



The MSMR Annual Meeting of Members

June 26, 2015

Colonnade Hotel, Boston, MA

10:00 am to noon

Call to order

Dr. Niemi called the meeting to order at 10:05. There was some difficulty with our LCD projector, so we began without slides while the AV contractor replaced the projector, which took only a few minutes.

Agenda

- Call to order – Steven M. Niemi, DVM - Chair
- Recognition of Sponsors
- Approval of minutes from the 2014 Annual Meeting
- Election of new members
- Election of Board members – two-year terms
- Chairman's report – *The MSMR Strategic Planning Project*
- Auditor's report – Daniel F. Friel, CPA
- Financial Condition and Budget
- Legislation – Patrick Huntington, JD, Massachusetts Bay Associates
- Major projects and goals for FY2016
- Student Competition results
- New business from the floor

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MASSACHUSETTS
MEDICAL SOCIETY

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Copper



Friend

Tufts University
Paul T. Clark, JD
Patricia A. Preisig, PhD

Meeting minutes from the prior Annual Meeting of Members

Please review the minutes at this link: <http://www.msmr.org/2014MeetingMinutes.html>

A motion to accept the minutes of the prior meeting was moved, seconded and unanimously adopted.

Election of New Members

Integrated DNA Technologies

Medline Industries, Inc.

RPI Biotech Center

Safety Partners, Inc.

The Andersons Bedding Products

Dr. Dittrich noted that the makeup of the new members is largely vendors and largely results from Lynne Walsh's efforts at building better value for vendors in the MSMR membership. He also noted that there are still lots of our "traditional" member-types to be enrolled.

A motion to elect the new members was moved, seconded and unanimously adopted.

Election of Board Members – 2-year terms

*Keith M. Astrofsky, DVM – Novartis Institutes for BioMedical Research

Daniel Biran – Biogen, Inc.

**Ronald Farquhar, DPhil – Morningside Technology Advisory

*Kathryn Holthaus, MS – Brigham and Women's Hospital

*Lynn R. Jackson, DVM – Comparative Medicine Consultant

*Kirby L. Johnson, PhD – Tufts University

*Mark H. Johnson, MBA – AbbVie

*Steven M. Niemi, DVM – Harvard University

*Deborah Ann Siwik, PhD – Boston University Medical Center

Johanna vanderSpek, PhD – Worcester Technical High School

Donna M. Zyry, DVM – Pfizer, Inc

*Incumbent **Incumbent with changed affiliation

Dr. Jernigan and Dr. Deaver were thanked for their service and Mr. Biran, Dr. vanderSpek and Dr. Zyry were welcomed.

A motion to elect the slate as presented was moved, seconded and unanimously adopted.

Chairman's Report – The MSMR Strategic Planning Process – Next Steps

Note: notes for this section begin on Page 9

Next Steps: The MSMR Strategic Plan: FY2016 – FY2018

The Board of Directors met on February 4, 2015 at the Conference Center of the Massachusetts Medical Society. After discussion, 10 aspects of the Strategic Plan were adopted unanimously. The 11th – a name change – was referred to committee for further consideration.

ORGANIZATION

1. Establish new Board committees.

- a. Membership Development Committee specifically for member identification, cultivation and recruitment.

- b. Program Committee (to advise and assist the Biomedical Research Advisory Committee (BRAC) and provide special expertise, experience and reach that may not be incorporated into the BRAC
- c. Awards Committee (e.g., Biomedical Research Day honorees, Annual Meeting speakers)
- d. Government Affairs Committee to create actions and messaging around bills in the legislatures and activities of interest in the state executive branches.
- e. Finance Committee
- f. Education Committee (Grades 6-12, community colleges)
- g. Public Affairs Committee
- h. For broader Board development, we should, if possible, recruit one education specialist and one ranking individual in the medical device field or CRO as Board seats become available, to be followed by appointing a vendor or affiliate member.

PROGRAM DEVELOPMENT (MEMBER SERVICES/COLLABORATION) Strategic Goal: Be the primary regional resource for biomedical animal lab programs and be a valued resource in the biomedical research field

2. **Establish a mechanism for bringing ideas to our current committee for developing new programs** Our current BRAC committee is mostly non-Board volunteers but has two Board members; it works well. We do need new mechanisms for providing Board expertise for new programs (e.g., webinars in “non-animal” areas; or in both animal and non-animal areas such as in occupational safety, communications, green vivariums, disaster recovery, lab safety, etc.) The Board itself need not *own* the expertise – just be able to access those that do. The Program Committee will be the Board’s source here; we also need all other constituencies represented.
3. **Develop two new workshops, two to four new webinars and one new on-line course.** All will serve dual purposes: (a) provide our members with important, usable, practical training; (b) work as recruitment tools.
4. **Continue to seek collaborations for events and for buy-sell opportunities.** There are always new opportunities, particularly as we move into new areas – e.g. American Biological Safety Association, MassMEDIC, MassBIO (Rare Diseases Day, for example) and Connecticut United for Research Excellence – but we need our Board to make connections to these possible collaborators, as well. Buy-sell opportunities will most likely occur with our collaborators and States United for Biomedical Research peers.
5. **Hire a program development specialist.** This person would support the BRAC and Lynne with skills in program development / new pedagogy and media / market and program assessment. The ideal candidate would know our “space” and future spaces.

BUSINESS DEVELOPMENT (MESSAGING, COLLABORATION, RESOURCES) Strategic Goals: (i) Be the primary regional resource for biomedical animal lab programs and be a valued resource in the biomedical research field. (ii) Be a valued regional resource for public awareness and legislative support in the biomedical research field. (iii) Be a valued regional resource for enhanced national collaboration.

6. **Find ways to market “IACUCs & IBCs” training better and more broadly.** We offer one “canned” program – **IACUCs & IBCs**, including train-the-trainer, slides and handout materials. No other current MSMR program can be packaged in this same way, but as we move into new areas, we should build in “downstream” revenue enhancement when programs are being developed.
7. **Hire a business development specialist.** This person would assist the Board and the president in more actively marketing MSMR to potential members, sponsors, program attendees. S/he should understand our current and our future markets and should be capable of one-to-one and

one-to-many presentations in all formats and media. The ideal candidate would have grant-writing and grant-getting experience.

8. **Work with SUBR and its partners on strong messaging.** Much of the know-how and many of the message points are already available: getting our members trained and willing to communicate is really the harder issue. Recent experiences with WBZ-TV Boston and the Diane Rehm Show illustrate the need for experts trained in working with the media and ready and available to do so.

EDUCATION Strategic Goal: Be a valued regional K – 16 resource for learning about biomedical research.

9. **Hire an education specialist to support all of MSMR’s educational mission.** This person would create materials and experiences for students and teachers (e.g., science fairs, teacher association meetings, school scientist visits, science cafes, career days, **What A Year!** Student Competition, etc.) Grant writing would be part of the job.
10. **Create a membership category for secondary schools and two-year colleges.** The fee should be nominal and there must be a benefit in return (e.g., attendance at events; special category in the Student Competition). Probably agricultural and technical high schools would be the main users but a few of the region’s community and two-year colleges might also be interested. Marketing this category of membership would be one of the tasks of the new education specialist.

The following item was referred to an *ad hoc* committee composed of Lynne Brum, William Barbo and Alan Dittrich –

- ① **Change MSMR’s name (to the New England Society for Medical Research (NESMR)).** This reflects our actual reach and work. Though the name “MSMR” has not been a problem, a name change will allow us to re-market ourselves to current members and make our role easier to understand for potential members.
 - ① Regardless of whether we do or do not change the name, we will undertake a complete re-make of our website to reflect the best current practices in on-line presence. If the name change occurs, it would be best to know that before the web redesign is undertaken.

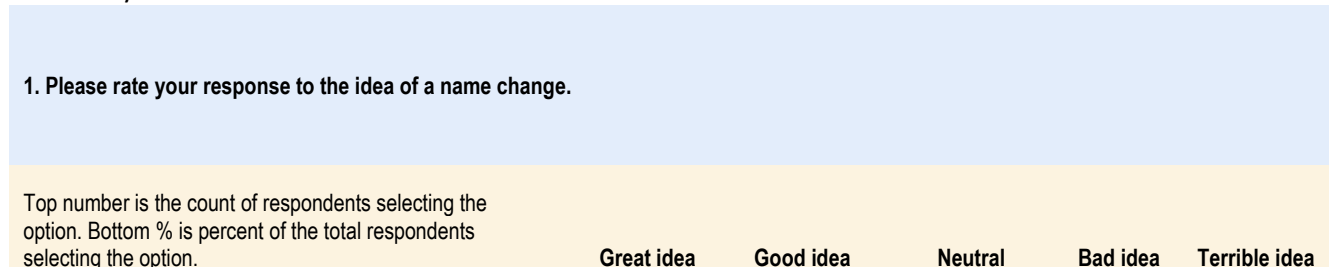
New Member Category description:

High School Member No annual fee

- *MSMR e-UPDATE*®
- MSMR Annual Meeting of Members (2 faculty)
- MSMR Laboratory Animal Enrichment Symposium (2 faculty)
- Biomedical Research Day Honors (2 faculty)
- No-fee registration On-line IACUC Member training program (1 faculty)
- No-fee registration at MSMR-produced webinars (2 faculty)
- Representation on the MSMR Education Committee (1 faculty)
- Student participation on a space-available basis

Name Change Survey Results:

A. MA Key Contacts



| | | | | |
|-----|-----|-----|----|----|
| 12 | 13 | 6 | 0 | 0 |
| 39% | 42% | 19% | 0% | 0% |

2. Please rate your response to the specific name: New England Society for Medical Research.

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.

| Great name | Good name | OK name | Bad name | Terrible name |
|------------|-----------|---------|----------|---------------|
| 13 | 13 | 4 | 1 | 0 |
| 42% | 42% | 13% | 3% | 0% |

3. Would a name change affect your organization's current relationship to us: willingness to remain a member, company & employee involvement, services expected, volunteer participation, etc.?

