

**MINUTES OF MEETING OF BOARD OF DIRECTORS  
OF THE REACH FOUNDATION  
January 20, 2011**

Attendees:

Brenda Bohaty	Bill Bruning (via phone)
Heidi Cashman	Pam Chapin
Ken Davis	Karen Gilpin
Scott Glasrud	Harold Johnson
Randy Lopez	Eve McGee (via phone)
Anita Metoyer (via phone)	Tim Michel
Chad Moore	Janie Schumaker
Brenda Sharpe, ex-officio	Brad Stratton
Judy Works	

Not in Attendance:

Kumar Ethirajan

Guests:

Vatsala Pathy, REACH Consultant (via phone)	Bonni Brownlee, REACH Consultant
Lyle Pishny, REACH Legal Counsel	Becky Benak, REACH Staff
Dawn Downes, REACH Staff	Carla Gibson, REACH Staff
Pattie Mansur, REACH Staff	Karen Moore, REACH Staff
Jo Yun, REACH Staff	

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The meeting was called to order by Scott Glasrud at 3:59 p.m. The minutes of the November 15, 2010 meeting were reviewed. Upon a motion by Chad Moore and a second by Janie Schumaker, the minutes were approved.

Brenda Sharpe presented the President's report, and noted the Accountable Care Act Opportunity Fund, to which REACH contributed \$50,000, has been established at the Topeka Community Foundation. State agencies, nonprofits and communities seeking technical assistance to apply for funding opportunities available under the act will be able to apply for support. The funders are currently working on identifying a project manager for the Fund, as well as the organization employing that individual, over the next 30-60 days. Brenda reported that she attended a National Prevention and Health Promotion Strategy Stakeholders Conference in December, and she commented on the need to incorporate mental and oral health into any strategy as well as the continued exploration of new workforce models. The Grantmakers in Health annual meeting will be held in Los Angeles in March. Bill Bruning, Randy Lopez, Eve McGee and Brad Stratton will attend on behalf of the Board, and Brenda, Becky Benak, Dawn Downes, Carla Gibson will attend from the staff. The Vice President of Program, Policy and Evaluation position has been posted nationally, and will be open for applications through the end of February, with the hope having someone identified by the end of the first quarter. Additionally, Brenda reported a new website is in the process of being built with a launch target date of April 2011. There are a number of upcoming events open to the Board, including the HPV community report; a tour of Truman Medical Center; a forum on health reform implementation at the state level at KU Law School; and a Medical Home forum. Please let Karen Moore know if you would like to attend any of these events.

Vatsala Pathy presented an overview of the final framework for the REACH 2011-2015 Strategic Plan via conference call. Discussion ensued regarding implementation and communication of the plan. A number of suggested revisions were made by Board members, which will be incorporated into a final internal document and redistributed to the Board. Brenda Sharpe summarized the strategic planning process, which included a review of the formation of the foundation, legal considerations, past grant making and a look ahead at health trends and opportunities in our region. Through this process, the Board reaffirmed the Foundation's vision, mission, guiding principles and core values, while attempting to bring greater focus to our strategic priorities and define measurable goals in order to achieve greater impact with our resources. The 2011-2015 plan calls for the REACH Foundation to continue to work in our six-county service area, and support efforts to create access to quality services in the areas of physical, mental and oral health for those who are uninsured and underserved. Our grant making, convening, policy, advocacy and technical assistance will advance the goals of lowering the rate of uninsurance in our service area and fostering integrated models of care that benefit poor and medically underserved people. Recommended changes to our grantmaking process and focus, as well as to our policy and evaluation efforts, are highlights of the 2011-2015 plan.

Whereas, the Executive Committee recommends that the Board adopt the 2011-2015 REACH Strategic Plan as presented, and authorize Board committees and staff to continue with communication and implementation of the plan. Janie Schumaker moved that the Board adopt the 2011-2015 REACH Strategic Plan as presented, authorize Board committees and staff to move forward with communication of the plan to the public, and begin its implementation. Chad Moore seconded the motion, and it was approved. Future changes or revisions to the plan will be recommended by committees and staff and reviewed by the Executive Committee, which will then submit recommendations to the full Board as appropriate.

