

**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, June 25, 2020 at 12:00 pm in the Patrick P. Lee Board Room and by WebEx due to the Covid-19 crisis.

Present: Michael L. Joseph, Chairman - webex
Gregory Daniel, MD - webex
Linda A. Dobmeier - webex
Leecia Eve, Esq. - webex
Anne D. Gioia
Donna Gioia
Kenneth A. Manning, Esq.
Gail Mitchell, Esq. - webex
Elyse NeMoyer - webex
R. Buford Sears
Dennis Szefel - webex
Steven Weiss, Esq. - webex
Candace S. Johnson, PhD, President & CEO

Excused: Gregory Young, MD (designee for Dr. Zucker)
Howard Zucker, MD, New York State Commissioner of Health

**Present by
Invitation:** Holly Bowser, VP of Organizational Performance Improvement - webex
Laurel DiBrog, Chief Marketing and Communication Officer - webex
Betsy Doty-Lampson, Board Administrator
Errol Douglas, Chief HR Officer
Amy Dunn Kirkpatrick, Senior Counsel for Risk Management - webex
Cindy Eller, Chief Development Officer - webex
Thomas R. Furlani, PhD, CIO - webex
Ann Marie Gibney, Administrative Chief of Staff
Pamela D. Giesie, MSN, RN, Chief Nursing Officer - webex
Kathryn L. Hineman, Deputy General Counsel - webex
Shirley Johnson, Chief Clinical Operations Officer - webex
James C. Kennedy, Director, Government & Community Relations - webex
Boris Kuvshinoff, II, MD, Chief Medical Officer - webex
Mary Ann Long, RN, MS, SVP of Nursing - webex
Gregory A. McDonald, Chief Financial Officer
Kunle Odunsi, MD, PhD, FRCOG, FACOG, Deputy Director
Raghu Ram, MD, Vice President of Value-Based Care Optimization &
Community Clinical Collaboration - webex
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. Joseph welcomed everyone.

Mr. Manning made a motion, seconded by Mr. Sears, to move the meeting to Executive Session for the purpose of discussing the compensation committee and diversity matters.

II. COMPENSATION COMMITTEE

Mr. Sears provided an update from the Compensation Committee meeting held June 17, 2020. The organizational and management team performance of strategic goals set forth in the variable compensation plan for the fiscal year ended March 31, 2020 was reviewed and the variable compensation earned by the management team discussed.

III. DIVERSITY CONSULTANT

Mr. Joseph discussed an anonymous letter that had been received by about two-thirds of the Board members, identifying racial problems at Roswell Park. He acknowledged that racial divisiveness is a major issue in the USA at present and Roswell Park is no different; there are likely diversity issues that need to be addressed. He suggested Roswell Park hire an expert to conduct an evaluation of Roswell Park to identify barriers and inequities affecting people of color and other minorities, and that this be done without delay. Mr. Joseph will work with Dr. Johnson and Mr. Manning and other executives to begin this process, but the process itself will be a Board initiative run by the Board, not management.

Mr. Manning made a motion, seconded by Mr. Sears to move the meeting to Open Session.

Mr. Sears asked for approval of the Variable Pay payment. On motion by Mr. Manning, seconded by Ms. Dobmeier, the Variable Pay Program payment for fiscal year 2020 was approved. Mr. Weiss and Dr. Daniel opposed, and there were no abstentions.

IV. MINUTES

Mr. Joseph called for approval of the minutes from the March 26, 2020 Board meeting. A motion was made by Mr. Manning to approve the March 26, 2020 Minutes, seconded by Ms. NeMoyer and unanimously carried.

V. CONTRACTS/CAPITAL EXPENDITURE PROJECTS

Cerner Upgrade (Single Source)

A motion was made by Mr. Sears to approve the Cerner upgrade, seconded by Mr. Manning and unanimously carried.

Varian LINAC Service

A motion was made by Mr. Sears to approve the Varian LINAC service, seconded by Mr. Manning and unanimously carried.

Mr. Manning made a motion, seconded by Mr. Sears, to move the meeting to Executive Session for the purposes of receiving the leadership report, strategic research mission report, strategic business planning and budget impact of COVID-19.

VI. EDUCATIONAL SESSION ON CYBER SECURITY. Deferred to next meeting.

VII. LEADERSHIP REPORT

Institute Updates

Dr. Johnson advised the Board of a few personnel changes at Roswell Park, one being the death of Dr. Colegio, the Derm Chair, a huge loss to Roswell Park and the community. Interim leadership will be co-led by Drs. Paragh and Bax. Dr. Johnson also mentioned Jim Kennedy's interim role, taking over for Laura Krolczyk in Government Affairs, Dr. Wicher's retirement as head of CRS and primary organizational ethics official. She also welcomed Ms. Laurie Smith as VP of CRS, and Dr. Puzanov as Chief of Investigational Clinical Trials. Dr. Johnson also advised the Board that Dr. Mohler will no longer be Senior VP of Translational Research, as that role has been phased out. He will have a role in overseeing academic affiliations. His compensation has been adjusted downward and he will no longer be in the Executive Benefits Plan.

Dr. Johnson provided a Covid-19 update. Roswell Park has performed very well through the crisis. Dr. Johnson highlighted Secretary Azar's visit on June 4. She outlined the financial challenges caused by the volume reductions and shutdowns. Roswell will be benefiting from some federal financial assistance, and management has implemented budget cuts in operating budgets. She also imposed a six-month hiring freeze and Roswell Park has delayed some capital projects in order to protect cash flow. Dr. Johnson provided an update on the ramp up of research and clinical trial efforts, Roswell Park's presence in the community and how Roswell Park is continuing to see patients that have not been given the best care in the community.