31 Response(s) - See next table

4. Optional: If you like the idea of changing the name but don't like New England Society for Medical Research, please suggest an alternative name.

7 Response(s) - See next table

3. Would a name change affect your organization's current relationship to us: willingness to remain a member, company & employee involvement, services expected, volunteer participation, etc.? - Responses

| Answer | Respondent |
|---|------------|
| no | Anonymous |
| Not at all. | Anonymous |
| no | Anonymous |
| No effect | Anonymous |
| Might actually increase the likelihood that we could fund you (my company is not based in MA) | Anonymous |
| NO | Anonymous |
| no real change.. | Anonymous |
| A name change will not affect my relationship with your organization. | Anonymous |
| Not at all; it would actually help as it would show a wider constituency. | Anonymous |
| NO | Anonymous |
| Not at all | Anonymous |
| Maybe | Anonymous |
| No | Anonymous |
| I would expect more engagement from our site in Connecticut (also located in Massachusetts). | Anonymous |
| No | Anonymous |
| No | Anonymous |

| | |
|---|-----------|
| No | Anonymous |
| I don't think so. | Anonymous |
| No | Anonymous |
| No effect | Anonymous |
| no affect/change | Anonymous |
| Yes | Anonymous |
| No affect | Anonymous |
| No - you serve all of New England, so it makes sense. | Anonymous |
| No impact at all. | Anonymous |
| No, it would not affect the relationship at all. | Anonymous |
| No | Anonymous |

It would not. In fact, XXX has a large collection of partner organizations through the XXX Clinical and Translational Science Center and the New England Consortium of CTSIs, which includes sites in Maine, New Hampshire, Rhode Island and Connecticut. I think the change more accurately reflects the relationships we have throughout New England.

Anonymous

No, we will still love you, no matter what your name is. I think it's actually a great idea to change your name to be more geographically inclusive, as it is a truer representation of the population you serve. Additionally, it will be a great excuse to get new letterhead! hahaha

Anonymous

No, a name change would not affect XXX Pharmaceuticals relationship with MSMR.

Anonymous

No

Anonymous

4. Optional: If you like the idea of changing the name but don't like New England Society for Medical Research, please suggest an alternative name. - Responses

| Answer | Respondent |
|---|------------|
| ok with name change | Anonymous |
| I can't think of an alternate name at this time, but I suggest getting one that will generate an easy acronym to say and remember. | Anonymous |
| No suggestions | Anonymous |
| Our problem is that we do not conduct "medical" research, but we do basic biological and neuroscience research involving animals. It would be good if the name change could reflect that. | Anonymous |
| It's just me, but I think NESMR is a clunky acronym. (On the other hand, MSMR is familiar and easily spoken aloud.) Why not leapfrog from "M" across "NE" and land on a name reflecting the group's ambitions and ability: Northeast Society for Medical Research (NSMR)? | Anonymous |
| Can we call you "NESMR" (pronounced "nezmer") then? Because "En-Ee-Ess-Em-Are" is a mouthful. :-) Good luck! | Anonymous |
| No other suggestion. NESMR is a great choice. | Anonymous |

B. Non-MA Key Contacts

1. Please rate your response to the idea of a name change.

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.

| | | | | |
|-------------------|------------------|----------------|-----------------|----------------------|
| Great idea | Good idea | Neutral | Bad idea | Terrible idea |
| 6 | 3 | 1 | 0 | 0 |

2. Please rate your response to the specific name: New England Society for Medical Research.

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.

| | Great name | Good name | OK name | Bad name | Terrible name |
|--|------------|-----------|---------|----------|---------------|
| | 6 | 3 | 1 | 0 | 0 |
| | 60% | 30% | 10% | 0% | 0% |

3. Does our current name affect your organization's relationship to us: willingness to become or remain a member, company & employee involvement, services expected, volunteer participation, etc.?

10 Response(s) - See next table

4. Optional: If you like the idea of changing the name but don't like New England Society for Medical Research, please suggest an alternative name.

3 Response(s) - See next table

3. Does our current name affect your organization's relationship to us: willingness to become or remain a member, company & employee involvement, services expected, volunteer participation, etc.? - Responses

| Answer | Respondent |
|--|------------|
| no affect | Anonymous |
| No, but I think that the proposed name better reflects the scope of MSMR's activities. | Anonymous |
| No | Anonymous |
| No difference | Anonymous |
| No. | Anonymous |
| No. However, I think the name change would speak to the influence that MSMR has beyond Massachusetts. | Anonymous |
| no but then we are out of state. what do the mass members think of the broadening name change? | Anonymous |
| No but being in Rhode Island, I do sometimes have to explain why MSMR is important beyond Massachusetts. | Anonymous |
| The name NESMR provides a broader perspective beyond Massachusetts however it may be more important to broaden it further since the support is much greater still. | Anonymous |
| No. | Anonymous |

4. Optional: If you like the idea of changing the name but don't like New England Society for Medical Research, please suggest an

alternative name. - Responses

| Answer | Respondent |
|---|------------|
| this is good | Anonymous |
| I have no suggested alternatives. | Anonymous |
| Is medical research too limiting? Don't you support institutions who do not do "medical" research per se (e.g., those without a medical school), and research more broadly? | Anonymous |

The Strategic Plan presented at the meeting culminates a year's worth of work authorized by the Annual Meeting of Members last year (2014) and resulting from a generous commitment of time and effort by the Board and many volunteers.

In answer to a member question, Dr. Dittrich answered that we have already begun some of the “easy” [non-expense] parts of the plan, such as the election of Dr. vanderSpek to the Board of Directors as one of two proposed K – 12 education specialists on the Board. We have also implemented an Awards Committee of the Board; indeed, today's Luncheon speaker (Dr. Ingber) was selected by the Awards Committee and approached by Board members Angela Birnbaum and Dr. Marsha Moses.

The aggressive growth proposed in the Strategic Plan – and reflected in the budget for FY16 – requires adding a business development specialist. Dr. Dittrich said that the February Board meeting approved a change in the Strategic Plan: instead of 3 half-time new hires (education, business development, program development), we will begin by hiring a full-time program development specialist as soon as possible, in order to grow the membership and revenue opportunities enough to fund the other two.

Dr. Niemi noted that this is a gamble, but one which we can afford for FY16. The intention is to have the business development specialist self-fund by then end of FY16.

There are several specific items on which the members voted:

- Implementing a new no-fee membership category for secondary schools. The Strategic Plan called for a category that would cover both secondary schools and 2-year colleges, but we already have paying members in the 2-year college category that we don't want to cannibalize, so we'll seek another solution there. A motion to accept the new membership category as described was moved, seconded and unanimously adopted.
- Name change: the thorniest of the issues, and important for a second reason – namely that we are about to begin a complete redo of our website and now would be the time to know of a name change. The survey results included above do not have a category for “non-member” because our prior experience with surveying non-members produced zero responses. Several questions were placed before the members and discussed: should we include “Biomedical” instead of “Medical,” since many of our members and target members are better described by that term? Is “New England Society for Medical Research” (NESMR) too long and awkward, even though it's fewer syllables than “Massachusetts Society for Medical Research”? Could we elide to “NSMR” Does “Northeastern” rather than “New England” better describe our status and intentions? Given that our current name doesn't seem to have been much of a factor in membership decisions, should we change the name at all? A member suggested that we keep “MSMR” and adopt a tagline such as “Serving the Life Sciences Throughout New England”? Ultimately a motion to that effect was made, seconded and unanimously approved. It will now be the responsibility of a Board and staff team to develop and test the exact phrase to be used and how it will be implemented in our logo.

Auditor's Report – Daniel F. Friel, CPA

Please see below

Mr. Friel presented details of his auditor's report and explained that the financials are solid and the functional allocation of expenses falls within accepted limits for non-profit organizations. In answer to a question, he did not that most or all of the salary and expense for our new business development specialist will be allocated to the New Member Development category.

THE MASSACHUSETTS SOCIETY FOR MEDICAL RESEARCH, INC.

