

**JERSEY CYBER RISK MANAGEMENT FUND
OPEN MINUTES
MARCH 16, 2023
VIA TELECONFERENCE – 2:00 PM**

Chairman Tom Merchel called the meeting to order, read the statement of compliance open public meeting act and led the pledge of allegiance.

ROLL CALL OF 2023 FUND COMMISSIONERS

Tom Merchel, Chair	PMM JIF - Township of Moorestown	Present
Joy Tozzi, Secretary	Mid-Jersey JIF - Township of Robbinsville	Present
Megan Champney	Suburban Municipal JIF - City of Summit	Present
Steve Rovell	Suburban Metro JIF - Belleville Twp.	Present
Jim Gant	Monmouth JIF - Sea Girt Borough	Present
Joseph Wolk	Camden JIF - Borough of Mount Ephraim	Present
Bernard Rutkowski	NJUA JIF - Toms River MUA	Present
Marc Schrieks	South Bergen JIF - Lodi Borough	Present
TBD	Atlantic JIF - Sea Isle City	Absent
Paul Tomasko	Bergen JIF - Borough of Alpine	Present
Meghan Jack	Burlco JIF - Riverside Twp	Present
Casey Wagner	Central JIF - Woodbridge	Present
Chris Burnett	FIRST JIF - Mt. Laurel Twp. Fire Dist. #1	Present
Adam Brewer	Morris JIF - Pequannock Township	Present
Diane Lapp	Ocean JIF - Manchester Twp	Present
John Clarke	PHA JIF - New Brunswick Housing Authority	Present
James Ulrich	NJSI JIF - Clark Township	Present
Michael Razze	Trico JIF - Pitman Borough	Absent
Frank Elenio	PAIC JIF - Ridgefield Borough	Present

PROFESSIONALS PRESENT:

Executive Director/Adm	PERMA Risk Management Services David N. Grubb, Joseph Hrubash, Cathleen Kiernan, Sandra Cantwell
Deputy Executive Director	Risk Program Administrators Paul Forlenza, Kamini Patel
Claims Adjustor	CB Claims LLC Chris Botta, Esq.
Chief Financial Officer	Pauline Kontomanolis, CPA
Attorney	Dorsey & Semrau Sue Sharpe, Esq., Fred Semrau, Esq.
Claims Manager	Robyn Walcoff, Esq.

Planning Consultant **Barbara Murphy**

Treasurer **Charles Cuccia**

ALSO PRESENT:

Ted Preusch, Bergen JIF, Alternate Fund Commissioner
Matthew Martin, FIRST JIF, Alternate Commissioner
Matthew von der Hayden, Ocean JIF, Alternate Commissioner
Matt T. McArow Jr., GJEM Otterstedt Agency
Michael Avalone, Conner Strong & Buckelew
Alison Kelly, Danskin Insurance Agency
John Casagrande, Danskin Insurance Agency
Chuck Casagrande, Danskin Insurance Agency
Robin Racioppi, Acrisure
Ezio Altamura, GJEM Otterstedt Agency
Chuck Hartsoe, PEGAS
Lindsay Travali, Acrisure
Katie Walters, Conner Strong & Buckelew
Jonathon Tavares, Conner Strong & Buckelew
Jackie Lindsey, Conner Strong & Buckelew
Dave Vozza, The Vozza Agency
Pauline Kontomanolis, PERMA
Brad Stokes, PERMA
Steve Sacco, PERMA
Robyn Walcoff, PERMA
Nancy Ghani, PERMA
Jason Thorpe, PERMA
Tracy Lopez, PERMA
Zareena Majeed, PERMA

MINUTES: Included in the agenda were the open minutes of February 10, 2023. Commissioner Schrieks noted that the time for today’s meeting in the minutes was 10:30am and should have been 2:00pm.

Motion To Approve February 10, 2023 Open Minutes With Noted Update:

Moved: Commissioner Rovell
Second: Commissioner Wolk
Vote: Unanimous – 2 Abstentions
 (Commissioners Jack and Burnett)

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR REPORT:

Executive Director asked for a motion for Resolution 39-23 appointing PERMA Risk Management Services as Agent for Process.

Motion to adopt Resolution 39-23 appointing PERMA Risk Management Services, Inc. as the agent for process of service for the NJ Cyber JIF.

Moved: Commissioner Rovell

Second: Commissioner Tozzi
Vote: Unanimous

RISK CONTROL COMMITTEE: In response to Executive Director Grubb, Chairman Merchel gave a report from the Risk Control Committee. The members of the committee include himself, Adam Brewer, Joy Tozzi and Kellie Seib, who has since had to step down from the committee. The committee met several times over the past month with several professionals and support staff. On February 23rd the committee conducted interviews with vendors to learn about their abilities to provide phishing exercises, employee training and external scanning services. The vendors interviewed were Insight/Wizer, D2 and Government Solutions. The committee also received information from Hack Notice, although they were not directly interviewed.

After much discussion, the committee recommends a panel approach to offer each individual joint insurance fund (not each individual member) the opportunity to select the services from the vendor(s) that they feel provides the best fit for their JIF. All four vendors would be an option for the phishing and employee training services, and for external scanning the vendor choices are D2 and Governmental Solutions, as Insight/Wizer and Hack Notice does not provide that service.

