

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

A meeting of the Board of Directors of Roswell Park Cancer Institute Corporation was held on Thursday, March 21, 2019 at 12:00 pm in the Gaylord Cary Conference Room.

Present: R. Buford Sears, acting Chairman, Presiding
Gregory Daniel, MD
Linda A. Dobmeier
Kenneth A. Manning, Esq. (phone)
Hon. Salvatore R. Martoche, Esq. (phone)
Gail Mitchell, Esq.
Elyse NeMoyer
R. Buford Sears, acting Chairman, Presiding
Dennis Szeffel (phone)
Steven Weiss, Esq.
Candace S. Johnson, PhD, President & CEO

Excused: Michael L. Joseph, Chairman
Leecia Eve, Esq.
Anne D. Gioia
Donna Gioia
Gregory Young, MD (designee for Dr. Zucker)
Howard Zucker, MD, New York State Commissioner of Health

**Present by
Invitation:** Holly Bowser, Vice President of Organizational Performance Improvement
Christopher Darlak, Chief
Laurel DiBrog, Chief Marketing and Communication Officer
Betsy Doty-Lampson, Board Administrator
Errol Douglas, Vice President of Human Resources
Amy Dunn Kirkpatrick, Esq., Senior Counsel for Risk Management
Cindy Eller, Chief Development Officer
Ann Marie Gibney, Executive Office Administrator
Pamela D. Giesie, MSN, RN, Chief Nursing Officer
Shirley Johnson, BSN, RN, MSN, Chief Nursing Officer
Laura Krolczyk, Vice President of External Affairs
Gregory A. McDonald, Chief Financial Officer
Raghu Ram, MD, Vice President of Value-Based Care Optimization &
Community Clinical Collaboration
Thomas Schwaab, MD, PhD, Chief of Strategy, Bus Dev & Outreach
Michael B. Sexton, Esq., Chief Administrative Officer,
General Counsel and Corporate Secretary

I. CHAIRMAN'S OPENING REMARKS

Mr. Sears chaired the meeting in Mr. Joseph's absence. He noted that Lee Wortham, the Chair of the Roswell Park Alliance Foundation, was in attendance, and that Mr. Wortham was retiring as

Chair today, although he is remaining on the Foundation Board. Both Dr. Johnson and Mr. Sears thanked Mr. Wortham for his service to Roswell Park. Mr. Jim Newman will be the new chair of the Foundation Board.

II. MINUTES

Mr. Sears called for approval of the minutes from the January 29, 2019 Special Board meeting. *A motion was made by Mr. Weiss to approve the January 29, 2019 Minutes, seconded by Ms. Mitchell and unanimously carried.*

Mr. Sears called for approval of the minutes from the December 13, 2018 Board meeting. *A motion was made by Ms. Dobmeier to approve the December 13, 2018 Minutes, seconded by Mr. Weiss and unanimously carried.*

Mr. Sears called for approval of the minutes from the October 31, 2018 Special Board meeting. *A motion was made by Ms. Dobmeier to approve the October 31, 2018 Minutes, seconded by Ms. NeMoyer and unanimously carried.*

III. CONTRACTS/CAPITAL EXPENDITURE PROJECTS

The following contracts were, upon recommendation of the Finance Committee, submitted to the Board for consent approval:

C&V Air Handler Replacement. (\$6.7M; 3 years)

Parking Garage Renovation. (\$2.6M; 4-5 years)

APP Coverage \$14.M. (\$2M/year for 7 years)

ERP Implementation. (\$20.M; 2 years)

On motion by Mr. Weiss, seconded by Ms. Dobmeier, all of the above contracts were unanimously approved.

IV. SINGLE/SOLE SOURCE

The following Single/Sole Source contracts were submitted to the Board after evaluation of submitted justifications:

Olympus Orbeye. (\$449,000)

Cerus Pathogen Reduction. (\$675,000)

Immucor BioArray Imaging System. (\$310,000)

On motion by Mr. Weiss, seconded by Ms. NeMoyer, the above single/sole source procurements were unanimously approved.

Mr. Weiss made a motion, seconded by Ms. Dobmeier, to move the meeting to Executive Session for the purposes of reports on Business Development, fundraising initiatives, a malpractice analysis from the Medical Staff and Risk Counsel, a litigation report, government relations, and a report from the Marketing Department.