JUNE 30, 2014 AND 2013

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Massachusetts Society for
Medical Research, Inc.
North Chelmsford, MA 01863

I have audited the accompanying financial statements of the Massachusetts Society for Medical Research, Inc. (a non-profit organization) which comprise the statement of financial position as of June 30, 2014 and 2013, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

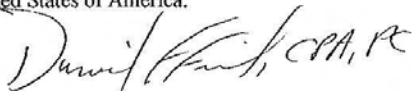
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Massachusetts Society for Medical Research, Inc. as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



November 11, 2014

THE MASSACHUSETTS SOCIETY FOR MEDICAL RESEARCH, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2014 AND 2013

| ASSETS | <u>2014</u> | <u>2013</u> |
|----------------------------------|------------------|------------------|
| Current assets: | | |
| Cash | \$261,809 | \$177,453 |
| Accounts receivable | 5,830 | 25,000 |
| Prepaid expenses | <u>6,181</u> | <u>18,504</u> |
| Total current assets | <u>273,820</u> | <u>220,957</u> |
| Property and Equipment: | | |
| Furniture and fixtures | 10,048 | 10,048 |
| Office equipment | <u>36,281</u> | <u>36,281</u> |
| Total | 46,329 | 46,329 |
| Less: Accumulated depreciation | <u>(46,329)</u> | <u>(46,329)</u> |
| Net property and equipment | <u>0</u> | <u>0</u> |
| TOTAL ASSETS | <u>\$273,820</u> | <u>\$220,957</u> |
| Current liabilities: | | |
| Accounts payable | \$ 17,502 | \$ 11,794 |
| Accrued salaries | <u>17,338</u> | <u>16,724</u> |
| Total current liabilities | <u>34,840</u> | <u>28,518</u> |
| Net assets: | | |
| Unrestricted | 234,980 | 188,439 |
| Temporarily restricted | <u>4,000</u> | <u>4,000</u> |
| Total net assets | <u>238,980</u> | <u>192,439</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$273,820</u> | <u>\$220,957</u> |

See accompanying notes and independent auditor's report.

THE MASSACHUSETTS SOCIETY FOR MEDICAL RESEARCH, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>2014 Total</u> | <u>2013 Total</u> |
|--|-------------------------|-----------------------------------|-------------------------|-------------------------|
| Support and revenues: | | | | |
| Contributions: | | | | |
| Founder | \$ 60,000 | \$ 0 | \$ 60,000 | \$ 50,000 |
| Great benefactor | 109,900 | 0 | 109,900 | 119,900 |
| Sponsor | 57,000 | 0 | 57,000 | 58,000 |
| Member | 75,950 | 0 | 75,950 | 66,300 |
| Other | <u>8,350</u> | <u>0</u> | <u>8,350</u> | <u>8,975</u> |
| Total | 311,200 | 0 | 311,200 | 303,175 |
| Grants | | | | |
| Grants | 27,000 | 19,000 | 46,000 | 58,500 |
| Workshops and conferences | 82,588 | 0 | 82,588 | 73,797 |
| Annual meeting, net of costs | 4,650 | 0 | 4,650 | 6,010 |
| 60th Anniversary Gala, net of costs | 10,228 | 0 | 10,228 | 0 |
| Consulting fees | 2,500 | 0 | 2,500 | 6,250 |
| Interest income | <u>772</u> | <u>0</u> | <u>772</u> | <u>132</u> |
| | 438,938 | 19,000 | 457,938 | 447,864 |
| <i>Net assets released from restrictions: satisfaction of program restrictions</i> | <u>19,000</u> | <u>(19,000)</u> | <u>0</u> | <u>0</u> |
| Total revenues | <u>457,938</u> | <u>0</u> | <u>457,938</u> | <u>447,864</u> |
| Expenses: | | | | |
| Program services: | | | | |
| Member services | 88,073 | 0 | 88,073 | 106,478 |
| Legislative matters | 27,967 | 0 | 27,967 | 30,642 |
| Educational outreach and public relations | <u>240,638</u> | <u>0</u> | <u>240,638</u> | <u>186,336</u> |
| Total program services | 356,678 | 0 | 356,678 | 323,456 |
| Management and general | | | | |
| Management and general | 51,918 | 0 | 51,918 | 40,275 |
| New member development | <u>2,801</u> | <u>0</u> | <u>2,801</u> | <u>6,454</u> |
| Total expenses | <u>411,397</u> | <u>0</u> | <u>411,397</u> | <u>370,185</u> |
| Increase (decrease) in net assets | 46,541 | 0 | 46,541 | 77,679 |
| Net assets, beginning of year | <u>188,439</u> | <u>4,000</u> | <u>192,439</u> | <u>114,760</u> |
| NET ASSETS, END OF YEAR | <u>\$234,980</u> | <u>\$ 4,000</u> | <u>\$238,980</u> | <u>\$192,439</u> |

See accompanying notes and independent auditor's report.

THE MASSACHUSETTS SOCIETY FOR MEDICAL RESEARCH, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

| | Program Services: | | | Total Program Services | Management and General | New Member Development | 2014 Total | 2013 Total |
|----------------------------|--------------------|------------------------|--|---------------------------|---------------------------|---------------------------|------------------|------------------|
| | Member Services | Legislative Matters | Educational Outreach & Public Relations | | | | | |
| Personnel costs: | | | | | | | | |
| Salaries | \$ 61,371 | \$ 6,640 | \$ 88,854 | \$156,865 | \$ 22,109 | \$ 1,954 | \$180,928 | \$174,624 |
| Payroll taxes | 5,337 | 577 | 7,726 | 13,640 | 1,923 | 170 | 15,733 | 15,247 |
| Health Insurance | 4,284 | 464 | 6,203 | 10,951 | 1,544 | 136 | 12,631 | 16,866 |
| Retirement | 611 | 66 | 884 | 1,561 | 220 | 19 | 1,800 | 0 |
| Total personnel costs | 71,603 | 7,747 | 103,667 | 183,017 | 25,796 | 2,279 | 211,092 | 206,737 |
| Audit fee | 0 | 0 | 0 | 0 | 6,000 | 0 | 6,000 | 4,500 |
| Bookkeeping fees | 0 | 0 | 0 | 0 | 2,694 | 0 | 2,694 | 1,963 |
| Donations | 0 | 0 | 2,524 | 2,524 | 0 | 0 | 2,524 | |
| Equipment leases | 0 | 0 | 0 | 0 | 5,820 | 0 | 5,820 | 5,820 |
| Insurance | 0 | 0 | 0 | 0 | 5,674 | 0 | 5,674 | 3,669 |
| Lobbying fees | 0 | 18,438 | | 18,438 | 0 | 0 | 18,438 | 19,969 |
| Office rent | 6,706 | 726 | 9,709 | 17,141 | 2,416 | 212 | 19,769 | 19,769 |
| Office expenses | 3,481 | 377 | 5,039 | 8,897 | 1,254 | 110 | 10,261 | 6,824 |
| Postage and delivery | 655 | 71 | 948 | 1,674 | 236 | 21 | 1,931 | 1,217 |
| Printing costs | 0 | 0 | 1,929 | 1,929 | 0 | 0 | 1,929 | 474 |
| Repairs and maintenance | 215 | 23 | 312 | 550 | 78 | 7 | 635 | 805 |
| Science writing consultant | 0 | 0 | 19,216 | 19,216 | 0 | 0 | 19,216 | 15,362 |
| Telephone | 1,943 | 210 | 2,813 | 4,966 | 700 | 61 | 5,727 | 7,013 |
| Travel costs | 2,674 | 289 | 3,871 | 6,834 | 963 | 86 | 7,883 | 3,718 |
| Utilities | 796 | 86 | 1,153 | 2,035 | 287 | 25 | 2,347 | 2,119 |
| Web-site costs | 0 | 0 | 1,261 | 1,261 | 0 | 0 | 1,261 | 958 |
| Workshop costs | 0 | 0 | 88,196 | 88,196 | 0 | 0 | 88,196 | 69,268 |
| TOTAL EXPENSES | \$ 88,073 | \$ 27,967 | \$240,638 | \$356,678 | \$ 51,918 | \$ 2,801 | \$411,397 | \$370,185 |

See accompanying notes and independent auditor's report.