The committee recommends a contract term of three (3) years plus two 1-year renewal options.

A minimum scope requirements list would be created from the RFP with a few additional recommendations from Chertoff Group, the Cyber Security Advisor.

Commissioner Brewer said the process was more challenging than anticipated and he thanked the staff for all the behind-the-scenes support.

Executive Director Kiernan said the vendors have agreed to convert their pricing to a ‘per employee’ rate. The providers had differences on how they launch, manage, and follow up on their services, so this pricing will aid the JIFs in deciding what options work best for them.

Chairman Merchel said the individual JIFs can determine if their members have the resources to provide the administration support for these services or if they need to procure 3rd party vendor in that role.

Executive Director Hrubash said the panel approach will allow each JIF to move forward as soon as possible with solutions that work for them. He then thanked the Commissioners for their input and knowledge.

In response to Commissioner Ulrich, Chairman Merchel said the minimum requirements for each service would be developed by the Board of Commissioners and the professionals. The individual JIFs can then choose to invite the vendors to interview and select the vendor that best suits their needs. Commissioner Ulrich lost his phone connection; Planning Consultant said she would continue the conversation offline.

Deputy Executive Director Forlenza said that the committee will need to include a structure that allows JIFs that already have contracts in place for these services to receive reimbursement this year as appropriate. Executive Director Hrubash agreed, and Executive Director Grubb said the committee would be including this topic in next month’s meetings.

Motion to accept the Risk Control Committee’s recommendation to offer a panel for the individual JIFs to select a vendor of choice:

Moved: Commissioner Rovell
Second: Commissioner Clark
Vote: Unanimous

RISK CONTROL MINIMUM STANDARDS: Origami is in the final stages of completing the updated worksheet for the 2023 Cyber Risk Control Program. All members have already received a copy of the program. Executive Director Kiernan said the last step is to create a link in the Origami

Cyber schedule to show the status of compliance for the members from the previous year, which will show at what level members have been grandfathered to keep last year's deductible while they work to meet the new minimum standards.

Technology Stack Questionnaire: Executive Director Kiernan said the Chertoff Group developed a "technology stack questionnaire" for all members to complete. This questionnaire will collect a broad framework of information on how members are currently managing their technology and help determine what services will be of most use. This questionnaire will be distributed via Origami to the Fund Commissioners, and they can forward the survey to the appropriate technical person in their organization to respond. In response to Commissioner Merchel, Underwriting Manager said the survey is to get an initial inventory of platforms, operating systems, cloud providers, etc. to better understand what the general membership is using.

In response to Commissioner Brewer concerning the administration of contracts, Chairman Merchel said the current thinking is a blanket contract will be held by the Cyber JIF and the individual JIFs will contract services under the Cyber contract. Each JIF will need to do additional work to determine services and vendor(s) of choice. Executive Director Kiernan said because pricing is being structured per employee this will help the JIFs manage the services and budgeting. In response to Executive Director Hrubash, Fund Attorney said because of today's decision to provide a vendor panel option to the local JIFS, their office will make recommendations for formal actions regarding resolutions, contracts and expenditure of funds.

After some discussion, it was agreed that in the event a member had all the requirements completed and was waiting for the Cyber JIF to offer training, the Board could discuss at that time if the deductible reimbursement would be offered to the member.

Chairman Merchel asked about member committee members that have an email address but are not connected to the network and only use outside devices and how those users would be factored into training and tracking for compliance. In response Executive Director Hrubash suggested that we ask the vendors to advise on the best way to manage and track those types of users and the Board of Commissioners agreed.

NJ CYBER WEBPAGE: Executive Director Grubb said a separate webpage is required and is being developed.

INCIDENT RESPONSE TABLETOP SEMINARS: Underwriting Manager said they are working with a law firm to provide a highly interactive tabletop seminar on how to handle a cyber event. The first seminar is scheduled for April 20th at the Lodi Municipal building and the invite will be going out soon.

NEXT MEETING: The next meeting is scheduled for Thursday April 20, 2023 at 2:00 PM via Zoom

UNDERWRITING MANAGER: No additional report.

TREASURER:

RESOLUTION 40-23 FOR MARCH 2023 VOUCHERS:

March 2023	\$30,948.90
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MOTION TO APPROVE MARCH 2023 BILLS LIST RESOLUTION 40-23 AS PRESENTED:

Moved: Commissioner Gant
Second: Commissioner Elenio
Roll Call Vote: 17 Ayes – 0 Nays

NEW BUSINESS:

In response to Commissioner Schrieks, Executive Director Kiernan said the NJ Cyber Fund Commissioners and professionals will need to file financial disclosures this year. Fund Attorney said when a new commissioner joins the board throughout the year they have 60 days to file.

Executive Director Kiernan said Sandy Cantwell would be supporting the Cyber JIF as Account Manager, transitioning from Nancy Ghani.

OLD BUSINESS:

NONE

PUBLIC COMMENT:

NONE

CLOSED SESSION: There was no need for Closed Session.

MOTION TO ADJOURN:

Moved: Commissioner Schrieks
Second: Commissioner Clarke
Vote: Unanimous

MEETING ADJOURNED: 2:38 pm

NEXT MEETING: April 20, 2023 – 2PM via Zoom

Sandra Cantwell, Assisting Secretary

For

JOY TOZZI, SECRETARY