

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
Executive Committee Meeting Minutes
February 22, 2011
10:00 a.m. – 12:00 p.m.
Michigan Economic Development Corporation Office
300 North Washington Square, Lansing, Michigan

Members Present: Lizabeth Ardisana
 David Armstrong
 Mary Lou Benecke
 Robert S. Collier
 Stephen D'Arcy
 Haifa Fakhouri
 Stephen Forrest
 Chris MacInnes
 Jeff Metts
 Greg Northrup
 Christopher Rizik
 Doug Rothwell

Members Absent: John W. Brown
 Haifa Fakhouri
 Thomas Lewand
 Kirk Lewis
 Jeffrey Noel
 John Rakolta, Jr.
 Ann Marie Sastry
 Marilyn Schlack
 Dayne Walling

MEDC Staff present: Michael Finney, Amy Cell, Doug Smith, Elizabeth Parkinson,
 Donald Snider, Minesh Mody, Mark Morante, Jennifer
 Nelson, Kim Fedewa, Jim McBryde, Amy Banninga
 Sandra Bofaris

Call to Order

Doug Rothwell called the meeting to order at 10:10 a.m. The meeting was held at the MEDC office, 300 North Washington Square, Lansing, Michigan.

Public Comment

Mr. Rothwell asked if anyone in attendance would like to provide public comment. No one responded.

Administrative Business

Doug Rothwell stressed the importance of attendance at all meetings. He went on to state the goals and objectives of the committee and read over the document provided to the executive committee prior to the meeting.

Goal:

Ensure that the Michigan Economic Development Corporation (MEDC) performs and is recognized as one of the Top Ten state economic development organizations in the nation.

Objectives:

- Adopt a **strategic plan** that sets challenging goals, establishes priorities for the allocation of resources, ensures a continuity of focus and includes performance metrics that measure both the economic performance of the state as well as the operational performance of the organization.
- Adopt an **annual work plan** that identifies specific strategies and tactics that advance the strategic plan and includes performance metrics that measure economic and operational performance.
- Review the **economic and operational performance** of the organization using relevant metrics at least quarterly.
- Establish and provide oversight to a **governance system** that ensures the financial, ethical and programmatic integrity of the organization by adopting best corporate governance practices and regularly reviewing such policies for effectiveness.
- Establish and provide oversight to **personnel and compensation policies** that attract, retain and reward talent with the values, skills and performance necessary to lead the organization and ensure that these policies link leader outcomes to the objectives of successfully enhancing the Michigan economy consistent with the MEDC strategy.
- Establish and provide oversight to **finance policies** that anticipate economic conditions, provide necessary resources to achieve the organization's mission and allocate resources according to the strategic and annual work plans.
- **Invest our own contacts and resources** to both effectively communicate the importance and the accomplishments of the organization with Michigan stakeholders and to leverage our global relationships in ways that help MEDC make Michigan a Top 10 state in economic growth.
- Establish an environment of **openness and transparency** both within the organization and with our stakeholders, including affirmative efforts to share best practices with local economic development organizations within the State.

Sub-committee Charters

Mr. Rothwell discussed the three sub-committee charters for approval.

Governance and Audit: Stephen D'Arcy will chair the sub-committee. They will focus on risk management. A short description of the sub-committee goals and responsibilities was given.

Compensation and Personnel: Jeff Noel will chair. In his absence, Jen Nelson lead the discussion. The overall goals of the sub-committee would be to address the overall compensation of the MEDC senior management team and CEO, and the annual performance review of the CEO, and overall benefit programs for the organization.

Finance: Chris Rizik will chair. The goals of the sub-committee were stated as: to work on transition of budgeting to align to MEDC strategic planning, and on the investment side how to optimize revenue vs. optimizing resources.

Approvals

Mr. Rothwell asked for any changes or additions to the January 4, 2011 meeting minutes. There were none. Mr. Rothwell also asked for any changes or additions to the executive committee goals and objectives, and three sub-committee charters. There were now.

A motion to approve the January 4th, 2011 meeting minutes, MEDC Executive Committee Goals and Objectives, and Sub-committee charters by Mr. Jeff Metts, and seconded by Mr. John Rakolta. The motions were unanimously approved.

CEO Report

Group Executive Structure: Amy Banninga gave the executive committee an overall view of the Governor's proposed structure. Anticipated are 6 Executive Groups; one under Mike Finney will include the MEDC, DELEG, Department of Transportation. The total employee count will go from 240 (MEDC only) to 640 (all department under the new executive group).

Steve D'Arcy raised the question "If Mike is responsible for the other departments, where does the executive committee fit into their goals and does the committee have involvement or responsibility in those areas." Discussed was that the belief is Mike has no fiduciary responsibility for MDOT and part of DELEG. Mr. D'Arcy requested a legal opinion that Mike's performance is not tied to MDOT or DELEG. The agreed upon course of action was that this matter would be revisited after the Executive Order was issued from the Governor's Office.

Governor's Budget

Minesh Mody went over the highlights of the Governor's budget, and handed out a memo from Beth Colosimo as further information.

MEDC Organizational Structure

Closing Comments

Adjournment

The meeting adjourned at 11:50 a.m.

Jennifer R.V. Nelson, Secretary
February 22, 2011