THE MASSACHUSETTS SOCIETY FOR MEDICAL RESEARCH, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

| | Program Services: | | | Total Program Services | Management and General | New Member Development | 2013 Total | 2012 Total |
|----------------------------|--------------------|------------------------|--|---------------------------|---------------------------|---------------------------|------------------|------------------|
| | Member Services | Legislative Matters | Educational Outreach & Public Relations | | | | | |
| Personnel costs: | | | | | | | | |
| Salaries | \$ 74,914 | \$ 7,509 | \$ 70,548 | \$152,971 | \$ 17,113 | \$ 4,540 | \$174,624 | \$173,928 |
| Payroll taxes | 6,541 | 656 | 6,160 | 13,357 | 1,494 | 396 | 15,247 | 14,980 |
| Health Insurance | <u>7,235</u> | <u>725</u> | <u>6,814</u> | <u>14,774</u> | <u>1,653</u> | <u>439</u> | <u>16,866</u> | <u>17,510</u> |
| Total personnel costs | 88,690 | 8,890 | 83,522 | 181,102 | 20,260 | 5,375 | 206,737 | 206,418 |
| Audit fee | 0 | 0 | 0 | 0 | 4,500 | 0 | 4,500 | 6,000 |
| Bookkeeping fees | 0 | 0 | 0 | 0 | 1,963 | 0 | 1,963 | 2,675 |
| Equipment leases | 0 | 0 | 0 | 0 | 5,820 | 0 | 5,820 | 4,021 |
| Insurance | 0 | 0 | 0 | 0 | 3,669 | 0 | 3,669 | 4,019 |
| Lobbying fees | 0 | 19,969 | 0 | 19,969 | 0 | 0 | 19,969 | 18,000 |
| Office rent | 8,481 | 850 | 7,987 | 17,318 | 1,937 | 514 | 19,769 | 21,954 |
| Office expenses | 2,927 | 293 | 2,757 | 5,977 | 669 | 178 | 6,824 | 6,391 |
| Postage | 522 | 52 | 492 | 1,066 | 119 | 32 | 1,217 | 3,074 |
| Printing costs | 0 | 0 | 474 | 474 | 0 | 0 | 474 | 418 |
| Repairs and maintenance | 345 | 35 | 325 | 705 | 79 | 21 | 805 | 2,040 |
| Science writing consultant | 0 | 0 | 15,362 | 15,362 | 0 | 0 | 15,362 | 18,208 |
| Telephone | 3,009 | 302 | 2,833 | 6,144 | 687 | 182 | 7,013 | 5,800 |
| Travel costs | 1,595 | 160 | 1,502 | 3,257 | 364 | 97 | 3,718 | 2,241 |
| Utilities | 909 | 91 | 856 | 1,856 | 208 | 55 | 2,119 | 1,966 |
| Web-site costs | 0 | 0 | 958 | 958 | 0 | 0 | 958 | 1,289 |
| Workshop costs | <u>0</u> | <u>0</u> | <u>69,268</u> | <u>69,268</u> | <u>0</u> | <u>0</u> | <u>69,268</u> | <u>120,645</u> |
| TOTAL EXPENSES | <u>\$106,478</u> | <u>\$ 30,642</u> | <u>\$186,336</u> | <u>\$323,456</u> | <u>\$ 40,275</u> | <u>\$ 6,454</u> | <u>\$370,185</u> | <u>\$425,159</u> |

See accompanying notes and independent auditor's report.

THE MASSACHUSETTS SOCIETY FOR MEDICAL RESEARCH, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|--|------------------|------------------|
| Cash provided by (used for) operating activities: | | |
| Increase (decrease) in net assets | \$ 46,541 | \$ 77,679 |
| Adjustment to reconcile change in net assets to net cash provided by operating activities: | | |
| Accounts receivable | 19,170 | (16,500) |
| Prepaid expense | 12,323 | (16,823) |
| Accounts payable and accrued expenses | <u>6,322</u> | <u>(5,257)</u> |
| Net cash provided by (used for) operating activities | 84,356 | 39,099 |
| Cash, beginning of period | <u>177,453</u> | <u>138,354</u> |
| CASH, END OF PERIOD | <u>\$261,809</u> | <u>\$177,453</u> |

See accompanying notes and independent auditor's report.

THE MASSACHUSETTS SOCIETY FOR MEDICAL RESEARCH, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 1 - OPERATIONS:

Operations - The Massachusetts Society for Medical Research, Inc. (the "Organization"), is a non-profit corporation which promotes research in the biosciences and fosters the health and well-being of humans, animals, and the environment by improving science literacy, and nurturing workforce preparedness in the biosciences.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following is a summary of significant accounting policies.

Net Assets - Net assets of the Organization are classified as follows:

- Unrestricted net assets are the funds available to the organization to fund operations and are not subject to donor imposed stipulations.
- Temporarily restricted net assets are the funds received from donors where the donor has imposed restrictions on how the funds will be utilized by the Organization.

Contributions - Contributions (also referenced internally as dues assessments) are recognized at the time a donor makes an unconditional promise to pay a stated amount to the Organization. Contributions are classified as unrestricted or temporarily restricted based upon the following criteria:

- Unrestricted Contributions - These amounts are reported as unrestricted revenues and are received from donors with the understanding that funds contributed will be utilized to fund the general operating activities of the Organization.
- Temporarily Restricted Contributions - Contributions are recognized as temporarily restricted when a donor contributes a certain amount strictly for costs attributable to a specific undertaking of the organization over and above general operating activities. When the restriction imposed by the donor has been satisfied, the funded amounts are then reported as a reduction in temporarily restricted net assets and an offsetting increase in unrestricted revenues in the accompanying statements of activities. This "transfer" has the effect of reducing the Organization's temporarily restricted net assets and increasing its unrestricted net assets.

Property and Equipment - Property and equipment are recorded at cost and are depreciated using the straight-line method over five years.

Functional Expenses and Allocation of Joint Costs - The Organization allocates expenses on a functional basis among the various programs, new member development, and general and administrative costs. The allocation of personnel costs is based upon management estimates of staff time invested in each of the functional categories. Costs that are jointly allocable to more than one activity are allocated proportionately based on the proportion of personnel costs attributable to that category.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

See Independent Auditor's Report

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THE MASSACHUSETTS SOCIETY FOR MEDICAL RESEARCH, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Tax Status - The Massachusetts Society for Medical Research, Inc. is recognized as an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal and state income taxes has been provided for in the accompanying financial statements.

NOTE 3 - CONTRIBUTION SUPPORT:

A substantial portion of the Organization's costs are funded through member contributions from medical institutions, corporations, and interested individuals.

During the year ended June 30, 2014, the Organization received contribution support of \$60,000 from (2) members; in 2013 the Organization received \$75,000 from (3) members.

NOTE 4 - LEASE COMMITMENT:

Office Lease - The Organization operates from an office located at 73 Princeton Street in North Chelmsford, Massachusetts through April 30, 2015. Minimum required payments due on this lease are as follows:

| <u>Year Ending</u> <u>June 30:</u> | <u>Amount</u> |
|---------------------------------------|---------------|
| 2015 | \$ 6,590 |

NOTE 5 - SUBSEQUENT EVENTS:

Transactions subsequent to the year ended June 30, 2014 have been evaluated through November 11, 2014; the date the financial statements were available to be issued. No events were noted that could have a material impact on the financial statements.

NOTE 6 - OPEN TAX YEARS:

The Organization files Form 990 as a non-profit corporation with the Internal Revenue Service. The filings for tax years ended June 30, 2012 through 2014 remain open to audit by the Internal Revenue Service. No audit proceedings have been initiated.

See Independent Auditor's Report

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Financial Condition and Proposed FY2016 Budget

Financial condition as of June 15, 2015

Cash

| | |
|-------------------------------------|------------------|
| PayPal | \$10,063 |
| Santander Checking | \$29,256 |
| <u>Santander Money Market</u> | <u>\$230,099</u> |
| Total Cash | \$269,418 |

Receivable

| | |
|------------------------|-----------------|
| Dues | \$41,760 |
| <u>Non-Dues</u> | <u>\$25,946</u> |
| Total Receivable | \$67,706 |

Total of Cash + Receivable \$337,124

Financial Condition: Dr. Dittrich said that as of the date of the Annual Meeting (6/26), \$10,500 of the receivable had been received and booked. We are slightly ahead of collections as of this date last year.

Budget: The budget reflects the Strategic Plan plus what we know from this year's experience.

In response to a member query, Dr. Dittrich listed the various reasons for loss of members, where we know them (e.g., mergers, acquisition, end of operations) and noted that replacing mid-level members (Sponsor level, \$5,000 - \$9,999) is challenging. He once again requested help from all sources in cultivating and enrolling new members at all levels. In response to another member query he answered that we don't know if next year's 3Rs Sharing Conference will be in MA or back in NJ. Overall, and largely thanks to Lynne Walsh's energetic efforts, our conferences and workshops this year have all yielded good net revenue and we expect that trend to continue. And because of the success of the public events (e.g., Enrichment Symposium, 3 I's Conference) vendor exhibitors are getting more and more value for their money and are even enrolling as vendor members. In answer to another member's question, he noted that we don't yet know what the new webinars and workshops will be, so the revenue and expenses for them were patterned on previous experience (workshops) and informed estimates (webinars).

The budget includes a significant expense to redo the MSMR website, with the intention of launching the new site in December 2015 or January 2016. Members did suggest several important ideas in implementing the new website, such as responsive design, tiling and more contemporary use of tabs and colors.

The budget does have a net negative revenue of approximately \$50,000, which we can sustain for one year. Most of that "loss" can be attributed to salary and expenses related to one new employee, the business development specialist. Salaries for Lynne Walsh and Alan Dittrich rise 3% in the budget. Rent rises because we signed a new lease with our landlord. [Note: the new lease is 38 months long, in order to align it, in the end, with our fiscal year.]

A member motion to accept the budget was seconded and unanimously approved.

