . . . and I think Barry might follow up with an actual process to do that. So, that's good input. Barbara, I'll ask here if there any other Board of Governors on the line now that wish to comment this juncture as well?

Barbara Walker: Yes. We have a Governor Dunbar on the line. Governor Kastroll and Governor Brown. I don't know if any or all of them want to speak.

Chair Holton: Okay. Please just ask them in that order if they wish to do so.

Barbara Walker: Okay. Thank you. Governor Dunbar, do you wish to speak?

Marc Dunbar: I do have a couple of questions and comments. The first is – so we're basically going to have a staff committee that is going to be doing a vetting. One of the things that I'm concerned about from a speed standpoint is if that committee is going to have to go through and notice their reviews and meet in the Sunshine since they are delegating the vetting process? Under the Sunshine manual, it seems to me that there's a Sunshine component to that review, and I didn't know if that was something that you had contemplated or maybe even discussed with Dan on how that was going to work. And, the

concern that I have that I throw out there is that we're looking to potentially steal a very talented person from another organization, and they may be reticent to initially apply if there is going to be this public discussion in the initial vetting process or whatever it's going to be. I just want to make sure . . . it can create a chilling effect on the initial job applicant. Once you get through the first . . . let's say you make it through the first six or whatever there's going to be interviewed by the committee or board, you know, at that point then that candidate knows that, you know, they are at that point they're probably comfortable with the public knowing that they're chasing this position as well as their current employer. But, if the entire list of the hundreds of people or whatever who are going to do that, some of whom might not want to apply if it is going to be out there for everybody to know it initially before they even know they make the cut. You sort of understand the concerns that I have. I don't know that I'm necessarily directing it to you or Barry, but I wanted to throw that out there as concern. The other comment I was going to make is you may want to consider designating one of your committee members as a member of the vetting committee. I think it will help make it move faster. Also, so that there isn't a delay in having to notice the full committee as it goes through and discusses what names to add, what names to subtract, etc. Just something to think about.

Chair Holton: Thank you, Marc, and actually, your first comment I encountered the very issue that you're dealing with when I was Chair of TBARTA when we were hiring a new executive director, and that issue was raised. It is a huge problem actually, so, the way we got around that was by hiring an outside executive search team to do the initial interviewing to stay fully compliant with the Sunshine Law. It's an issue that I think we have to really tackle here because it is right on point, and I think that is the problem there could be that, as you noted, someone from another agency, especially in the state, it is going to be very reticent to apply knowing full well that's going to be out in public and so it is a concern. I would ask Barry and the others and perhaps Legal Counsel currently to weigh in on that, as a way to do that. A point very well taken and your second point as well.

Marc Dunbar: I went through the very exact same thing in the public sector as well where we chose to do exactly what you did with TBARTA which was to use an outside entity that could do the initial vetting and then the short list could come through. The outside entity worked with a board member or somebody very, very senior level so that you at least knew who the names were, but it wasn't a committee process of the "public employees."

Chair Holton: That's an issue we need to tackle. Barry, you have any initial comments on that or thoughts?

Barry Gilway: I agree completely but, you know, to Dunbar's observations, I happen to be recipient of them, when I was brought in as Executive Director, and I literally was in a position where I have accepted a position then after-the-fact, had to go back in and resign from Economical Insurance Group. So, it is a very real issue. Whatever the solution . . . my recommendation in terms of the committee input would be to really comply with the Sunshine Law. Once the committee, you know, were to review the applications to individually make their observations directly to myself or Violet as opposed to . . . I don't think the intent was to put up a list of candidates and then publicly vet the list of candidates. So, the alternative, I think, to avoid that would be individual input from the three, you know, board members. It doesn't solve the problem that you're outlining, Mr. Chairman, subsequent to that when you come down to the final list of candidates. But, initially you could certainly go through that process and get individual input.

Chair Holton: Okay. I think that probably makes sense. I think to Marc's second comment and . . . Reynolds, would you be willing to participate with staff in the vetting process on behalf of this committee?

Reynolds Henderson: Yes.

Chair Holton: You're so designated. Thank you. That solves that issue, and then again I think, Barry, we need to get a more formal way of dealing with the Sunshine issue because this has been a recurring issue especially in hiring in the state and especially at this level. Word will get out very, very quickly in Tallahassee and around the state. I think folks who are ordinarily phenomenal candidates may be disincentivized to apply under those conditions. We need a good process to alleviate that problem.

