

**Massachusetts Technology Collaborative
Personnel and Governance Committee Meeting
December 11, 2017**

MINUTES

Directors: Pamela Reeve (Chairperson), and Alexandra Drane attended the Meeting.

Staff: Michael Baldino, Phil Holahan, Maeghan Welford and Holly Lucas Murphy attended the Meeting.

Location: The Meeting was held at 4 Edgewater Place, Winchester, Massachusetts.

Ms. Reeve observed the presence of a quorum and called the Meeting to order at 7:05 a.m.

Agenda Topic	Discussion	Action Taken
Approval of Minutes	The minutes of the December 21, 2016 meeting of the Personnel and Governance Committee were presented for approval.	The Committee voted unanimously and without abstention to approve the meeting minutes, as presented.
Organizational Update	Ms. Lucas-Murphy presented an update on the status of MassTech's organizational structure and related operational and human resources matters. Ms. Welford informed the Committee that Ed Donnelly had been selected by Tim Connelly to serve as Chief of Staff upon Ms. Welford's departure at the end of the month for the MITRE Corporation. She noted that it was unclear whether Mr. Donnelly would assume responsibility for managing the communications staff or whether he would take over her responsibilities in supporting the Digital Health Council. Ms. Reeve expressed concerns about the lack of diversity on MassTech's senior	Not Applicable

	<p>management team, particularly in light of the impending departure of Ms. Welford.</p> <p>Ms. Lucas-Murphy reviewed the current organizational charts and noted that MassTech is essentially in a hiring freeze. She explained that the internal focus is on reducing support and operational staff and adding “more horsepower” to the Innovation Institute team. Ms. Lucas-Murphy indicated that some people have recently left MassTech, particularly younger employees, who may not see growth opportunities in the organization. Ms. Welford mentioned challenges associated with retaining talented employees at the middle management level.</p> <p>Ms. Lucas-Murphy reviewed MassTech’s human resources metrics. Ms. Reeve suggested that the Committee should evaluate whether the salary and leadership structure are moving in the right direction. A discussion ensued about the day-to-day “personality” of MassTech and the general level of energy and cohesiveness of the staff. The Medicaid staff was highlighted as a very cohesive group. The challenges posed by the reduced headcount in Westboro along with the dispersion of staff among three buildings was mentioned. The culture in the Boston office was also discussed and Ms. Lucas-Murphy agreed with the suggestion that human resources should conduct another round of stay interviews. Ms. Reeve recommended that MassTech develop a talent strategy. Ms. Drane suggested that Board members should receive an update on the work and progress of the Long Range Planning Committee. The discussion also addressed the impact of reduced levels of state funding on the organization.</p>	
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<p>Governance</p>	<p>Mr. Holahan presented a potential slate of nominees for the Executive Committee of the Board of Directors, which includes the nomination of four current Executive Committee members. He explained that two vacancies have opened up on the Executive Committee due to the departures of Mitch Tyson and Robert Johnson from the Board of Directors. Mr. Holahan mentioned that Mr. Tyson will continue to serve on the Innovation Institute Governing Board. A substantial discussion ensued regarding potential candidates to fill the Executive Committee vacancies. There was a consensus that (1) Annmarie Levins should be nominated to fill one of the vacancies; and (2) the nomination to fill the other vacancy should be deferred to a subsequent meeting at which time the Committee can further review the roster of Board members.</p> <p>Mr. Holahan noted that the departure of Chris Andrews has resulted in a vacancy for the corporate Treasurer. He recommended the nomination of Lisa Erlandson to serve as Treasurer. Mr. Holahan noted that Mr. Connelly decided not to hire a new Chief Financial Officer and that many of the duties of the CFO are being performed by Ms. Erlandson. He shared his observations that Ms. Erlandson is very smart, talented and well regarded by her colleagues at MassTech.</p>	<p>The Personnel and Governance Committee unanimously and without abstention to adopt Motion #1 to nominate for consideration by the full Board a slate of Board members to serve on the Executive Committee (see Exhibit A).</p> <p>The Personnel and Governance Committee unanimously and without abstention to adopt Motion #2 to recommend to the full Board the appointment of Mr. Holahan and Ms. Erlandson as corporate officers. (see Exhibit A).</p>
<p>Executive Compensation</p>	<p>Mr. Lucas-Murphy presented executive compensation recommendations and led the ensuing discussion.</p> <p>She presented comparative survey data for the Executive Director, Division Director positions and the Deputy Executive Director/General Counsel. The data included benchmark compensation data for private sector companies compiled by the Associated Industries of Massachusetts</p>	

