

Executive Summary Board of Directors Meeting September 17-18, 2015

Proceedings:

- *Meeting Called to Order* at 8:30 a.m. (local time) on September 17 by Chair, Dr. John Wingard. A quorum was noted. In his opening comments, he indicated that no one signed up for the open forum
- *Minutes* from the June 4-5, 2015, Board meeting were reviewed. Changes were noted and made. The minutes were approved with those changes.
- *Update from CEO*
Transplant numbers improved significantly from first quarter 2015. It was noted that double cord transplants were flat and there was an increase in single cord transplants. The *House Resolution 2820 to authorize the Stem Cell Therapeutical and Research Act of 2005* was presented and passed by the House of Representatives. An update on staffing changes was made. Due to greater opportunities to recruit, NMDP staff requested a variance to budget to allow for more recruitment. In late January the *Parent's Companion Program* was launched containing a toolkit for caregiver's of patients 18 years and younger. A *Caregiver's Companion Program* has also been launched—105 enrollees to date. Both programs have been translated to Spanish.
- *Retiring the Bonds*
The Series 2010 Bond was originally taken out for \$63 million with an interest rate of 4.7%. A new rate of 1.7% was secured earning a savings of \$4 - \$9 million over the next few years. Recent reserve analysis indicates NMDP can hold \$130 in reserves and Be The Match Foundation can hold \$5 million.
- *Financial Summary*
The year-to-date balance sheet is strong. Although revenue is below plan, expenses are lower than budgeted with revenue on target.
- *Facility Update*
Due to rapid growth, a new building in the North Loop area near downtown Minneapolis is nearly complete. Relocation will begin in November and happen in three phases allowing staff to reside in one building.
- *Budget*
Five strategic focus areas were presented for FY2015. Projects were discussed to improve measures such as value-add to transplant centers, increase efficiency and effectiveness of services, expand revenue sources including international activity, reduce financial barriers, effectively engage Government in pursuit of the mission.
The three-year budget plan was presented and line items were reviewed as well as the FY2016 budget. The Finance Committee unanimously approved the budget; however, at that time the additional funds to support recruitment was not included. The 3-year budget showed transplants remaining flat. NMDP has not increased their pricing for two years, though NMDP is internationally one of the highest priced suppliers. Recruitment and availability were also reviewed. The board was asked for \$3 million to invest in the following: \$2 million for minority recruitment and \$1 million for Caucasian recruitment. A motion was made, seconded and approved to approve the budget with the amendment.
- *IT Update*
Online registration launched in May. Traxis is taking ½ the time as previous and showing improved transplant center satisfaction. Changes were made to STARLink to include a dropdown box providing the reason a donor is unwilling to donate.
- *Conflict of Interest*

A Conflict of Interest process was outlined for FY 2016 as part of our ongoing efforts to meet our compliance requirements with the IRS 990. Board members were asked to return their completed and signed forms by the end of the day.

23rd Edition of Standards

The 23rd Edition of the NMDP Standards is in the final stages of review by the Standards Advisory Group after the designated 30-day posting for public comments. After review of the changes, the board rejected the change to the Standards in the 23rd Edition related to 7.240: changing should back to shall. A motion was made to approve the 23rd Version of Standards. Motion made and seconded to approve the changes amending the change in 7.240.

Board Development Committee

The Board was asked to approve the nominations of new board members as of October 1, 2015, for Miguel-Angel Perales, MD; Harpreet Sandhu, MT; Abigail (Abby) West; and Lori White. The board was also asked to approve the Board Officers beginning October 1, 2015, for John Wingard, Chair; Lynn Abrahamsen, Chair-elect; Ann Berkey, Vice Chair; William (Bill) Pomeroy, Secretary. The board was also asked to approve returning board members for another two-year term beginning October 1, 2015 for Fiscal Year 2016 for Jennifer Jones, PJ Kamani, John McMannis, and David Schubert. The board voted on the Corporate Officers for Jeffrey Chell, Chief Executive Officer; Dennis Confer, Chief Medical Officer; Karen Dodson, Chief Operating Officer; and Amy Ronneberg, Chief Financial Officer for a 1-year term. Motions were made for each respectively, seconded and passed. Council President, Melinda Caltabiano, and Council Vice President, Yvonne Ybarra were also presented to the board.

Cord Blood Program

Management presented a summary of activities they have been implementing to increase cord blood utilization, which included a banking financial analysis, an inventory analysis on size and diversity of units, as well as an investment analysis.

New Business Opportunities

Jeffrey Kahn, PhD, an ethicist from the Johns Hopkins Berman Institute of Bioethics, helped NMDP create a white paper "Donation of Human Biological materials for use in Cellular Therapies: Consideration of the Issues." He noted that the final version of the white paper is available on the board website. NMDP will review new cellular therapeutic opportunities and expand business opportunities. The board announced approval to call the new business Be The Match BioTherapies.

- *Next meeting:* Thursday & Friday, January, 2015 – Tempe AZ
- *Meeting Adjourned*