

**ROSWELL PARK CANCER INSTITUTE CORPORATION  
BOARD OF DIRECTORS**

A meeting of the Board of Directors of Roswell Park Cancer Institute Corporation was held on Friday, March 30, 2018 at 12:00 pm in the Gaylord Cary Conference Room.

**Present:** Michael L. Joseph, Chairman, Presiding  
Linda A. Dobmeier  
Anne D. Gioia (telephonically)  
Donna Gioia (telephonically)  
Kenneth A. Manning, Esq.  
Gail Mitchell, Esq.  
Elyse NeMoyer  
R. Buford Sears  
Dennis Szefel (telephonically)  
Steven Weiss, Esq. (telephonically)  
Candace S. Johnson, PhD, President & CEO

**Excused:** Gregory Daniel, MD  
Hon. Salvatore R. Martoche, Esq.  
Howard Zucker, MD  
Gregory Young, MD

**Present by Invitation:** Holly Bowser, Vice President of Organizational Performance Improvement  
Betsy Doty-Lampson, Board Administrator  
Errol Douglas, Vice President of Human Resources  
Amy Dunn Kirkpatrick, Esq., Senior Counsel for Risk Management  
Cindy Eller, Vice President for Development  
Marc Ernstoff, Senior Vice President Department of Medicine  
Victor Filadora, Chief of Clinical Services  
Mark Gardner, CEO of OmniSeq, Inc.  
Ann Marie Gibney, Executive Office Administrator  
Leah Halton-Pope, Director of Government and Community Relations  
Kathryn L. Hineman, Deputy General Counsel  
Shirley Johnson, BSN, RN, MSN, Chief Nursing Officer  
Laura Krolczyk, Vice President of External Affairs  
Boris Kuvshinoff, MD, Chief Medical Officer  
Gregory A. McDonald, Chief Financial Officer  
Carl D. Morrison, MD, DVM, CSO, Founder, OmniSeq  
Adekunle Odunsi, PhD, MD Deputy Director & Chair of Gynecologic Oncology  
Thomas Schwaab, MD, PhD, Chief of Strategy, Business Development & Outreach  
Michael B. Sexton, Esq., Chief Institute Operations Officer,  
General Counsel and Corporate Secretary

I. CHAIRMAN'S OPENING REMARKS

Mr. Joseph welcomed everyone to the meeting.

II. MINUTES

Mr. Joseph called for approval of the minutes from the December 13, 2017 Board meeting and the February 8, 2018 Special Board meeting. *The minutes of both meetings were, on motion by Mr. Manning, seconded by Ms. NeMoyer, unanimously approved.*

III. CONTRACTS

Retail Food Services

*The Retail Food Services contract was, on motion by Mr. Manning, seconded by Ms. Mitchell, unanimously approved.*

BPADS

*The BPADS software contract was, on motion by Ms. Dobmeier, seconded by Ms. Mitchell, unanimously approved.*

Hyperion Imaging System (Sole Source)

*The Hyperion Imaging System sole source was, on motion by Mr. Manning, seconded by Ms. NeMoyer, unanimously approved.*

Gamma Knife Source Replacement (Sole Source)

*The Gamma Knife Source Replacement sole source was, on motion by Ms. Mitchell, seconded by Ms. NeMoyer, unanimously approved.*

*Mr. Manning made a motion to move into Executive Session for the purposes of receiving updates relating to OmniSeq and the Ambulatory restructuring, an update on Strategic Plan implementation, status of the pediatric joint venture with Kaleida, a report on compliance with Resident work hour requirements, as well as Marketing and government affairs updates. Said motion was seconded by Ms. Dobmeier and was unanimously approved.*

IV. LEADERSHIP REPORTS

OmniSeq, Inc.

Dr. Morrison provided an OmniSeq update. His financial presentation included a description of recent developments on outside strategic investment in the company.

### **Strategic Plan Updates**

Mr. Sexton briefly described the reconstruction of the curb area in front of the hospital. Work will begin after the Ride for Roswell and will take 6-8 weeks.

Dr. Johnson provided an update on the strategic plan. She discussed the implementation strategy and timeline. She outlined the established committees and the initiatives for each. She also discussed the departure of Kerry Kerlin, and provided recruitment updates. She stated that this year's Florida donor meetings and receptions were very successful.