	<p>(“AIM”) as well as salary data for positions with similar functions and responsibilities at state entities, including quasi-public agencies. Ms. Lucas-Murphy clarified that even though the AIM data includes information on bonuses paid out by private sector companies, MassTech has continued its practice of not offering bonuses to employees. She noted that Mr. Connelly has recommended a 3.50% salary increase for MeHI Director Laurance Stuntz. She also noted Mr. Connelly is not recommending increases for any other executives. Ms. Lucas-Murphy clarified that a two percent salary increase pool will be allocated to non-executives based on a cost-of-living adjustment. She noted that MassTech will return to an approach in 2018 that bases salary adjustments for non-executives on performance evaluations.</p> <p>Ms. Lucas-Murphy presented the proposed motions to (1) designate four employees as executives, as that term is defined by state law; and (2) establish the compensation of MassTech executives.</p> <p>There was a brief discussion of the need to conduct Mr. Connelly’s annual performance review, which must be conducted by the Personnel and Governance Committee pursuant to the terms of Mr. Connelly’s employment agreement. It was agreed that the process for conducting Mr. Connelly’s review would be discussed at the next meeting of the Committee.</p> <p>There being no other business to discuss, the Committee voted unanimously to adjourn the meeting at 8:01 a.m.</p>	<p>The Personnel and Governance Committee unanimously and without abstention to adopt Motion #3 to designate certain MassTech employees as executives (see Exhibit A).</p> <p>The Personnel and Governance Committee unanimously and without abstention to adopt Motion #4 to establish the compensation of MassTech executives (see Exhibit A).</p>
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Materials and Exhibits Used at this Meeting:

1. Draft Minutes of the December 21, 2016 meeting of the Personnel and Governance Committee
2. Organizational Update Presentation
4. Executive Compensation Materials and Presentation (including Salary Comparables)
5. Motion – Executive Committee Nominations
6. Motion - Corporate Officer Nominations
7. Motion - Executive Compensation
8. Motion – Designation of Executives

Exhibit A – Motions Adopted at December 11, 2017 Personnel and Governance Committee Meeting

Motion #1

The Personnel and Governance Committee of the Board of Directors of the Massachusetts Technology Park Corporation (the “Corporation”), acting pursuant to the authority delegated by the Board of Directors, does hereby recommend that the Board of Directors elect the following individuals as Members of the Executive Committee of the Board of Directors of the Corporation to serve with the statutorily designated Chairperson as part of a seven-member Executive Committee:

- Pamela Reeve as the Vice Chairperson and Industry Member
- Anne Margulies as the Academic Member
- Rupa Cornell
- Alexandra Drane
- Annmarie Levins

Each of the individuals shall serve until a successor is elected.

Motion #2

The Personnel and Governance Committee of the Board of Directors of the Massachusetts Technology Park Corporation (the “Corporation”), acting pursuant to the authority delegated by the Board of Directors, does hereby recommend that the Board of Directors appoint, as the case may be, the following individuals, as Corporate Officers of the Corporation:

- Lisa Erlandson as Treasurer
- Philip Holahan as Secretary

Each of the individuals shall serve until a successor is appointed.

Motion #3

The Personnel and Governance Committee of the Board of Directors of the Massachusetts Technology Park Corporation, acting pursuant to the authority delegated by the Board of Directors, does hereby designate the following employees as “executives” as defined in 801 CMR 53.02:

- Timothy Connelly, Executive Director

- Philip Holahan, Deputy Executive Director & General Counsel
- Patrick Larkin, Director, John Adams Innovation Institute
- Laurance Stuntz, Director, Massachusetts eHealth Institute

Motion #4

The Personnel and Governance Committee of the Board of Directors of the Massachusetts Technology Park Corporation (“MassTech”), acting pursuant to the authority delegated by the Board of Directors, does hereby take the following actions relative to compensation of MassTech executives (as designated by the Committee pursuant to 801 CMR 53.02 and hereinafter referred to as “Executives”):

- Establishes the salary of each Executive based on the consideration of factors that include, but are not limited to, an analysis and assessment of salary data for positions with similar functions and responsibilities at state agencies, state authorities, for-profit employers and non-profit employers:

Name	Title	Current Salary	Approved Increase	Adjusted Salary
Timothy Connelly	Executive Director	\$192,000	None	\$192,000
Philip Holahan	Deputy Executive Director & General Counsel	\$206,675	None	\$206,675
Patrick Larkin	Deputy Director, MassTech & Director, Innovation Institute	\$194,504	None	\$194,504
Laurance Stuntz	Director, Massachusetts e-Health Institute	\$170,000	\$3,500 (2.06%)	\$173,500

- Continues the practice of not issuing bonuses to Executives and all other MassTech employees;
- Establishes the other elements of the compensation package for all Executives as follows – each Executive shall generally be eligible to receive benefits (including, but not limited to, severance, retirement, accrual and payment of earned time, and payout of unused earned time) on the same basis as other Regular MassTech employees, as generally described in the Employee Handbook and as set forth in the applicable benefit plan documents, as may be revised from time to time.