Proposed FY2016 Budget

| | | | FY15 Budget | FY15 Actual | | FY16 Budget | Notes |
|--|--|--|----------------|----------------|--|----------------|---|
| Income | | | | | | | |
| 40010 - Corporate Grants | | | | | | | |
| | 40011 - Restricted | | \$5,000 | \$22,768 | | \$5,000 | Includes add'l Wks revenue not yet credited |
| Total 40010 - Corporate Grants | | | \$5,000 | \$22,768 | | \$5,000 | |
| 40000 - Income Accounts | | | | | | | |
| 40005 - Donations | | | | | | | |
| | 40006 - MSMR Board of Directors | | \$6,800 | \$6,276 | | \$6,650 | Omits UW gifts made but not yet received by MSMR |
| | 40007 - All Other Individuals | | \$200 | \$250 | | \$900 | |
| | 40005 - Donations - Other | | \$0 | | | \$0 | |
| Total 40005 - Donations | | | \$7,000 | \$6,526 | | \$7,550 | |
| 40015 - Foundation Grant Income | | | | | | | |
| | 40016 - Restricted | | \$14,000 | \$6,000 | | \$14,000 | |
| | 40017 - Non-Restricted | | \$25,000 | \$27,000 | | \$25,000 | |
| Total 40015 - Foundation Grant Income | | | \$39,000 | \$33,000 | | \$39,000 | |
| 40025 - Member Dues | | | | | | | |
| | 40400 - Member | | \$69,500 | \$30,000 | | \$76,500 | Members to be solicited and enrolled by a combination of a new Board committee, MSMR staff and a new business development specialist. |
| | 40300 - Sponsor | | \$63,000 | \$129,900 | | \$68,000 | Replace 4 (Aveo, Cubist, BVARI, WPI) add 4 - one above minimum rate |
| | 40200 - Great Benefactor | | \$109,900 | \$41,500 | | \$109,900 | Replace 1 (Amgen), add 1 |
| | 40100 - Founder | | \$55,000 | \$71,700 | | \$55,000 | |
| Total 40025 - Member Dues | | | \$297,400 | \$273,100 | | \$309,400 | Awaiting \$40,500 of dues receivable |
| 40027 - Wksp. Rev., Conf., Annual Meet. | | | | | | | |
| | Revenue - Oct. Mass. Biomedical Research Day | | \$1,000 | \$0 | | \$2,500 | Was underfunded in FY15 |
| | Revenue - Dec. '15 Research Animal Law Symposium | | \$2,500 | \$2,750 | | | Won't be repeated in FY16 |

| | | | | | | | |
|--|--|----------|--|-----------|---|-----------|--|
| | Revenue - Mar. '15 3 I's Conference | \$40,000 | | \$80,834 | | \$40,000 | Repeat in NC |
| | Revenue - Apr. '15 Lab. Animal Enrichment Workshop | \$30,000 | | \$32,410 | | \$30,000 | Our most popular event - \$6,000 in receivable pledged for FY15 |
| | Revenue - May '15 3 R's Sharing Conference | \$30,500 | | \$0 | * | \$30,000 | May move to another locale for FY16 - all revenue coming from NJABR for FY15 |
| | Revenue - Dec. '14 Security Conf. received in '15 | | | \$375 | | | |
| | Revenue - Jun '15 Annual Meeting received in '15 | | | \$2,500 | | | Not in budget |
| | Revenue - Jun '15 Annual Meeting | \$15,500 | | \$500 | | \$16,500 | Increase from sponsorships, biz. dev, spec.= @24,500 pledged for FY15 |
| | Revenue - Jun '15 Vendor Fair | | | \$10,050 | | | Not budgeted |
| | Revenue - Online Course Intro. to IACUCs | \$7,995 | | \$7,795 | | \$10,800 | 4 x 12 x \$225 on new on-line platform |
| | Revenue - New Workshop #1 | | | | | \$16,000 | Topic to be determined (30 x \$400) + 4 sponsors @ \$1,000 - biz. dev. spec. |
| | Revenue - New Workshop #2 | | | | | \$16,000 | Topic to be determined (30 x \$400) + 4 sponsors @ \$1,000 - biz. dev. spec. |
| | Revenue - New Webinar #1 | | | | | \$2,500 | Topic to be determined (20 x \$100) + 1 sponsor @ \$500 - biz. dev. spec. |
| | Revenue - New Webinar #2 | | | | | \$2,500 | Topic to be determined (20 x \$100) + 1 sponsor @ \$500 - biz. dev. spec. |
| | Revenue - New On-line Course | | | | | \$6,000 | Topic to be determined (2 x 15 x \$200) |
| | Revenue - Webinar for PIs | \$0 | | \$0 | | \$2,000 | (20 x \$100) |
| | Revenue - IACUCs and IBCs | \$0 | | \$0 | | \$4,000 | License one unit - biz. dev. specialist |
| | Revenue - Preclinical Research Forum | \$0 | | \$0 | | \$0 | Having difficulty developing audience interest |
| | Revenue - TBD - IACUC Best Practices Meeting | | | | | | August 2015. Release funds from Edna Tompkins Trust. No additional income. |
| | | | | \$127,495 | | \$137,214 | \$178,800 |
| | 40060 - Miscellaneous Income | | | | | | |
| | 40061 - Consulting Fees | \$0 | | \$4,650 | | \$3,000 | One member consult - biz. dev. specialist |
| | 40063 - Bank Interest Income | \$620 | | \$1,362 | | \$620 | |
| | 40060 - Miscellaneous Income - Other | \$0 | | | | \$1,000 | TBD - biz. dev. spec. |
| | Total 40060 - Miscellaneous Income | \$620 | | \$6,012 | | \$4,620 | |
| | Total 40000 - Income Accounts | | | \$471,515 | | \$455,852 | \$539,370 |

| | | | | | | | | |
|---|--|--|-----------|--|-----------|--|-----------|---|
| Total Income | | | \$476,515 | | \$478,620 | | \$544,370 | |
| Expense | | | | | | | | |
| PayPal Fees | | | \$1,200 | | \$1,080 | | \$1,200 | |
| Unapplied Cash Bill Payment Expense | | | | | \$0 | | | |
| Expenses to be Reimbursed | | | \$0 | | \$158 | | \$0 | |
| Write Offs | | | \$0 | | \$438 | | \$0 | |
| Bank Fees | | | \$0 | | \$1 | | \$0 | |
| 66900 · Reconciliation Discrepancies | | | \$0 | | -\$31 | | \$0 | |
| 50000 · Expense Accounts | | | | | | | | |
| | 50100 · Charitable Donations | | \$1,000 | | \$570 | | \$800 | Assorted local fundraisers; "in-honor" donations |
| | 50200 · Payroll | | | | | | | |
| | 50210 · Salaries | | \$200,091 | | \$177,004 | | \$266,093 | Current staff + 3% + 1.0 at full time |
| | 50215 · Payroll Taxes | | | | | | | |
| | 50220 · Social Security/ Medicare | | \$14,904 | | \$13,580 | | \$19,135 | |
| | 50250 · MA Unemployment | | \$400 | | -\$160 | | \$700 | |
| | Total 50215 · Payroll Taxes | | \$15,304 | | \$13,420 | | \$19,835 | |
| | 50300 · Benefits | | | | | | | |
| | 50305 · Insurance | | | | | | | |
| | 50310 · Dental | | \$2,600 | | \$2,557 | | \$3,236 | Current staff + 1 x 12 x \$53 |
| | 50320 · Medical | | \$13,500 | | \$9,768 | | \$21,300 | Current staff + 1 x 12 x \$650 |
| | Total 50305 · Insurance | | \$16,100 | | \$12,325 | | \$24,536 | |
| | 50330 · STD/LTD | | \$1,800 | | \$1,543 | | \$2,800 | Current staff + \$1,000 - (est. - actual depends upon age and salary) |
| | 50340 · Workers' Compensation | | \$400 | | \$327 | | \$700 | |
| | 50370 · Retirement | | \$3,600 | | \$3,000 | | \$3,600 | New employees not eligible first year. |
| | Total 50300 · Benefits | | \$21,900 | | \$17,195 | | \$31,636 | |
| | 50520 · Payroll Processing Fees | | \$1,100 | | \$1,074 | | \$1,100 | |