She provided an update on Roswell Park's relationship with CHS now that Mark Sullivan has been named as CEO.

### **Business Development Updates**

Dr. Schwaab provided an update on the performance of the Roswell captive professional corporation, and other Business development matters including the Southdown's radiation oncology joint venture with CHS and BMG, the joint activity with Oneida Hospital.

### **Development Updates**

Ms. Eller discussed new donations and projected pledges. She presented the funds raised in the last five years and compared Roswell Park Alliance Foundation to other cancer centers. She discussed her strategic initiatives for growth.

### **Ambulatory Updates**

Ms. Shirley Johnson provided an Ambulatory redesign update, describing progress to date, what has been completed and what is projected to be complete both in the Spring and Fall of this year. She also spoke about the expansion of the Assessment and Treatment Center (ATC). Plans for expansion of this acute care service have been shared with key managed care providers and all are welcoming the continued improvement in care and the desire to decrease emergency department visits for Roswell Park patients.

### **Pediatric JV**

Dr. Filadora stated that the Peds JV agreement is very close to completion. He believes things could be completed in a few weeks.

### **Resident Work Hours**

Dr. Filadora presented the report for off-site compliance assessment of working hours and conditions of post-graduation trainees. The report was discussed, there were no questions.

### **Scientific Updates**

Dr. Odunsi provided an update on a pillar of the Strategic Plan - enhancing the impact of Roswell's cutting edge knowledge and practice - transformational science. Implementation began in FY18, with realized results beginning in FY19. He also provided information on the competitive

renewal of the Cancer Center Support Grant (CCSG). This is a major source of federal funding for Roswell's research programs and its shared resources. The renewal application is due May 25, 2018, and an NCI site visit will take place in the Fall.

### Quality Updates

Dr. Johnson introduced Holly Bowser, Vice President, Organizational Performance Improvement. Ms. Bowser has joined Roswell Park from the Catholic Health system, where she ran its quality efforts.

#### 2018 Quality Improvement Areas of Focus

Ms. Bowser presented the areas of focus for the coming year.

*The 2018 Quality Improvement Areas of Focus was, on motion by Mr. Manning, seconded by Ms. NeMoyer, unanimously approved.*

Ms. Bowser also provided an Accreditation update. She began with The Joint Commission visit and its findings. In addition to The Joint Commission recertification, Roswell Park has also received recertification from Quality Oncology Practice Initiative (QOPI) and National Accreditation Program for Breast Centers (NAPBC).

### Medical Director's Report

#### Medical Staff Rules and Regulations Edits

Dr. Kuvshinoff presented the Medical Staff Rules and Regulation edits.

*The revised Medical Staff Rules and Regulations were, on motion by Ms. NeMoyer, seconded by Ms. Dobmeier, unanimously approved.*

Dr. Kuvshinoff provided an update on outcomes and also asked that each member review the 2017 Quality Book that the Board was given with the Board materials.

### Litigation

Mr. Sexton provided updates on both the EEOC, negligence and malpractice cases.

*A motion was made by Mr. Manning and seconded by Mr. Sears to return to Open Session; unanimously approved.*

## V. LITIGATION/INSTITUTE OPERATIONS

### Bylaw Amendment "Establishment of Legal Committee"

Mr. Sexton discussed the creation of a Legal Committee that will facilitate Board oversight of the many legal matters dealt with by Roswell Park, including litigation, transactional and governmental/regulatory matters. The Committee will also review service agreements having terms in excess of one-year, as required by Public Authorities law. The committee will consist of

three (3) board members. He reviewed the Bylaw Amendment Resolution Establishing the Legal Committee and also the Committee Charter.

*The Bylaw Amendment Resolution, and the Charter, were, on motion by Ms. NeMoyer, seconded by Mr. Manning, unanimously approved. Said resolution and Charter were ordered appended to these minutes.*

#### **Policy & Procedures Committee Report**

Mr. Sexton reviewed the Policy & Procedures passed through Committee for approval during the last quarter. He also briefly described the approval process, which results in all corporate policies being reviewed and re-adopted every two years. There were no questions.

#### **Procurement Guidelines**

Mr. Sexton introduced Ms. Kathryn Hineman, Deputy General Counsel. Ms. Hineman presented the Restated Procurement Guidelines, which she has re-drafted to incorporate a number of legislative and regulatory requirements implemented in recent years. She also addressed questions.

