

**Massachusetts Technology Collaborative
Personnel and Governance Committee Meeting
April 13, 2018**

MINUTES

Directors: Pamela Reeve (Chairperson) (participated by phone due to geographic distance), Alexandra Drane and Rupa Cornell attended the Meeting.

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

Location: The Meeting was held at Sage Therapeutics, 215 First Street, Cambridge, Massachusetts.

Ms. Reeve observed the presence of a quorum and called the Meeting to order at 1:36 p.m.

Agenda Topic	Discussion	Action Taken
Approval of Minutes	The minutes of the February 9, 2018 meeting of the Personnel and Governance Committee (“Committee”) were presented for approval.	The Committee voted unanimously and without abstention to approve the meeting minutes, as presented.
Review of Executive Salary	Mr. Holahan led a discussion regarding the compensation of Lisa Erlandson, who is serving as the Treasurer and Chief Financial Officer after the departure of Chris Andrews. He clarified that when Ms. Erlandson was appointed Treasurer she also became the Chief Financial Officer by operation of law. Ms. Lucas Murphy presented Ms. Erlandson’s salary history and noted that her currently salary is pro-rated to reflect a reduced schedule of four days per week. She indicated that Ms. Erlandson voluntarily agreed to the reduced work schedule during Mr. Connelly’s tenure as	

	<p>MassTech Executive Director.</p> <p>Ms. Reeve inquired about the results of any recent performance reviews of Ms. Erlandson. Mr. Holahan and Ms. Lucas Murphy both spoke positively of Ms. Erlandson's performance – solid performer, exercises great common sense, has a strong historical perspective, the “go to” person at MassTech for RSM, the organization's independent audit firm. In response to a question from Ms. Cornell, Mr. Holahan and Ms. Lucas Murphy reiterated that Ms. Erlandson is the right person to serve as CFO.</p> <p>A discussion ensued regarding Ms. Erlandson's salary history and the compensation data for CFO positions. Ms. Drane noted that Ms. Erlandson's salary is lower than any of the other quasi-public CFOs for which compensation data was presented. It was noted that Ms. Erlandson received modest salary increases while she was Controller in order to keep her salary in line with the overall salary structure at MassTech.</p> <p>It was noted that Mr. Connelly did not believe that MassTech needed a CFO. Ms. Reeve shared her perspective that MassTech should have a CFO. The Committee members expressed that they were comfortable with Ms. Erlandson serving as the CFO. There was a consensus that MassTech should ensure that Ms. Erlandson is fairly compensated and Ms. Reeve directed Ms. Lucas Murphy to come back to the Committee with a salary recommendation at the next meeting. It was agreed that the next meeting of the Committee would be convened on April 27. Ms. Reeve cautioned that Ms. Lucas-Murphy should keep budget constraints in mind while developing her salary</p>	
--	--	--

	<p>recommendation and suggested that the salary should not be at the top end of the range for quasi-public CFOs. There was a discussion about whether Ms. Erlandson would be interested in returning to a full-time schedule. It was noted that the next Executive Director may want the CFO to be a full-time position. Mr. Baldino noted that Ms. Erlandson typically works closer to five days a week even though she is only getting paid for a four-day work week.</p> <p>A motion was presented and approved to designate Ms. Erlandson as an executive at MassTech. It was clarified that the CFO position is deemed to be an executive position pursuant to the quasi-public accountability and transparency law.</p>	<p>The Personnel and Governance Committee voted unanimously and without abstention to adopt Motion #1 relative to the designation of Ms. Erlandson as an executive.</p>
<p>Hiring Practices</p>	<p>Mr. Holahan and Ms. Murphy led a discussion of MassTech's hiring practices. Mr. Holahan noted that the Committee previously requested that staff develop a plan to improve diversity within MassTech. Mr. Holahan stated that the proposed motion to codify a set of principles that reflect best practices for the hiring process is the first step in addressing the Committee's request. He explained that hiring practices had become lax during Mr. Connelly's tenure at MassTech. Ms. Lucas Murphy indicated that staff is seeking to reinstitute the traditional hiring process that was led by the Human Resources Department. She discussed her approach to posting job openings, which includes the use of Zip Recruiter, MassTech's website, and targeted, niche websites. Ms. Lucas Murphy also mentioned the need to improve the presence of veterans in the pool of job candidates.</p> <p>Ms. Reeve emphasized the importance of seeking a diverse pool of job candidates and adhering to the commitment to</p>	