Deputy Director Report

Dr. Odunsi provided the Deputy Director's Report, advising the Board on new clinical trials involving Covid-19 and cancer research/cancer patient's mortality. Dr. Odunsi reviewed grant activities and stated that during Covid-19, researchers have been encouraged to write grants. He also provided updates on other Roswell Park clinical trials.

Business Development Update. Deferred to next meeting.

Marketing Update. Informational only.

Government Relations Update. Informational only.

Development Update. Informational only.

Quality Report Update. Informational only.

Payor Negotiations Update. Informational only.

VIII. FINANCIAL IMPACT OF COVID-19/BUDGET AMENDMENT

Mr. McDonald spoke to the proposed amended FY21 budget due to Covid-19. He projects an impact of \$61.1M due to Covid-19, which will be mitigated by federal CARES Act funding, operating budget cuts and deferral of capital projects not impacting volumes.

Ms. Eve asked a question about projections, do they reflect another wave of Covid-19 in the Fall. Dr. Johnson feels with the precautions put into place, that our projections are on target.

Ms. Eve apologized for joining the meeting late due to another Board commitment. She wanted the Board to be aware that she is very much engaged in the diversity and race concerns discussed earlier in the meeting.

On motion by Mr. Sears, seconded by Ms. NeMoyer, the amended budget was unanimously approved.

Mr. Manning made a motion, seconded by Mr. Sears to move the meeting to Open Session.

IX. 4th QUARTER COMBINED FINANCIAL STATEMENTS

On motion by Mr. Sears, seconded by Ms. Dobmeier, the 4th quarter combined financial statements were unanimously approved.

X. 4th QUARTER INVESTMENT ACTIVITY REPORT

On motion by Ms. Anne Gioia, seconded by Ms. NeMoyer the 4th quarter investment activity was approved. Mr. Sears, Ms. Donna Gioia and Mr. Manning abstained from the vote.

XI. ANNUAL REVIEW OF FINANCE CHARTER

On motion by Mr. Manning, seconded by Mr. Sears the finance charter was unanimously approved.

XII. ANNUAL REVIEW OF INVESTMENT POLICY

On motion by Mr. Manning, seconded by Mr. Sears the investment policy was unanimously approved.

XIII. YEAR END FINANCIAL REVIEW. Informational Only.

XIV. LITIGATION/INSITUTE OPERATIONS REPORT

Litigation Reports. Informational Only.

Policy & Procedures Report. Informational Only.

XV. GOVERNANCE COMMITTEE

Review of RPCI Self-Evaluation Survey

Mr. Sexton listed for the Board five financial disclosures submitted: Mr. Sears and Key Bank, Ms. Dobmeier and Dobmeier Janitorial Supply, Mr. Manning and Phillips Lytle, Ms. Donna Gioia's brother works at Five Star bank and Ms. Eve works at Verizon.

A motion was made by Ms. NeMoyer and seconded by Mr. Szefer to approve the continuation of business relationships with KeyBank, Dobmeier Janitorial Supply, Phillips & Lytle, Five Star Bank and Verizon, which motion was unanimously approved.

Mr. Sexton gave a report on the Directors Self-Evaluation Survey disseminated the first quarter of each fiscal year. This year's results were very positive, with questions continuing over the evaluation process for the CEO. It appears the questions may need to be clarified for the next survey.

On motion by Mr. Manning, seconded by Ms. Anne Gioia the Self-Evaluation survey was unanimously approved.

Review of RPCI Conflict of Interest Policy

On motion by Ms. Anne Gioia, seconded by Mr. Szefer the Board Conflict of Interest Policy was unanimously approved.

Ms. Donna Gioia mentioned that Ms. Katie Hineman will be replacing Mr. Sexton as the primary executive lead on the Governance Committee.

Ms. Eve shared her recent experience on a virtual retreat with Verizon which was very successful and very engaging. She mentioned this because Mr. Joseph suggested that perhaps Roswell could have a virtual retreat.

Succession Plan Review

On motion by Mr. Manning, seconded by Mr. Sears the CEO Succession Plan was unanimously approved.

Mr. Szeffel provided an Audit Committee meeting update, for the meeting held June 23, 2020 at which the Freed Maxick team presented the Fiscal Year 2020 independent audit of the financial statements. The financial statements are in pristine condition, and an unconditional opinion rendered by the auditors. Mr. Szeffel congratulated Mr. McDonald and his team on their excellent work. The Audit Committee recommends to approve the audited financial statements. *On motion by Mr. Szeffel, seconded by Mr. Manning the audited financial statements were unanimously approved.*

XVI. IT UPDATES. Informational only.

XVII. MEDICAL STAFF REPORT

Medical Staff Credential Subcommittee Minutes. Informational Only.

XVIII. NURSING REPORT. Informational Only.

XIX. CLINICAL OPERATIONS REPORT. Informational Only.


XX. NYS ANNUAL REPORT

On motion by Ms. NeMoyer, seconded by Mr. Manning the NYS annual report was unanimously approved.

Mr. Sears brought up the CEO Compensation benchmarking study from Sullivan & Cotter commissioned earlier this year. The report indicates Dr. Johnson's compensation package is properly positioned in comparison to her peers and peer organizations. Mr. Joseph encouraged all Board members to review the report.

XXI. ADJOURNMENT

There being no further business, a motion was made for adjournment by Ms. Eve, seconded by Ms. Mitchell and was unanimously carried.


Michael B. Sexton, Secretary