*The Restated Procurement Guidelines were, on motion by Mr. Manning, seconded by Ms. NeMoyer, unanimously approved.*

#### **VI. TECHNOLOGY TRANSFER CHARTER**

Mr. Sexton presented the revised Technology Transfer Committee Charter, which was discussed. The draft Charter was order appended to these Minutes.

*The Technology Transfer Committee Charter was, on motion by Mr. Manning, seconded by Ms. NeMoyer, unanimously approved.*

#### **VII. MERIT BOARD REAPPOINTMENTS**

Mr. Sexton asked for approval of the following Merit Board reappointments: Regina Dubois, one (1) year; Linda Nenni, Esq., two (2) years; Richard Ahl, PhD, three (3) years.

*The Merit Board reappointments were, on motion by Ms. Dobmeier, seconded by Ms. Mitchell, unanimously approved.*

#### **VIII. HUMAN RESOURCES UPDATE**

Mr. Douglas provided an update on the Employee Commitment Survey as well as the development of the leadership on-boarding program. He also updated the Board on the Office of Diversity and Inclusion. Mr. Douglas also stated that Roswell Park achieved a MWBE spend of 51.8% of eligible contracted services with Minority and Women Owned Business Enterprises in fiscal year 2017, exceeding the 30% goal set by NYS. The Board was appreciative of the effort that has gone into this.

**IX. INFORMATION TECHNOLOGY**

As Dr. Johnson stated in the leadership report, the search for a new CIO is underway.

**X. FY19 BUDGET**

**HRI Funding Resolution**  
**Section 203**

Mr. McDonald reviewed the FY19 Budget, HRI funding resolution and Section 203. *On motion by Mr. Sears, seconded by Mr. Manning, the FY19 Budget, HRI Funding Resolution and Section 203 were unanimously approved. The HRI resolution was as follows:*

**WHEREAS**, Health Research, Inc. ("HRI"), is a New York State not-for-profit corporation, the purpose of which is, among other things, to support the health, research and academic mission of the Roswell Park Cancer Institute ("RPCI"); and

**WHEREAS**, in furtherance of that mission, HRI, on behalf of RPCI, administers research grants, holds title to intellectual property, negotiates patent applications and licenses, contracts with attorneys and other consultants, employs grant funded research staff as well as administrative personnel, and utilizes revenues generated through the HRI operations at RPCI to cover the costs of these activities on behalf of RPCI; and

**WHEREAS**, in part by utilizing funding generated by intellectual property held by it on behalf of RPCI, HRI has assisted in funding the strategic recruitment plan of RPCI, which has resulted in the recruitment of significant numbers of top level physicians and scientists, which recruitment will continue on an annual basis into the future as part of RPCI's effort to attain Top Ten Cancer Center status; and

**WHEREAS**, research grant funding administered by HRI provides for portions of the cost of research activities and laboratory support staff, and does not provide additional funding for other activities; and

**WHEREAS**, the funding generated by royalty bearing licenses held by HRI on RPCI's behalf has become insufficient to cover all of the annual costs generated by the aforementioned activities as well as the administrative costs and expenses of technology transfer activities of RPCI, and therefore RPCI's Board of Directors has determined it to be necessary to transfer funds to HRI to cover deficits that are projected to accrue in fiscal year 2019.

**THEREFORE, BE IT**

**RESOLVED**, that RPCI shall transfer to HRI: (i) the sum of up to \$14.15 million to cover RPCI associated costs being borne by HRI in FY2019 for strategic recruitment; (ii) up to \$2,000,000 for other costs associated with RPCI such as, but not limited to research and administrative staff costs, attorney's fees and other costs associated with technology transfer and patent costs for RPCI intellectual property held by HRI; and be it

**FURTHER RESOLVED**, that at its option, RPCI may refrain from requisitioning payment from HRI portions of amounts representing investigator salary recovery recovered by HRI on RPCI grants, in order to reduce the deficit RPCI will be covering as contemplated in this resolution; and be it

**FURTHER RESOLVED**, that RPCI is authorized to allocate all amounts on its financial books and records as shall reflect these resolutions and the management determinations contemplated herein; and be it

**FURTHER RESOLVED**, that the officers of RPCI are hereby authorized and directed to proceed as directed herein.

**XI. 3<sup>RD</sup> QUARTER FINANCIALS FY18**

Mr. McDonald reviewed the third quarter financial results. *On motion by Ms. NeMoyer, seconded by Ms. Mitchell, 3<sup>rd</sup> Quarter Financial Statements were unanimously approved.*

**XII. 3<sup>RD</sup> QUARTER INVESTMENT REPORT**

*The third quarter investment activity was, on motion by Ms. Mitchell, seconded by Ms. Dobmeier approved. Mr. Manning, Ms. Donna Gioia and Mr. Sears abstained.*

**XIII. MEDICAL STAFF REPORT**

Informational only.