	<p>hire the most qualified candidates. Ms. Cornell concurred with Ms. Reeve on the importance of raising awareness of the potential for non-conscious bias and suggested that hiring managers should receive training on this issue. Ms. Drane suggested that MassTech should consider how to leverage the Board of Directors to tap into Directors' networks and solicit help in identifying qualified job candidates, particularly for executive positions.</p> <p>Mr. Holahan discussed the unique characteristics of working in the public sector. He emphasized that, in order to be successful, employees must realize that they are acting as the agent of the Commonwealth. He also noted that employees need to be adept at listening, collaborating and bringing people together.</p> <p>The Committee concurred with the suggestion of Ms. Reeve to amend bullet #3 of the motion to read as follows – “HR shall conduct an open and competitive search process to fill each job opening, which shall include publicly advertising all job opportunities accompanied by robust outreach to improve the diversity of the candidate pool”. The motion, as amended, was approved.</p>	<p>The Personnel and Governance Committee voted unanimously and without abstention to adopt Motion #2, as amended, relative to hiring practices at MassTech.</p>
Executive Director Transition	<p>Mr. Holahan initiated the discussion about the recent resignation of Mr. Connelly as Executive Director, the aftermath of his resignation and next steps for the transition to a new Executive Director. Mr. Holahan thanked the Committee members and Ms. Lucas Murphy for their engagement and support during a difficult time for the organization.</p> <p>Ms. Reeve and Ms. Drane urged that MassTech should not</p>	

	<p>engage in a post mortem of Ms. Connelly’s tenure and instead, should look forward and focus on the search for a new Executive Director. Their position was informed by separate conversations that Ms. Reeve and Ms. Drane had with Carolyn Kirk of the Executive Office of Housing and Economic Development. Ms. Kirk serves as the designee of Secretary Ash, the Chair of the MassTech Board of Directors. Ms. Reeve suggested that the members of the Committee review the existing job description and write down their thoughts on the desired qualifications, skills, experience, characteristics, and attributes for the Executive Director position. Ms. Drane suggested that MassTech review job descriptions for positions that have been filled by the type of person that they would like to see lead MassTech. Ms. Reeve observed that the Committee seems to be honing on leadership traits and capabilities. Ms. Drane noted that “community building” is at the core of MassTech’s mission.</p> <p>Ms. Reeve also suggested that the Board should work in collaboration with the Baker-Polito Administration during the search process. Ms. Cornell shared her expectation that members of the Committee would be actively involved in the search process.</p>	
Governance Matter	<p>The Committee reopened the discussion regarding the nomination to fill the vacancy on the Executive Committee. After a consideration of the options, the Committee agreed to nominate Tye Brady of Amazon Robotics, who has been very engaged and an active participant since his appointment to the Board.</p> <p>There being no other business to discuss, the Committee voted unanimously to adjourn the meeting at 2:29 p.m.</p>	<p>The Committee voted unanimously and without abstention to nominate Tye Brady to serve on the Executive Committee of the Board of Directors.</p>

Materials and Exhibits Used at this Meeting:

1. Draft Minutes of the February 9, 2018 meeting of the Personnel and Governance Committee
2. Motion – Designation of Executive
3. Motion – Hiring Practices
4. Executive Salary History
5. Executive Compensation Materials and Presentation (including Salary Comparables) for Executive Director and Chief Financial Officer

Exhibit A – Motions Adopted at April 13, 2018 Personnel and Governance Committee Meeting

Motion #1

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 employee as an “executive” as defined in 801 CMR 53.02:

- Lisa Erlandson, Chief Financial Officer

Motion #2 (as amended)

The Personnel and Governance Committee of the Board of Directors of the Massachusetts Technology Park Corporation (“Corporation”), acting pursuant to the authority delegated by the Board of Directors, does hereby direct the Corporation, acting by and through the Executive Director (including any employee serving in this capacity on an interim or acting basis) to implement hiring procedures for all regular employees that comports with the following principles:

1. Hiring activities shall be coordinated and administered by the Human Resources (“HR”) Department;
2. Each job opening shall be supported by a detailed job description and subject to approval by the Finance Department prior to posting by HR;
3. HR shall conduct an open and competitive search process to fill each job opening, which shall include publicly advertising all job opportunities accompanied by robust outreach to improve the diversity of the candidate pool;
4. HR shall lead the process of sourcing, tracking and reviewing job candidates;
5. HR shall continue to maintain and update at regular intervals metrics related to job applicant pools, HR activities and the Corporation’s employees; and
6. All offers for employment shall be in writing and shall be managed by the HR Director in consultation with the Executive Director.