Marc Dunbar: Mr. Chair, Marc Dunbar. If I could make a suggestion?

Chair Holton: Yes, please.

Marc Dunbar: And this is what we did for another client of mine was we had a member of the board to take Reynolds as designee work with the outside search entity. We did all the posting and everything that Huw described. So, you had all of these public mechanisms that are out there, but they funneled to the outside search entity. And, it worked with the single board member, Reynolds, to the vet and then brought the shortlist to the committee. So, Reynolds would be involved with the headhunting firm or whatever, and we're bringing a recommended shortlist to you three. They would then look at it and then make a recommendation to the full board. At the end of the day, we have to recognize that Citizens has never done a General Counsel search before. Following the model that we went through with Barry seems to make pretty good sense, but really, what we're looking for is the board lawyer. You know, at the end of the day, the General Counsel job is to represent the board and be the board's lawyer. And so, if you had a board member working with the outside search group using the PD that staff came up with, I think that gives you all of the, you know, the ability to do it without having to, you know, "out" a lot of these people right from the beginning. To me, that would be the best way to "skin the cat."

Chair Holton: Yeah, I completely agree with that. It begs the question, though, that we haven't decided that we would necessarily get an outside search committee. We were going to do an RFP for that, you know, at the same time, but then have independent postings. And, the thought was hopefully we could potentially get enough candidates for where we wouldn't need the search committee, so, you know, we're in that delta where we don't have an independent search committee to designate to do the vetting.

Marc Dunbar: I was thinking not a headhunter; we can still do the high dollar headhunter that's going to get a piece of the salary if we use their candidate. That would be one, but we do have executive search firms under contract for lower level staff searching. I believe we have at least three. Violet, correct me if I'm wrong, that we have under contract. They can serve as the vetting mechanism. And, what they basically do is outside they just handle the application, bounce it off the PD, maybe, do a brief phone interview to make sure there is an actual human being that submitted the application, and then pass that information on up to Reynolds. Not . . . while separate apart the high dollar headhunter that

gets the percentage if we were to retain, then they go that direction. I'm pretty sure we just voted on some contracts for some executive search or for some sort of staff search firms.

Chair Holton: Violet, can you or Barry comment on that?

Violet Bloom: For the record, Violet Bloom. We do have search firms under contract. They do not have expertise filling executive level positions, but we do have firms under contract who could fill lower level positions. And, Huw would have to speak to how many are under contract.

Huw O'Callaghan: I believe it's nine, Violet.

Violet Bloom: Thank you.

Chair Holton: Barry, I think you were going to comment as well.

Barry Gilway: The only comment I would make, Mr. Chairman, is I agree with Governor Dunbar completely that one of the primary responsibilities is to really act as the board's General Counsel. The other primary responsibility really is to provide governance over seven separate divisions, you know, for the company. So, I would just . . . although, I agree completely with the engaging a board member in the vetting process, I think it would be absolutely appropriate to make sure that staff have an opportunity to vet the candidate also and provide appropriate candidates given the impact that the candidate would have on their specific division. So, I am not, in any way, adverse to what Governor Dunbar saying; it's just a matter of making sure that that vetting process incorporates, you know, the staff's knowledge associated with what really would be necessary to run the company appropriately.

Chair Holton: I totally concur and I think that was the intent. Marc, correct me if I'm wrong. I think your idea was to have one of these, you know, the existing vendors actually just sit in the secondary role along with staff in terms for the purpose of complying with the Sunshine laws as opposed to more proactive participation in selecting the candidate.

Marc Dunbar: Exactly. What I was trying to do, and I know this sounds bad, but I'm not trying to avoid the Sunshine Law. Obviously, we want to comply with it. I was trying to think of a way where you had the vendor sort of sit in the middle and could give all the applications to Reynolds with the recommendation . . . let's say there are 80 of them. 70 of them clearly don't comply with the PD. That outside entity could say, "We don't really think that these 70 work but here are 10 you should look at, Reynolds." And, Reynolds can go, "I like these five." At the same time, Barry and Violet may be doing the same thing. But, if they meet together, you're going to have a Sunshine trigger. And, my thinking is that if there was a way that you had Reynolds have the ability to basically create a list with whoever the outside vendor would be knowing that that Barry and Violet they would be going through their own, you know, reviews etc. etc. and then you kind of do a comparison of some sort to get you where you have a recommendation in a way that . . . because what's going to wind up happening is when Barry and Violet get together and to discuss resumes, it's a Sunshine event. If Barry gets with Reynolds and they are eliminating people, it's Sunshine event. But, if they come up with their lists separately and provide the feedback to somebody, the records will be public record, but you won't be noticing the discussion points. I'm trying to help through that on "well I don't like this guy; you like this guy" kind of discussion when you're through the initial vetting, it is going to be very problematic as we discussed.