| | | | | | | | |
|---|--|-----------|--|-----------|--|-----------|---|
| Total 50200 · Payroll | | \$238,395 | | \$208,693 | | \$318,664 | |
| 50400 · Office Operations | | | | | | | |
| 50380 · All other insurances | | | | | | | |
| 50325 · Directors and Officers | | \$2,500 | | \$2,880 | | \$2,500 | |
| 50380 · All other insurances - Other | | \$2,000 | | \$1,395 | | \$2,000 | |
| Total 50380 · All other insurances | | \$4,500 | | \$4,275 | | \$4,500 | |
| 50410 · Rent | | \$19,800 | | \$21,633 | | \$21,071 | Extended lease at new rate. |
| 50420 · Printing and Other Productions | | \$2,000 | | \$530 | | \$2,000 | |
| 50430 · Internet Service Provider | | | | | | | |
| 50431 · What A Year! | | \$400 | | \$163 | | \$400 | |
| 50430 · Internet Service Provider - Other | | \$1,000 | | \$611 | | \$1,000 | |
| Total 50430 · Internet Service Provider | | \$1,400 | | \$774 | | \$1,400 | |
| 50440 · Telephone | | \$6,000 | | \$4,727 | | \$5,800 | |
| 50450 · Utilities (HVAC) | | \$2,400 | | \$2,099 | | \$2,600 | |
| 50460 · Equip./Furniture Purchases | | | | | | | |
| Computer Software | | \$700 | | \$450 | | \$700 | |
| Computer hardware | | \$1,500 | | | | \$6,000 | Computers for new employees + replacement for Lynne |
| 50460 · Equip./Furniture Purchases - Other | | \$250 | | \$270 | | \$500 | |
| Total 50460 · Equip./Furniture Purchases | | \$2,450 | | \$720 | | \$7,200 | |
| 50470 · Postage and Shipping | | \$1,950 | | \$1,264 | | \$1,950 | |
| 50475 · State Fees | | \$200 | | \$140 | | \$200 | |
| 50480 · Cleaning Services | | \$0 | | | | \$0 | Ended |
| 50485 · Equipment Leasing | | \$5,820 | | \$5,820 | | \$5,820 | |
| 50490 · Equipment Repairs | | \$3,500 | | \$2,527 | | \$1,500 | |
| 50491 · Supplies | | \$2,300 | | \$1,993 | | \$4,300 | |

| | | | | | | |
|--|---------------|--|----------|----------|----------|---|
| | | 50495 - Miscellaneous | \$1,000 | \$354 | \$1,000 | |
| | | 50400 - Office Operations - Other | \$0 | | \$0 | Removed renaming expense of \$5,000 |
| | | Total 50400 - Office Operations | \$53,320 | \$46,856 | \$59,341 | |
| | | 50500 - Professional Services | | \$2,550 | | JOVE 1-year contract , won't be renewed |
| | | Outside Workshop - Registration | \$450 | \$745 | \$450 | Typically, webinars or courses for MSMR staff |
| | | 50510 - Lobbying | \$18,438 | \$22,500 | \$19,400 | |
| | | 50540 - Auditor | \$6,000 | \$4,800 | \$5,000 | |
| | | 50550 - Bookkeeper | \$3,000 | \$2,634 | \$3,600 | |
| | | Social media manager | \$2,000 | \$1,088 | \$2,000 | |
| | | Consultant to member clients | | \$1,432 | | |
| | | Strategic Planning Consultant | \$14,000 | \$14,705 | | |
| | | 50560 - Designer/ Webmaster/Writer | | | | |
| | | 50561 - MSMR | \$5,600 | \$7,120 | \$18,000 | Redo MSMR website ~ \$13,000 |
| | | 50562 - What A Year! | \$19,500 | \$17,691 | \$19,500 | |
| | | Total 50560 - Designer/ Webmaster/Writer | \$25,100 | \$24,811 | \$37,500 | |
| | | Total 50500 - Professional Services | \$68,988 | \$75,265 | \$67,950 | |
| | | 50600 - Wksp.,Conf., Annual Meet., Trav | | | | |
| | Events | Expense - Oct. Mass. Biomedical Research Day | \$3,500 | \$5,000 | \$3,500 | |
| | | Expense - Dec. '15 Research Animal Law Symposium | \$5,500 | \$3,992 | | Not repeated in FY16 |
| | | Expense - Mar. '15 3 I's Conference | \$26,000 | \$60,894 | \$26,000 | Includes a \$22,356 revenue splitting payment to NCABR |
| | | Expense - Apr. ' 15 Lab. Animal Enrichment Workshop | \$25,732 | \$30,014 | \$25,500 | |
| | | Expense - May '15 3 R's Sharing Conference | \$17,100 | \$14,078 | \$24,000 | Add'l costs expected. NJABR and MSMR expect to net about \$2,500 each |
| | | Expense - Jun '15 Annual Meeting | \$8,000 | | \$9,000 | |
| | | Expense - 4x Online Course Intro. to IACUCs | \$2,100 | \$3,817 | \$2,800 | Includes ReadyTalk not elsewhere budgeted |
| | | Expense - New Workshop #1 | | | \$11,000 | |

| | | | | | | | |
|--|--|--|--|--|--|-----------|--|
| | | | | | | \$11,000 | |
| | | | | | | \$1,000 | |
| | | | | | | \$1,000 | |
| | | | | | | \$6,000 | |
| | | | | | | \$1,000 | |
| | | | | | | \$2,500 | |
| | | | | | | \$0 | |
| | | | | | | \$4,000 | Tompkins Trust release \$4K restricted funds = event happens in FY16 |
| | | | | | | \$3,500 | \$5,790 |
| | | | | | | \$2,000 | \$6,037 |
| | | | | | | | |
| | | | | | | \$3,915 | \$3,305 |
| | | | | | | \$600 | \$108 |
| | | | | | | \$4,515 | \$3,413 |
| | | | | | | \$1,200 | \$54 |
| | | | | | | \$2,370 | \$1,036 |
| | | | | | | \$112,617 | \$137,325 |
| | | | | | | \$3,500 | \$3,417 |
| | | | | | | \$477,819 | \$472,126 |
| | | | | | | \$479,019 | \$473,772 |
| | | | | | | -\$2,504 | \$4,848 |
| | | | | | | | -\$50,285 |

Legislation – Patrick Huntington, JD, Massachusetts Bay Associates

Mr. Huntington highlighted the various bills in the MA legislature in which we have an interest and which may affect the work of our members. The most important – establishing a subsidiary Board of Registration for Veterinary Technology – has appeared several times and still has little likelihood of passage in its current form. Nevertheless, we would want a language change to make its definition of research establishment consistent with the existing definition in MA law. Laws in MA that affect animal cruelty and abuse statutes are something of a concern because MA has no broad-based exemption for research and education, so HB 1848 and HB 1385 and SB 876 all are of some concern, though none seems poised to pass. HB 1945, regulating BSL3/4 facilities is of concern to several of our members and MSMR has submitted written testimony on it.

With regard to legislation in CT, NH, ME, RI and VT, Dr. Dittrich spoke mainly about the so-called “Beagle Freedom Project” bills – mandatory rehoming of research dogs and cats where the protocol does not call for euthanasia. The bills have different scopes and mechanisms but all arise from a non-beneficent effort by the Beagle Freedom Project to use false stories about adopted dogs to castigate research. The bills have passed in various forms in NV and CT and have received favorable legislative review in several other states, including NY and CA. There is no doubt that based upon the success in CT, we will be seeing similar bills in the other New England states in the near future. Animal Abuser Registry bills are in numerous state legislatures now, including 2 in MA, 1 in CT and 1 in RI.

MA Legislation pending:

SB 876 – Private Cause of Action to Prevent the Cruel & Inhumane Treatment of Animals

This bill would allow any individual, including those who have no legal interest or possession rights in an animal, to bring a private cause of action for the protection and humane treatment of animals. The action may be brought against any individual or entity that has possession of an animal and is believed to have engaged in cruel or inhumane treatment of an animal or animals.

Status: Referred to the Committee on The Judiciary. A public hearing has not been scheduled.

HB 224– An Act to Establish a Subsidiary Board for Veterinary Technology

This bill seeks to create a Subsidiary Board of Veterinary Technology under the Board of Registration in Veterinary Medicine. It would require licensed veterinary technicians to hold an associate or bachelor degree in veterinary technology from an institution accredited by the American Veterinary Medical Association. All employed, non-licensed veterinary technicians who have not received or enrolled to obtain a formal degree by January 1, 2018 would be prohibited from working as a veterinary technician but could perform the duties of veterinary assistant. Technicians who work at research institutions would be exempt from the educational requirements of this section. The research institution would be required to be accredited by AALAC. MSMR opposes this restrictive accreditation requirement and supports the use of the current definition of research definition that is contained in C. 140, S. 136A of the General Laws.

Status: A public hearing was held before the Committee on Consumer Protection and Professional Licensure on June 2, 2015. The committee has not taken any further action on this proposal.

HB 1848 – An Act to Ensure Adequate Care of Animals in Cities and Towns

This bill amends the current “Cruelty to Animals” statute which would apply the penalties contained in MGL, C. 272, S. 77 to a person in custody of an animal who “knowingly and unjustifiably fails to provide the animal with veterinary care that result in unnecessary suffering.” The current statute generally deals with actions which over-works, tortures or deprive animals of necessary sustenance.

Status: Referred to the Committee on Municipalities and Regional Government. A public hearing has not been scheduled.

HB 1385 – An Act Establishing a Public Registry of Animal Abusers

This bill seeks to create an Animal Abuser Registry Board within the Criminal History System Board. The Board would be responsible for maintaining a central computerized registry of all animal abusers who have been found to have violated the animal cruelty statutes of Massachusetts or any other state. A convicted animal abuser will be required to register with the sheriff of the county in which the abuser is located. The abuser must provide personal information, the name of his or her employer and a list of the animal abuse convictions. Any person who knowingly violates the provisions of this proposed law would be guilty of a felony. The information contained in the registration will be a public record and made available to the public through internet, telephone and written access. The sheriff is directed to contact every residence, school, humane society, animal shelter and any other business within a half mile radius of the animal abuser's residence or location.