**XIV. NURSING REPORT**

Informational only.

**XV. CLINICAL OPERATIONS REPORT**

Informational only.

*Mr. Manning made a motion to move into Executive Session for the purposes of discussing the Chief Executive Officer Succession Plan and a litigation matter. Said motion was seconded by Mr. Sears and was unanimously approved.*

**XVI. SUCCESSION PLANNING**

Dr. Johnson reviewed the updated CEO and Executive Staff succession Plan with the Board. The Board directed that the plan be reviewed at the next Governance committee meeting.

Mr. Sexton updated the Board on the settlement negotiations in the Underwood discrimination lawsuit.

discussion. *After discussion, a motion was made, seconded, and unanimously carried, to approve the settlement as outlined by Mr. Sexton.*

*A motion was made by Mr. Sears and seconded by Ms. Dobmeier to return to Open Session and was unanimously carried.*

**XVII. OTHER BUSINESS**

*There being no further business, a motion was made for adjournment by Mr. Manning seconded by Ms. NeMoyer and was unanimously carried.*

  
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Michael B. Sexton, Secretary

## TECHNOLOGY TRANSFER COMMITTEE CHARTER

### PURPOSE

The Technology Transfer Committee is appointed by the Board to assist the Board in fulfilling its oversight responsibilities regarding the commercialization of technology and other intellectual property that can emanate from the research activities of Roswell Park Cancer Institute faculty. This oversight responsibility involves monitoring the activities of the Institute's Technology Transfer Office and consulting with the Director of Technology transfer, evaluating proposed licensing transactions and other mechanisms for commercialization efforts, and making final decisions relating to allocation of corporate resources in furtherance of these activities.

### COMPOSITION

The Technology Transfer Committee shall be composed of not less than six (6) members, at least four (4) of whom, and at all times a majority, shall be Directors, and up to three(3) of whom may be community members who are not Directors of the Corporation. Committee members shall be appointed by the Chairman of the Board, who shall serve ex officio unless self-appointed as one of the minimum six (6) members. The Committee Chair shall be designated by the Chairman of the Board, and shall serve until replaced by the Chairman of the Board.

### MEETINGS

The Technology Transfer Committee shall meet not less than three (3) times each year, scheduled so as to be synchronized with the scheduling of the Board of Director Meetings each quarter, and may meet more frequently as determined by the Chair or by a majority of Committee members.

### DUTIES

1. Oversight of the activities of the Technology Transfer Office, including review, approval or disapproval of proposals of the Director of Technology Transfer for the licensing of Roswell Park-owned technology, oversight of the process and results of patent filing activities, review, evaluation and consultation with Institute management on commercialization activities involving spin-off corporations, partnerships, collaborations and joint ventures involving Roswell Park technologies and intellectual property.
2. Review, oversight and evaluation of the activities of the Director of Technology Transfer, including oversight of CEO setting of performance expectations for this function, and review of performance evaluation.
3. Review of and oversight relating to the use of advisors and consultants, including venture capital firms and other professionals utilized by the Institute to assist it in furtherance of technology transfer activities, as needed.
4. Oversight of financial awards granted to faculty members relative to their contributions to discovery, development and/or commercialization of Roswell-owned technology, including inventor allocations of royalties or equity.

## **REPORTING**

The Technology Transfer Committee will prepare and, through its Chair, submit periodic reports of the Committee's work and findings to the Board of Directors. Said report will contain recommendations for Board actions when appropriate.

## **COMMITTEE SUPPORT**

The Technology Transfer Committee shall be provided with such funding as shall be necessary to enable the Committee to retain, to the extent it deems necessary in the prudent exercise of its discretion, counsel from independent legal, accounting, and other outside advisors.