Chair Holton: Right. I know. I just did not want to undermine at all the role in staffing and in the selection process. That's the countervailing prerogative obviously.

Marc Dunbar: I want to make sure that you don't, you know, we don't get in the situation we have a conflict of interest because this position is going to be open to internal candidates as well as external. And so, it puts . . . and, I had to deal with a separate event for a client . . . is when you have internal people that are applying and being vetted by internal people, there's the inherent intention that could exist. Trying to make sure for peace inside the organization, we make sure we understand that so that there is some third party out there that is also involved so there is kind of no hard feelings, you know, in the internal people saying, "Yeah. That internal person might not be the one to make it through." Does that make sense?

Chair Holton: It does. I think the best thing is probably for us to have a discussion with whomever would be the appropriate vendor to work with us on this. So, Violet, any thoughts at this juncture?

Violet Bloom: I am actually going to defer to Barry and Huw.

Barry Gilway: I think step one, Mr. Chairman, in my opinion, would be for . . . I have no knowledge, frankly, of the, you know, of the individuals we have on the contract. But, I think the next step would be to identify the most qualified individual that we have under contract that might be a good partner to work with, so, you know, Governor Reynolds Henderson on vetting – and staff – on vetting the candidates. I think the first step is to make sure we've got an individual that this committee is comfortable with that would be capable working with Governor Reynolds Henderson on the vetting . . . on the identification and vetting.

Chair Holton: Right and that can occur today, but I think we need to and pursuant to Marc's idea here: follow up with that and have a structure to do that because obviously this issue has repeated itself as Marc has noted over and over with searches in Florida, and typically an independent search firm is engaged. But, since we don't necessarily have to do that, there's a way around it. So, I think we just need to find a structure there to be fully compliant with Sunshine in and do the best search we can.

Bette Brown: Chairman Holton, it's Bette Brown. May I speak?

Chair Holton: Yes, please. You're recognized.

Bette Brown: Thank you. It seems to me that we might be making this more difficult than it needs to be. I know that in the past we . . . I'm sure we're going to post the position because we have to. But, I know in the past Barry has lead the charge with interviewing and reviewing and hiring a search firm in coordination with the chairman, or, in this case, it could be in coordination with Reynolds, so that they can sift through those issues and come up with a recommendation for the board. As we've noted, we have concern also with seven senior area concerns that we need to . . . this is a high-level position, but I think that we need to . . . I'm not saying we shouldn't use an outside search firm. I'm saying we should lead . . . you know, maybe this should be Barry leading with input from a board member to review these applications to get to a point where we can make a recommendation or the committee could make a

recommendation to the board. It seems to me that's worked pretty well in the past, and I'm just trying to understand why that's not able to work now. It's not a Sunshine issue?

Chair Holton: I think that potentially this is a Sunshine issue and is why an outside party needs to vet potentially. Again there are workarounds in compliance issues. Marc, are you still on the line?

Bette Brown: It's a Sunshine issue if Barry and Reynolds work together on it?

Marc Dunbar: The way the Sunshine works is if there are two people working in concert related to employment decisions, they are essentially subject to Sunshine - if they have the authority to cut people from the list. So, if they get 100 applications and they have the ability to narrow it down to six and they can meet together to decide on those six, that's a Sunshine event. And so, a lot of times you bring in the executive search firm, the executive search firm will do the initial vetting, and they will liaise with a board member or senior staff separately so that there's not a meeting. There is some transparency in how they're vetting, and if some is on the fence saying, "Hey, Reynolds we're not thinking of moving this one through. Barry, what do you think?" . . . and their notes will all be public once the process is done. So, you have a public records trail but you don't have a need to have a notice for a Sunshine meeting. And then, they're also subject to the confidentiality clause; they can't let the information out, for example, without sanctions. So, what happens is it proceeds in a very, you know, as best you can in confidential fashion so the initial applicants . . . they're not "outed" to their employer that they're looking for this position. I agree. I talked to Barry about this. I think Barry should see everybody that's applying. I think Reynolds should see everybody that applying. That third-party allows you to have that feedback to say, "That third year lawyer just automatically gets vetted out." Or, if there's a recommendation if that gets vetted out, and Reynolds doesn't have to sit through it or Barry doesn't have to sit through it, to know that "oh well, yeah, Joe Smith or Jane Doe was a third year lawyer; we don't need to have a conversation about them". I agree with you. What I'm trying to avoid is that when Barry and Reynolds get together to say, "Who do you like? Who do you like?" now we have a Sunshine event.