V. LEADERSHIP REPORT

Institute Updates

Dr. Johnson provided an institute update and an update on Dr. Kuvshinoff's status. She introduced Dr. Raghu Ram who is Roswell's new Vice President of Value-Based Care Optimization & Community Clinical Collaboration. She also noted the positive response she has received upon her appointment of Dr. Ermelinda Bonaccio as the Chair of Diagnostic Radiology. She also informed the Board of the appointments of Dr. Thomas Furlani as the new CIO, Dr. Kelvin Lee as the SVP of Basic Science, and Dr. Andrei Gudkov as SVP of Research Technology & Innovation. She is also negotiating with Igor Puzanov, M.D. for the position of SVP of CRS.

Dr. Johnson reviewed the inpatient beds/capacity and volume increases being experienced in recent months. In Dr. Odunsi's absence, Dr. Johnson provided a Research update and outlined significant grant activities for 2019 and changes coming for salary recovery requirements for research faculty, to be phased in over several years.

Community Practice Update

Dr. Schwaab provided an update on Roswell's presence in the community, including the captive professional corporation and the College Parkway and Niagara Falls Article 28 sites. Dr. \

Marketing Update

Ms. DiBrog provided a marketing update. She provided information on delivering on Roswell's brand promise, and projections on patient growth. She also outlined the WNY cancer market share. She then shared a few new TV spots and spoke about the importance of Roswell's online reputation.

Development Update

As Ms. Eller was unavailable, this item was tabled to next meeting.

Human Resources Update

Mr. Douglas provided the annual update on Human Resources Management, as per Joint Commission guidelines. He also provided an update on Roswell Park's significant community partnership efforts currently being implemented by his department and Facilities Management. He advised the Board that Roswell has been identified as one of the best employers in the country for diversity, and was the only employer in Western New York to receive this recognition.

Medical Director's Report

Ms. Dunn Kirkpatrick presented an in-depth analysis of medical malpractice experience over the past 10 years. She also provided an update on the Resident Work Hours and Working Conditions of Post-Graduate Trainees.

Government Relations

Informational only. Materials in Directors Desk.

VI. LITIGATION/INSTITUTE OPERATIONS REPORT

Litigation Report

Mr. Sexton provided an update on litigation, advising the Board of two recent dismissals on the EEOC report.

Policy & Procedures Committee Report

Informational only.

Reappointment of Merit Board Member - Regina DuBois

Mr. Sexton asked for approval for reappointment of Regina DuBois to the Merit Board. *On motion by Mr. Weiss, seconded by Ms. NeMoyer the reappointment of Regina DuBois to the Merit Board was unanimously approved.*

Mr. Sexton presented a set of resolutions to be adopted to permit the Corporation to continue the M&T Bank Treasury Management relationship. *On motion by Mr. Weiss, seconded by Ms. Mitchell, the following M&T Client Resolution was unanimously approved.*

- RESOLVED: That each person designated below ("**Client's TM Signer(s)**") (i) has been duly elected or appointed to and qualified for any title/position noted below and, on the date of this Client Resolution, such person holds such title/position, (ii) each signature appearing below is a true and correct specimen of the signature of the person whose signature it purports to be, and (iii) the contact information appearing below is true and correct for such person.

Add TM Signer

Remove TM Signer

**Add Additional
Worksheet of TM Signers**

Name of TM Signers	Title or Position of TM Signers	Contact Information <i>Please provide at minimum: one phone number and one email, for each TM Signer.</i>	Specimen Signature
Michael Sexton	General Counsel / Chief Admin. Officer	Cell No.: _____ Home No.: _____ Office No.: <u>716-845-8717</u> Facsimile: _____ Email (1): <u>Michael.sexton@roswellpark.org</u> E-mail (2): _____	
Gregory McDonald	CFO	Cell No.: _____ Home No.: _____ Office No.: <u>716-845-8569</u> Facsimile: _____ E-mail (1): <u>gregory.mcdonald@roswellpark.org</u> E-mail (2): _____	

- RESOLVED: That, from time to time, Client may obtain any Treasury Management services ("**Services**") from M&T Bank with respect to any of Client's deposit accounts at M&T Bank or other accounts at M&T Bank (including, without limitation, loan and line of credit accounts) over which Client has authority (together, the "**Accounts**");
- RESOLVED: That, except as may be elected by Client in Section 5 below, any one of Client's TM Signers may enter into and deliver to M&T Bank, on behalf of Client for its own affairs or with respect to the affairs of any entity on behalf of which Client is authorized to act, any agreements (including, but not limited to, the M&T Master Treasury Management Services Agreement), instruments, and other documents which relate to the Services provided or to be provided by M&T Bank with respect to any Accounts;
- RESOLVED: That, except as may be elected by Client in Section 5 below, any one of Client's TM Signers is authorized to: (a) give notices, certifications, directions, and instructions under any such agreement, instrument, or document, (b) execute or otherwise approve any related documents, and (c) delegate authority to any other person or entity to act on Client's behalf as provided in this Section 4 with respect to any Services or Accounts, which persons and entities may or may not be signatories on one or more of the Accounts and may or may not have the ability to delegate authority to others. M&T Bank is not obligated to inquire into the circumstances or propriety of any such notice, certification, direction, instruction or delegation;

Signers (as defined below) is authorized as provided in Exhibit A hereto.

