

**MINUTES OF THE OPEN SESSION MEETING OF THE BOARD OF DIRECTORS OF
MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION**

May 25, 2023

The Board of Directors of Maryland Technology Development Corporation (“TEDCO”) convened at 10:00 a.m. on May 25, 2023, via a Zoom video conferencing link provided for that purpose. 16 members out of the total 17 members of the Board attended the meeting; a quorum was present.

The information required under the Open Meetings Act with respect to actions taken during a Closed Session at the meeting of the Board on February 23, 2023 is attached hereto as Exhibit A.

Board Members Present:

Omar Muhammad, Chair
Ellen Flowers-Fields, Vice Chair
Jeffrey Rhoda, Treasurer
Eben Smith, Assistant Treasurer
Jennifer Elisseeff, Secretary
Rondall Allen
Kevin Anderson
Matthew Bjonerud
John Bohanan
Kathie Callahan Brady
Chung Hei Sing
Matthew Lee
Myra Norton
Amita Shukla
David Tohn
Robert Wells

Representatives, TEDCO Staff, and Guests Present:

Troy LeMaile-Stovall, CEO
Terry Rauh, Staff
Jack Miner, Staff
Ann Pulley, Staff
Geysel Gonzalez, Staff
Tammi Thomas, Staff
Elizabeth Good Mazhari, Staff
Stephen Auvil, Staff
Mindy Lehman, Staff
Dr. Ruchika Nijhara, Staff
Dr. Arti Santhanam, Staff
Alex Choi, Staff

Leah Franklin, Staff
Holly Huntley, Guest
Jennifer Dolin, Guest
Renee Winsky, Maryland Innovation Initiative Chair, Guest
Jigita Patel, Office of the Attorney General (“OAG”)
Lara Hjortsberg, OAG

Board Members Not Present:

Cliff Coppersmith

I. Call to Order

Following the roll call by Ms. Franklin, Mr. Muhammad called the meeting to order at 10:16 a.m.

II. Maryland Innovation Initiative (MII) Overview

Ms. Winsky provided an overview of MII, highlighting the following:

- MII was a legislative initiative; the program began in 2012.
- The MII Board consists of 8 members; there are 4 staff members.
- MII consists of five universities: John Hopkins University, Morgan State University, University of Maryland, Baltimore, University of Maryland, Baltimore County, University of Maryland, College Park.
- MII has instituted are pilot programs with Bowie State University and Frostburg University.
- Collectively MII has invested \$48 million since its inception, creating approximately 300 jobs.
- The MII Board has embarked on its first strategic plan this year.

Ms. Winsky left the meeting following the presentation of her report.

III. Legislative Recap

Ms. Lehman presented the Legislative Recap, noting that the 2023 General Assembly session was an historic session with a new Governor, new Attorney General, and many new legislators. She highlighted the following:

- 8 bills signed during the 2023 General Assembly session.
- TEDCO is setting up new Equitech Growth Fund and its Board and is planning for the first year funding.
- TEDCO is also planning and implementing new TEDCO programs established by legislation adopted during the 2023 session.
- TEDCO has hired a new Director of Government Relations and Research.

- The FY2024 budget has been reviewed with General Assembly and the Administration.

IV. Motions to Approve

(a) Meeting Minutes – February 23, 2023

Upon motion duly made and seconded, the Board unanimously approved the minutes of the meeting for February 23, 2023.

(b) TEDCO Conflict of Interest Policy

Mr. Stovall noted that the TEDCO Conflicts of Interest Policy was being presented to the Board for its consideration and approval following a changes to include the Board in the policy, noting that the current policy only covers TEDCO staff. Mr. Stovall thanked Mr. Schwartz and Mr. Wells for working together to complete this policy.

After discussion and upon motion duly made and seconded, the Board unanimously approved the TEDCO Conflict of Interest Policy as presented.

(c) TEDCO Regulations, including the addition of regulations for the Maryland Equity Investment Fund

Mr. Stovall introduced the topic of TEDCO’s regulations, noting that the legislature had created the Maryland Equity Investment Fund and provided for a \$10 million appropriation for this fund in the 2022 session. He further noted that this legislation effectively resolves TEDCO’s pension relationship (i.e., the \$25 million previously allocated to Maryland Innovation Opportunity Fund, of which there remained a \$10 million balance not deployed). It was noted that the legislation required the adoption of regulations.

Upon motion duly made and seconded, the Board unanimously approved the regulations as presented.