Bette Brown: Okay, but there will be . . . I'm pretty sure a very specific job description, so I am hopeful that, you know . . . I obviously couldn't apply; I'm not an attorney. So, there's going to be specific requirements for that job experience level, education, you know. So, I think that if they're 100 applicants, many of them won't qualify. And so, that's the easy part. The hard part is when you get down to those last two or three and that's the fit within the company which is super important since their hands will be in every part of the company and the board to fit within the company and the experience. It just feels like we're not saying it's unimportant; it's very important. It's just seems like we're making it a little harder than it needs to be because I think that if the two either two board members . . . it seems to me, Barry, maybe I'm wrong, didn't, before we hire senior level, didn't you do most of the vetting and then meet with the chairman and discuss that. Then, the chairman . . . you have your dissertation and go back-and-forth and make a recommendation – in this case, it would be with Reynolds – but make a recommendation ("yeah I think that works"). Isn't that what we did before and we're not doing that now?

Barry Gilway: We did, Governor Brown. I think the issue I was trying to get on the table – and I understand some of the complications of the issue- I was trying to get on the table is that I totally agree with Governor Dunbar that this has to be an individual that the board members feel very, very

comfortable in going to for advice, counsel etc. and providing overall legal direction to the board. There's got to be a high level of confidence and experience. At the same time, to your point, Governor Brown, this is an individual that works incredibly closely with each of the executive leadership team members. Frankly, the individual is providing governance to each and every division – each and every executive leadership team member. So, the process previously has been that, you know, the candidates are brought forward for us as a senior position, and then frankly part of the vetting process is to have key members, you know, of the executive leadership team interview the individual also when we get down to final candidates. And that is part of the process in coming up with a final set of recommendations. I do agree that some mechanism to get committee involvement – Governor Reynolds involvement – is appropriate simply because this position more than any other clearly has to be directly responsive, you know, to the board, and the board must have confidence in this individual. I think . . . I don't believe we're going to solve this today, Mr. Chairman. I think we owe you a frankly a process whereby we can really think this through, make sure we're avoiding any Sunshine issues during both the initial process and even more from personal experience in the ultimate process of really getting through the last two or three candidates where we were initially proposing each of the committee members, you know, personally interview these candidates to get a comfort level with the final candidate that might be proposed to the board. So, I would suggest, Mr. Chairman, that we take Governor Dunbar and Governor Brown's recommendations forward and we come back to you with a more formal process that incorporates all of these suggestions but holds in complete compliance with the Sunshine Law.

Chair Holton: I concur with that. Today was mostly about spotlighting the issue; not solving it. I think the issue is on the table; well put. And, again, you know, there's no huge legal issue here; this is just a disincentive for a lot of folks to apply if they know their name is going to get up early . . . the main impetus in trying to establish this mechanism. That point is well taken. We'll move on from this discussion now. Other board members wish to comment, Barbara? I think you have one more on the line?

Barbara Walker: Yes. Governor Kastroll is on the line. Do you wish to comment Governor Kastroll?

Will Kastroll: Thank you, Barbara. I just want to make sure this is done as transparent as possible. I want to make sure that the process for board and also for the citizens that they know that this was looked into and not just one person was the funnel in the process.

Chair Holton: Point well taken. Thank you, Will. Barbara, any other members who wish to comment?

Barbara Walker: No, sir.

Chair Holton: Okay. Thank you. Barry, Violet, or Huw, any other comments from staff in the first meeting?

Barry Gilway: From my perspective, Mr. Chairman, I think you've raised some excellent issues. I think you've given them, you know, myself and staff, the direction and in terms of what the next steps might be and really taken under advisement the recommendations that have been made and incorporating them and coming back to you with an overall proposal that meets all of your expectations.

Chair Holton: Okay, good. Members, any other questions for Barry or staff? [silence] Is there any new business to come before the committee [silence] Meeting adjourned.

DRAFT