Status: Referred to the Committee on The Judiciary. A public hearing has not been scheduled.

HB 1945 – An Act Promoting Research and Public Safety and Environment

This bill would require the Department of Public Health to establish a Biological Agents Registry Program for determining the various reporting requirements for biological agents and toxins. The entities required to receive this information will include local boards of health, law enforcement officials and other public health entities. This bill also establishes a High Containment Biological Research Laboratory Health and Safety Program for BSL3 or BSL4 laboratories. This program shall develop standards for siting laboratory locations, as well as for their operation, maintenance, security, oversight and the inspection of such laboratories. The program will also develop plans for the reporting of any exposure of pathological biological agents to workers or to the general public. Each municipality in the Commonwealth shall have the authority to regulate and prohibit high containment biological research laboratories within its jurisdiction.

Status: A public hearing was held before the Committee on Public Health on May 5, 2015. The committee has not taken any further action on this proposal.

CT, RI, NY Legislation pending

| CT | Connecticut | CT |
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| HB 5149 2015 | An act establishing an animal abuser registry. Its purpose is to create a searchable database of convicted animal abusers. | http://www.cga.ct.gov/2015/TOB/H/2015HB-05149-R00-HB.htm |
| SB 44 2015 | An act prohibiting the use of accelerated rehabilitation in the case of animal abuse. Its purpose is to prevent persons charged with committing animal abuse from using accelerated rehabilitation to avoid prosecution and clear their record. | http://www.cga.ct.gov/2015/tob/s/2015SB-00044-R00-SB.htm |
| HB 6291 2015 and HB 5707 | An act concerning dogs and cats involved in research. Its purpose is to require research facilities to offer dogs and cats to animal rescue organizations before destroying them. | http://www.cga.ct.gov/2015/tob/h/2015HB-06291-R00-HB.htm http://www.cga.ct.gov/2015/TOB/H/2015HB-05707-R01-HB.htm |
| HB 6187 2015 | An act concerning court proceedings and the protection of animals. Its purpose is to establish a process for appointing an advocate to investigate and advocate for the welfare or custody of an animal that is the subject of a civil or criminal | http://www.cga.ct.gov/2015/TOB/H/2015HB-06187-R00-HB.htm |

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| | court proceeding. | |
| SB 361 2015 | An act increasing the maximum penalty for persons convicted of malicious and intentional animal cruelty. Its purpose is to adopt the same penalties for malicious and intentional animal cruelty as the state of Massachusetts. | http://www.cga.ct.gov/2015/TOB/S/2015SB-00361-R00-SB.htm |
| RI | Rhode Island | RI |
| SB 253 2015 | This act would create an animal abuser registry and would provide for penalties for failure to register. | http://webserver.rilin.state.ri.us/BillText15/SenateText15/S0253.htm |
| SB 258 2015 | This act would authorize a law enforcement or animal control officer to hold an animal confined in a motor vehicle up to seventy-two (72) hours pending a district court hearing as to medical costs, fees, charges, and/or surrender of physical possession and ownership. | http://webserver.rilin.state.ri.us/BillText15/SenateText15/S0258.htm |
| SB 411 2015 | This act adds hoarding of animals to the list of cruelty to animal offenses. | http://webserver.rilin.state.ri.us/BillText15/SenateText15/S0411.htm |
| HB 5414 2015 | This act would require a court of competent jurisdiction to order the appointment of an animal care advocate where animal cruelty is at issue. | http://webserver.rilin.state.ri.us/BillText15/HouseText15/H5414.htm |
| HB 5799 2015 | This act would require certain persons entrusted with the care of animals to report any neglect or abuse reasonably believed to have been inflicted upon the animal. | http://webserver.rilin.state.ri.us/BillText15/HouseText15/H5799.htm |
| VT | Vermont | VT |
| SB 107 | An act relating to forfeiture of property associated with animal fighting and certain regulated drug possession, sale, and trafficking violations | http://legislature.vermont.gov/assets/Documents/2016/Docs/BILLS/S-0102/S-0102%20As%20Introduced.pdf |
| HB 18 | An act relating to Public Records Act exemptions | http://services.statescape.com/billssearch/hits/493639779.html |
| NY | New York | NY |
| AB 226 | Prohibits vivisection at colleges, universities, professional, proprietary or graduate schools in the state where a scientifically and educationally satisfactory method or strategy exists; defines vivisection to mean experimentation through surgery on a living organism to view living internal structure. | http://statescape.com/SSBillText/NY20152016/NY_20152016_AB_000226_Current_8475.htm |
| AB 343 | Relates to the creation of a crime database of all convictions in New York state of animal cruelty, fighting, neglect, abandonment and mistreatment; makes such crime database | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A00343 |

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| | available to all law enforcement entities, district attorneys, duly incorporated humane societies, societies for the prevention of cruelty to animals, dog or cat protective associations and animal control officers. | |
| SB 98 AB 3622 | Amends the education law, in relation to requiring research dogs and cats at certain facilities to be offered for adoption through private placement or a non-profit animal rescue and shelter organization. | http://assembly.state.ny.us/leg/?default_fld=%0D%0A&bn=S00098&term=2015&Text=Y |
| AB 482 | Creates the animal abuser central registry, and requires that certain convicted animal abusers register with such registry; provides such registrants are prohibited from possessing, adopting, owning, purchasing or exercising control over any animal except in certain cases in the court's discretion; provides fines and imprisonment for non-compliance. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A00482 |
| AB 534 | Defines "aggravated cruelty" and makes any person who commits the conduct which falls under that definition guilty of a class E felony, punishable by up to two years imprisonment; defines "in the presence of a child" and makes any person who commits the conduct which falls under that definition, guilty of a class D felony. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A00534 |
| AB 957 SB 1270 | Includes wildlife animals as those subject to the animal cruelty provisions of the agriculture and markets law. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A00957 |
| AB 1281 | Relates to the verification of compliance in instruction in the humane treatment of animals. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A01281 |
| AB 1297 SB4707 | Relates to the prohibition of the declawing of cats or other animals. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A01297 |
| SB 1174 | Increases certain penalties for violating the prohibition of animal fighting and for aggravated cruelty to animals and requires a psychiatric evaluation for defendants convicted of aggravated cruelty to animals. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=S01174 |
| SB 1270 AB 957 | Includes wildlife animals as those subject to the animal cruelty provisions of the agriculture and markets law. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=S01270 |
| AB 1412 | Increases the penalty for multiple convictions of torturing, killing or failing to provide sustenance to an animal to a felony, if convicted within five years from the date of a prior conviction. | http://assembly.state.ny.us/leg/?default_fld=&Summary=Y&Actions=Y&term=2015&bn=A01412 |
| AB 1445 | Increases certain penalties for violating the prohibition of animal fighting and for aggravated | http://assembly.state.ny.us/leg/?default_fld=&Summary=Y&Actions=Y&t |

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| SB 1174 | cruelty to animals and requires a psychiatric evaluation for defendants convicted of aggravated cruelty to animals. | erm=2015&bn=A01445 |
| SB 1446 | Relates to the failure to provide proper care to large numbers of animals in private facilities. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=S01446 |
| SB 2935 AB 2484 | Requires each violator of "Buster's Law" to register his or her name and address with the division of criminal justice services | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=S02935 |
| SB 2965 | Restricts the performance of surgical devocalization procedures on dogs and cats. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=S02965 |
| AB 2337 | Authorizes the district attorney bringing animal abuse charges to petition for the posting of security for the care of the abused animal on behalf of the impounding organization; authorizes all such petitions to be filed at or after the arraignment on animal abuse charges. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A02337 |
| SB 3147 AB 3478 | Establishes an animal abuser statewide registry with community notification requirements | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=S03147 |
| AB 3355 | Creates the animal abuser central registry, and requires that certain convicted animal abusers register with such registry; provides such registrants are prohibited from possessing, adopting, owning, purchasing or exercising control over any animal except in certain cases in the court's discretion; provides fines and imprisonment for non-compliance. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A03355 |
| AB 3478 SB 3147 | Establishes an animal abuser statewide registry with community notification requirements. | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A03478 |
| AB 3622 SB 98 | Establishes the research animal retirement act; requires research dogs and cats at higher education research facilities or facilities that provide research in collaboration with a higher education facility, to be offered for placement with non-profit animal rescue and shelter organizations; provides that such facilities may enter into agreements with rescue and shelter organizations for implementation | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A03622 |
| AB 5082 | Provides that any person charged with enforcing laws prohibiting cruelty to animals shall cause a report to be made when, in the performance of his or her duties, such person has reasonable cause to believe that abuse or maltreatment of a child has also occurred; also provides that a person charged with the responsibility of filing a report of child abuse or maltreatment shall also | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A05082 |

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| | file a report of suspected animal abuse or maltreatment | |
| AB 1679 SB 4647 | Restricts the performance of surgical devocalization procedures on dogs and cats | http://assembly.state.ny.us/leg/?default_fld=&Text=Y&term=2015&bn=A01679 |

Major Projects and Goals for 2016

To implement the Strategic Plan items and to completely redesign and relaunch the MSMR website.