(d) FY24 Budget

Mr. Stovall noted that the FY24 budget presented for consideration and approval was the first budget in which TEDCO was not requesting reserves to fund operations. It was noted that the anticipated office move would, however, require use of capital reserves. Mr. Rhoda further noted that the FY24 budget presented had been unanimously approved by the Audit and Finance Committee and that the Audit and Finance Committee recommended the Board’s approval.

After discussion and upon motion duly made and seconded, the Board unanimously approved the FY24 budget as presented.

V. Board of Directors Elections 2023

Mr. Stovall presented the following slate of officers of the Board for election:

- Omar Muhammad – Chair
- Ellen Flowers-Fields – Vice Chair
- Kathie Callahan Brady – Secretary
- Jeff Rhoda – Treasurer
- Eben Smith – Assistant Treasurer

Mr. Wells noted that the Governance and Nominating Committee had reviewed the slate at its last meeting (May 9, 2023). It was noted that the goal for the Board was greater Board engagement and attendance at meetings. There followed a discussion of the evaluation process, it being noted that Board members were encouraged to participate in the process. Mr. Stovall stated that Terri Collins (TEDCO Staff) would be distributing the Board self-evaluations and the evaluation for Mr. Stovall.

After discussion, and upon motion duly made and seconded, the Board approved the slate of officers of the Board presented for election at this meeting.

Mr. Muhammad thanked all the past and present board members for their time, attention, and service to TEDCO and welcomed new board members, Kevin Anderson, Secretary of Commerce, and Matthew Bjonerud, a public member appointed by the Governor.

VI. Informational

(a) Updates

i. Board of Directors Chair

Ms. Norton introduced the *Strategic Anchors, Research Summary Report and Recommendations* distributed to the Board prior to the meeting, noting that the purpose of the project is to conduct research that will assist in identifying and defining the strategic anchors, which serve as overarching guidance necessary to implement TEDCO's strategic plan. Ms. Norton asked Ms. Huntley to review the presentation with the Board.

Ms. Huntley first reviewed the major themes underlying responses in Board interviews regarding the strategic anchors:

- Support for the CEO's strategic direction;
- Desire of the Board to focus on fiduciary issues rather than operations;
- Perception that strategic plan is complex and broad;

- Readiness to cautiously pursue outside funding with the understanding that input from legal counsel and statutory changes would be required;
- Excitement regarding serving historically underserved;
- Desire for more data and information necessary to confidently serve and advocate on TEDCO's behalf (e.g., "elevator pitch" and talking points; stakeholder engagement kit; access to dashboard); and
- Belief that new legislature and administration in the State provides opportunity for introducing change

Ms. Huntley directed the Board's attention to Slide 10, *Suggested Roadmap for TEDCO's Board: Strategic Anchors and Critical Success Factors*, highlighting the following:

- Strategic Anchors:
 - Strategic Anchor 1 (Treasurer) – Broaden funding sources beyond the State
 - Strategic Anchor 2 (Talen) – Focus on/prioritize underserved populations
- Critical Success Factors:
 - Improve Board education, engagement, and management;
 - Leverage the unified support for the CEO's strategic direction;
 - Support Board fiduciary responsibilities; and
 - Supplement the strategic plan with data and storytelling

A general consensus in support of the findings in the report was expressed by the Board. It was noted that this report does not change the statutory definition of what TEDCO is. Mr. Mohammad also noted that these strategic anchors supplement the strategic plan rather than replace it.

Mr. Muhammad closed this discussion by noting that the Board retreat would be held in-person on same day as the August Board meeting (August 24, 2023, 9am to 2p.m.) Mr. Stovall requested that the Board members arrive one hour earlier and stay one hour later for the retreat.

(b) Audit and Finance Committee

Mr. Rhoda recommended to the Board a process change by which Mr. Rauh review (not approve) CEO charges, noting that this practice is a matter of good governance.

Mr. Rhoda explained that TEDCO anticipates having the final numbers for FY23 completed in July and proposed that the Executive Committee be delegated the authority to decide the amounts of the CEO bonus in July and the pool of bonus money for other TEDCO staff. It was noted that this was essentially a timing issue so that employees could receive their bonus payments in July rather than waiting until after the August Board meeting. Further discussion of the matter was tabled until the

Closed Session as it involved the discussion of personnel issues specific to one or more specific TEDCO employees.

(c) Executive Committee

No report at this time

(d) Investment Committee

Mr. Sing noted the following:

- TEDCO has deployed 80% of its SSBCI allocation for the 1st tranche and is on track to deploy 100% of the tranche by calendar year-end.
- TEDCO continued to empower founders across Maryland, including those in underrepresented populations.
- The Investment Committee had adopted a revised public stock policy pursuant to which TEDCO would sell stock of portfolio companies that have gone public following the IPO, noting that the policy was based on Investment Team research that within the first month of an IPO, public company stock does “okay” but after that time, it loses value.
- The Investment Committee had approved the regulations for the Maryland Equity Fund and recommended them to the Board for approval (which approval occurred prior in this meeting).