5. RESOLVED: That, notwithstanding the terms of any prior resolutions adopted by Client, M&T Bank is hereby authorized to rely on this Client Resolution and the resolutions herein and the actual or purported signatures of any of Client's TM Signers until M&T Bank's relationship manager for the Accounts (and, if Section 6 above is checked, M&T's FX Group) has actually received and had a reasonable time to act on written notice from Client revoking these Client Resolutions or such authority;
6. RESOLVED: That Client hereby ratifies and confirms all (a) actions taken, (b) notices, certifications, directions and instructions given, and (c) all agreements, instruments, and other documents entered into, which relate to the Services provided or to be provided by M&T Bank with respect to any Accounts, prior to the date hereof.
7. RESOLVED: That Client is duly organized, validly existing, and in good standing under the laws of the State, Commonwealth or other jurisdiction set forth above. No petition for dissolution has been filed or is pending. Client has, and at the time of adoption of the resolutions in this Client Resolution had, full power and lawful authority to adopt the resolutions herein and to confer the powers granted in them to the persons named above, including any delegation of powers, and any person named above shall have full power and lawful authority to exercise those powers. No other action or consent of any other person or entity is necessary in order for this Client Resolution and the resolutions herein to be effective.

Executive Restrictive Non-Covenants
Tabled.

VII. BUDGET PRESENTATION

FY2020

Mr. McDonald reviewed the FY2020 budget highlights.

A motion was made by Mr. Weiss and seconded by Ms. NeMoyer to return to Open Session, which was unanimously approved.

Mr. Sears requested approval of the FY2020 Budget. *On motion by Ms. NeMoyer, seconded by Ms. Dobmeier, the FY2020 Budget was unanimously approved.*

VIII. FY2020 BUDGET Amendment

Mr. McDonald reviewed adjustments to the 203 budget filing effected in December with NYS, to take into account the final FY 2020 budget approved at this meeting. *On motion by Ms. Dobmeier, seconded by Ms. NeMoyer, the adjustments to the Section 203 filing was unanimously approved.*

HRI Funding Resolution

Mr. McDonald requested approval of the HRI Funding Resolution 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 2020.

THEREFORE, BE IT

RESOLVED, that RPCI shall transfer to HRI: (i) the sum of up to \$11.31 million to cover RPCI associated costs being borne by HRI in FY2020 for strategic recruitment; (ii) up to \$0.0 million for other costs associated with RPCI such as, but not limited to research and administrative staff costs, attorneys 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.

On motion by Ms. Mitchell, seconded by Ms. Dobmeier, the above HRI Funding Resolution was unanimously approved.

IX. 3RD QUARTER COMBINED FINANCIAL STATEMENTS

Mr. McDonald reviewed the 3rd quarter combined financial statements. *The 3rd quarter combined financial statements were, on motion by Mr. Weiss, seconded by Ms. Mitchell and unanimously approved.*

X. 3RD QUARTER INVESTMENT ACTIVITY

Mr. McDonald reviewed the investment results for the third quarter. *The 3rd quarter investment report was, on motion by Ms. Mitchell, seconded by Ms. NeMoyer and motion approved by majority. Mr. Sears and Mr. Manning abstained from the vote.*

XI. AUDIT COMMITTEE REPORT

Mr. Szeffel advised the Board that the Audit committee approved the 3-year audit plan.

XII. INFORMATION TECHNOLOGY COMMITTEE UPDATE.

Mr. Manning reminded the Board that the ERP project commencing implementation now is one of the biggest IT projects ever for Roswell Park, and Mr. Manning feels very comfortable with Dr. Furlani now in charge.

XIII. MEDICAL STAFF REPORT

Informational only.

XIV. NURSING REPORT

Informational only.

XV. CLINICAL OPERATIONS REPORT

Informational only.

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



Michael B. Sexton, Secretary