

ROSWELL PARK CANCER INSTITUTE CORPORATION COMPENSATION COMMITTEE

A meeting of the Compensation Committee of the Board of Directors of Roswell Park Cancer Institute Corporation was held on Wednesday, December 12, 2018 at 10:30 a.m. in the Patrick P. Lee Conference Room, 9th floor of the Scott Bieler Clinical Sciences Center.

Present: R. Buford Sears
Donna M. Gioia
Michael L. Joseph, Chairman of the Board
Gail Mitchell, Esq.

Staff Present: Candace S. Johnson, PhD, President & CEO
Errol Douglas, Vice President of Human Resources
Betsy Doty-Lampson, Administrator to Board of Directors
Michelle Moore, Assistant Vice President of Human Resources
Michael Sexton, Esq., Chief Administrative Officer, General
Counsel and Secretary
Anthony Woods, Director of Classification and Compensation

Opening Remarks and Minute Review

Mr. Sears opened the meeting and welcomed all in attendance. He called for a review of the draft minutes from the meeting held August 29, 2018. Those minutes were reviewed, and *on motion by Ms. Mitchell, seconded by Ms. Gioia, those minutes were unanimously approved.*

FY'19 Individual Goal Updates

Mr. Sears went through the goal updates for the variable compensation plan. There were several modifications noted by Mr. Woods on behalf of management. These modifications involved individuals who had changed job titles and the addition of new executives into the plan. Ms. Gioia asked about Dr. Morrison, who is a new participant in the variable compensation program. His goals are still being put together. He is new to the plan as a result of a retention agreement developed during the previous fiscal quarter. *A motion was made by Mr. Joseph to approve the goal updates and the changes made to the goals, which was seconded by Ms. Gioia and unanimously carried.*

Executive Compensation Market Update Letter for FY2019

Mr. Woods reviewed the Executive Compensation Market update prepared by the Sullivan Cotter compensation consulting firm. He reminded the committee that comprehensive market updates are done on a three (3) year cycle with benchmarking studies performed every third year and less costly market updates done in the two years in between. Dr. Johnson discussed the benchmarking results for several individuals including Drs. Lee, Mohler, and Gudkov and several others. Mr. Sears noted that the Sullivan Cotter report is a best practice and is well worth the cost to have the of cycle update letters done.

Review of Business Judgment Factors for Executive Compensation

The Business Judgment Factors were reviewed for those executive whose compensation exceeds the 75th percentile and for those executives whose compensation is below the 25th percentile for their titles. The Committee was satisfied with the business judgment factors submitted.

CEO Long-Term Incentive Plan (LTIP) Goals for FY'17, '18, '19 and for FY'18, '19 & '20

Mr. Woods reviewed the CEO Long-Term Incentive Plan (LTIP) program which is done in rolling three (3) year cycles for Dr. Johnson. Her goals and progress chart was reviewed.

Retiree Medical Benefits Valuation

Ms. Mitchell noted that a review of the incremental value for each executive of the post-retirement health benefit was conducted by the Sullivan Cotter firm. She opined that this evaluation is worthwhile and provided important information. Mr. Sears recommended that the post-retirement medical benefits evaluation by Sullivan Cotter be continued in the three (3) year comprehensive evaluation.

Upon motion by Ms. Gioia, seconded by Mr. Joseph, the meeting proceeded to an Executive Session for the purpose of discussing the compensation structure for the Chief Executive Officer. That motion was unanimously approved.

Thereupon, the Executives in the meeting were excused and the Committee commenced a discussion of the CEO's compensation package.

After return from Executive Session, there being no further business, on motion duly made, seconded and unanimously carried, the meeting was adjourned.


Michael B. Sexton, Secretary