(e) Nominating and Governance Committee

No report at this time

(f) CEO Report

Mr. Stovall thanked Ms. Norton for her continued support on the strategic anchors project. He also thanked the guest presenters for their time and work on the project. He also thanked the Board for approving the FY24 Budget. He noted that as TEDCO understands more of the strategic anchors, the budget may change or be updated to reflect the need more resources and support. Mr. Stovall also reiterated how proud he was that it was not necessary to use reserves for operations and that TEDCO would only be using capital for the office move in 2024.

(g) Executive Leadership Team – Finance and Operations

Mr. Rauh provided a report as to the *FY23 Rapid Assessment of Accounting and Information Technology*, identifying 40 observations in TEDCO’s system. Mr. Rauh ranked 18 Finance and Accounting Objectives and 22 Operations and Information Technology Objectives from high to low. He also discussed the FY23 achievement highlights in accounting, finance, and information technology. Mr. Rauh noted that in the past two years, TEDCO’s finance team had moved many of its processes from to

electronic format. Mr. Rauh then discussed new data tools and gave a snapshot of what metrics the Finance and Operations Team is not currently able to report.

VII. **Action item:** Motion to Close Meeting

Mr. Muhammad noted the Closed Session on the meeting agenda and provided the statutory justification under Open Meetings Act for closing the meeting as follow: General Provisions (“GP”) GP §3-305(b)(1), to discuss personnel matters that affect one or more specific individuals; and GP §3-103, which allows a public body to meet in closed session when carrying out an administrative function.

Upon motion duly made and seconded, the Board unanimously approved that the meeting enter Closed Session for the referenced statutory justifications at 11:28 a.m. (A copy of the Statement for Closing a Meeting is attached hereto.) In addition to the Board members who voted in favor of entering Closed Session, the following individuals remained during the Closed Session at the invitation of the Committee: Mr. Stovall (until 11:46 a.m.), Ms. Hjortsberg, and Ms. Patel.

The meeting adjourned in Closed Session at 11:49 a.m.

Exhibit A

Required Disclosure under the Open Meetings Act for Prior Closed Session

Time, place, and purpose of Closed Session

Time and Place: 11:31 a.m. on 2/23/2023, via Zoom link provided to the Committee and those invited to attend by the Committee

Purpose: Review deliberative decision-making discussions with Executive Branch officials regarding pending legislation impacting TEDCO

Recorded vote of each member as to closing of the Closed Session

Recorded vote: The resolution to close the meeting was adopted unanimously by all of the Board members present at the meeting as follows: [Mr. Muhammad, Ms. Flowers-Fields, Ms. Elisseeff, Mr. Rhoda, Mr. Allen, Mr. Sing, Mr. Lee, Mr. Bohanan, Ms. Brady, Mr. Coppersmith, Mr. Howard, Mr. Parris, Ms. Norton, Mr. Wells, Ms. Shukla, Mr. Smith, Mr. Tohn, Ms. Pringle (Mr. Anderson's Designee) and Mr. Stovall, Mr. Rauh, Ms. Lehman, Ms. Thomas, Ms. Franklin, and Mr. Schwartz.

Citation of authority under General Provisions Article ("GP") §3-305 for closing the meeting

- §3-305(b)(13): To review privileged deliberative decision-making discussions by Mr. Stovall with Executive Branch officials regarding pending legislation impacting TEDCO.

Listing of topics discussed, persons present, and each action taken during the Closed Session

Topics discussed:

- Review privileged deliberative decision-making discussions by Mr. LeMaile-Stovall with Executive Branch officials regarding pending legislation impacting TEDCO

Persons present:

- From the Board: Omar Muhammad, Ellen Flower-Fields, Jennifer Elisseeff, Jeffrey Rhoda, Rondall Allen, Chung Hei Sing, Matthew Lee, John Bohanan, Kathie Callahan Brady, Cliff Coppersmith, Michael J. Howard, John Parris, Myra Norton, Robert Wells, Amita Shukla, Eben G. Smith, David Tohn, Signe Pringle (Kevin Anderson's Designee)
- From TEDCO: Troy LeMaile-Stovall, Terry Rauh, Mindy Lehman, and Leah Franklin
- From the OAG: Ira Schwartz

Actions taken: None; information only