As previously discussed, our major goals are those outlined the in Strategic Plan, above.

Student Competition Results

2 entries to the Level I (middle school) competition from 2 schools

80 entries to the Level II (high school) competition from 4 schools

The number of schools and entries fluctuates annually. These high school numbers are lower than last year, but we did get entries from two schools that had never been represented before. We did not get entries from four of the schools that were represented last year.

Also, last year we received no middle school entries as compared to the two this year. This number has varied from 0 to 40 in the last few years. Because there were not enough entries to justify an true competition at the middle school level, and because both student essays were excellent, we sent a certificate and recognition check (\$100) to the two students and invited them to the Annual Meeting in hopes that they will enter again next year as high school students.

The winning students and in some cases their parents and teachers will be honored at the Luncheon beginning at noon. Poster versions of their work are displayed in the foyer of the Huntington Ballroom.

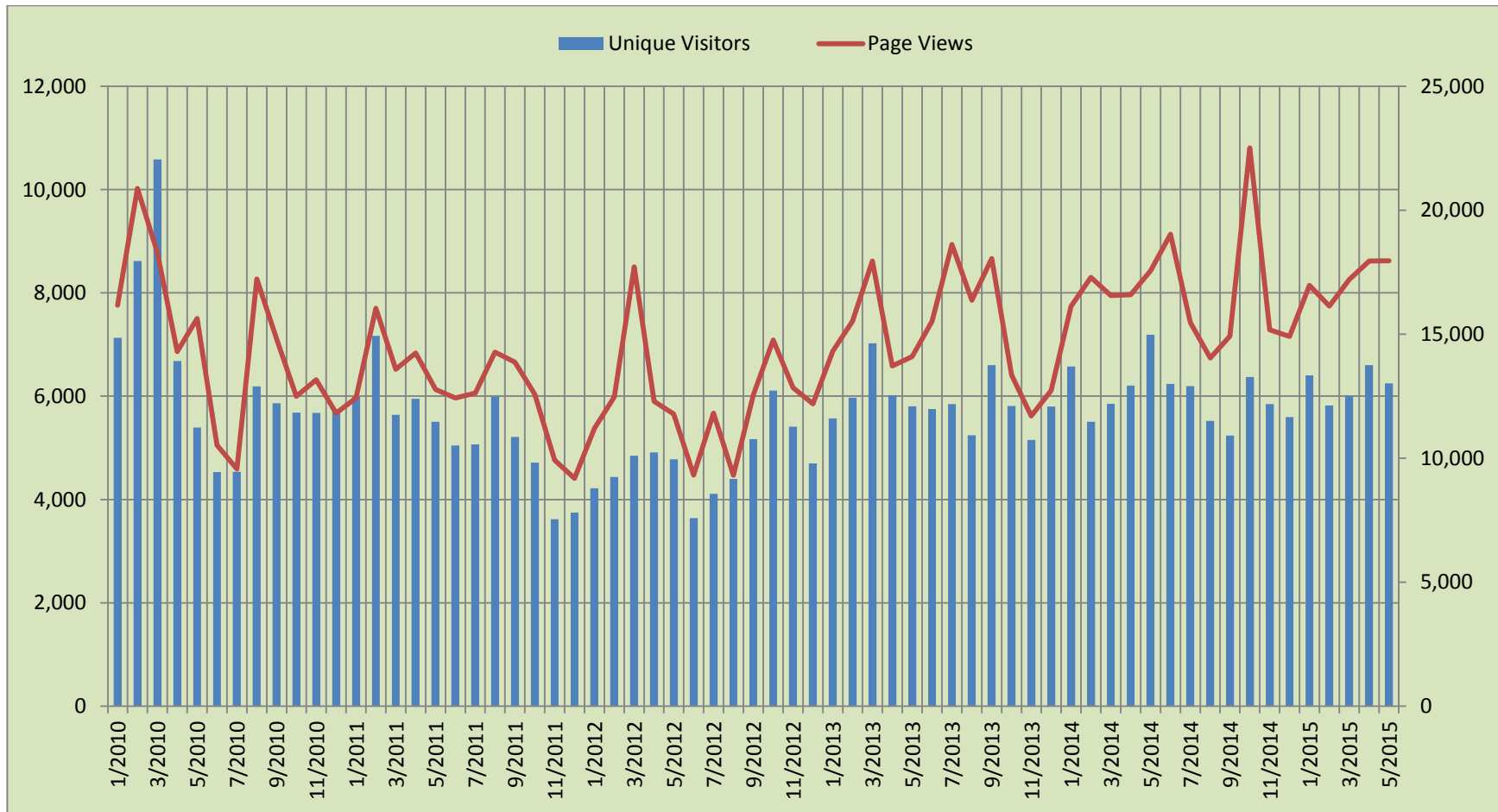
Miscellaneous

Web usage statistics for www.MSMR.org and for www.WhatAYear.org

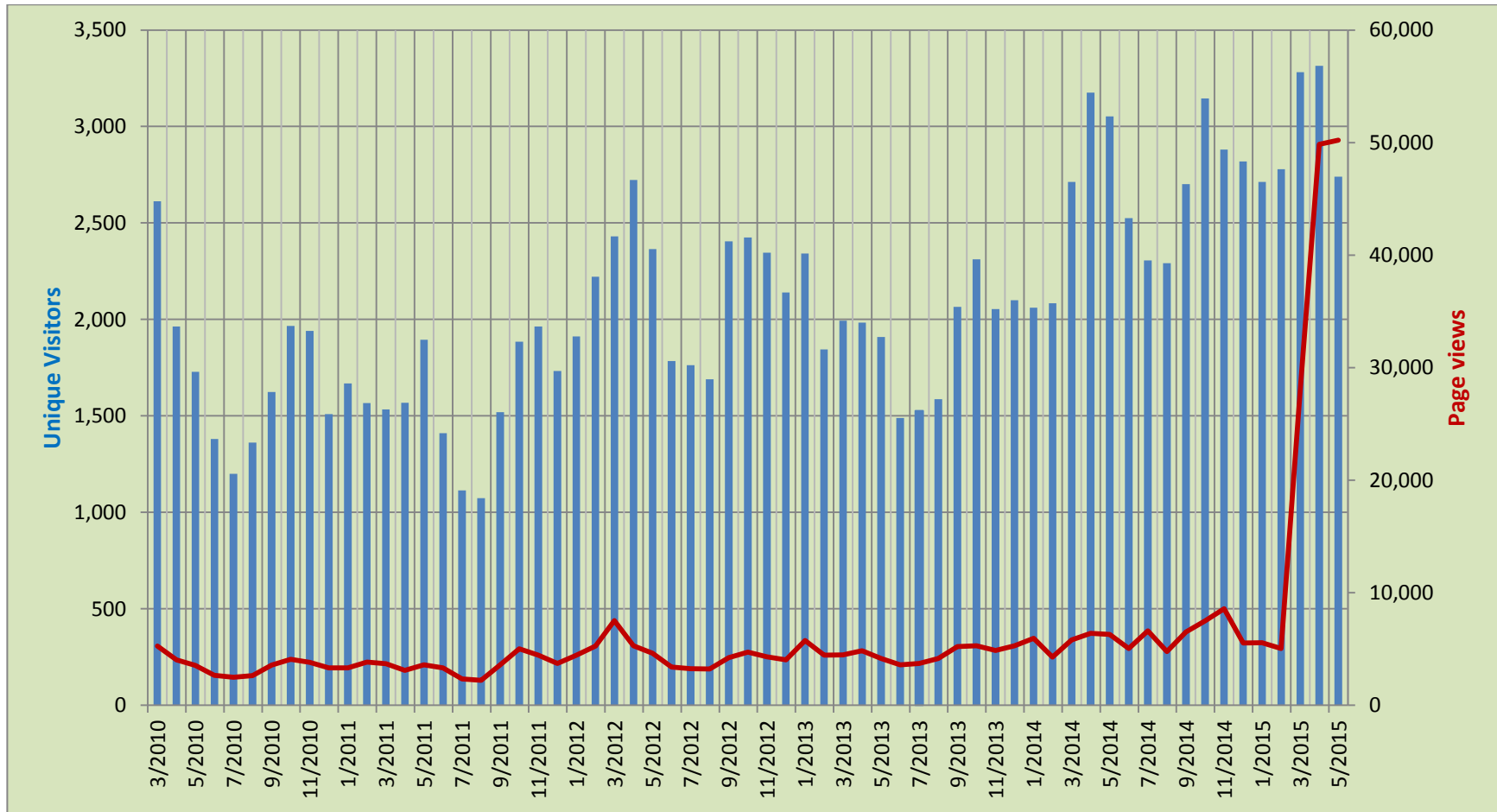
Please see next 2 pages.

Without discussion of the web statistics, the meeting was adjourned at 11:55 am.

MSMR Website Usage Statistics January 2010 – May 2015



What A Year! Website Usage Statistics
January 2010 – May 2015



We don't really know what is causing the spike in Page Views starting in March, 2015, but it may be associated with our participation in the APS Life Science Teaching Resource Community.