Bonni Brownlee gave a presentation on the Medical Home Initiative Year 2, the progress of the clinics, as well as goals for Year 3. Discussion ensued.

Scott Glasrud reported that at the November Board meeting Ken Davis had noted an oversight with regard to the length of Board terms. According to the bylaws, two Board members elected for the term beginning in June 2010 should have been elected to two-year term instead of three in accordance with the bylaws. As stated in Article VI, Section 1 (d), the bylaws require that when an officer's term has been extended by one year to allow them to complete their term of service, a subsequent term will be shortened by one year the following Board election cycle in order to maintain an appropriate turnover on the Board. These two Board members were not designated during this past year's Board elections. Scott Glasrud and Chad Moore have volunteered to have their terms shortened by one year to correct this oversight. Brad Stratton motioned to adjust the Board terms of Scott Glasrud and Chad Moore to an end date of May 31, 2012. Janie Schumaker seconded the motion and it was approved. Pam Chapin and Judy Works abstained from voting.

Scott reported at the November 2, 2010 meeting of the Executive Committee, Brenda Sharpe and Lyle Pishny, legal counsel, were instructed to draft bylaw amendments that would allow CAC or other non-Board members who serve on committees the ability to vote on Foundation matters. At the November 15, 2010 Board meeting, proposed amendments to the bylaws were presented which would authorize the Board Chair to appoint (with the approval of the Directors) one or more members of the CAC or other non-Directors to serve on any standing or special committee of the Board, with the exception of the Executive Committee. Those CAC or other non-Directors may be provided voting privileges. However, the membership of the respective committee must consist of a majority of Directors and only Directors are counted for purposes of determining a quorum. The

revisions also clarify the responsibilities of the Board committees to be more consistent with committee charters. Since receiving the draft of the bylaws in November, management has also requested that each reference to the “Grants Committee” appearing in the bylaws be changed to “Program and Policy Committee” in keeping with the strategic plan.

The Executive Committee recommended that the bylaws amendments be adopted as proposed. Tim Michel moved that the Board approve the proposed amendments to the Bylaws as presented, and approve the Restatement of Bylaws as presented. Brenda Bohaty seconded the motion, and the bylaws were approved.

Following the approval of the bylaws amendments, Board Chair Scott Glasrud recommended the following CAC members be appointed to their respective committees, with voting privileges: Dana Abraham to the Finance Committee, and Melinda Lewis to the Program and Policy Committee. Ken Davis moved that the Board approve the appointments and voting privileges of Dana Abraham to the Finance Committee and Melinda Lewis to the Program and Policy Committee. Randy Lopez seconded the motion, and it was approved.

Board Chair Scott Glasrud recommended Randy Lopez and Eve McGee be appointed to the Cultural Competency Initiative Steering Committee. Ken Davis moved that the Board approve the appointments of Randy Lopez and Eve McGee to the Cultural Competency Initiative Steering Committee. Pam Chapin seconded the motion, and it was approved.

Scott reported two new CAC members have been appointed: Jon Marshall by the Allen County Commission and Cecilia Ysaac-Belmares by the United Government. In light of inclement weather, the CAC moved their meeting to January 25, 2011, at which they will begin the 2011 Board nominations process. Seven people have submitted statements of interest. The CAC will hold interviews on February 3, 2011 and determine a slate of six nominees on February 16, 2011. Scott stated the Executive Committee would discuss the CEO Performance review process at their February meeting and he would report on their recommendations at the March Board meeting.

Tim Michel gave the Treasurer’s report. Tim reported that the October Financials reflect a monthly net investment gain of \$3.6 million to an ending value of \$122.0 million. The Foundation’s portfolio experienced realized and unrealized gains of \$3.3 million during the month, reflecting an investment return for the month of 2.8%. In addition, the Foundation received a \$780,000 distribution from CHG during the month. Off-setting this distribution and monthly gains was the transfer of \$450,000 to the Foundation’s operating account. Additionally, the Foundation released \$240,000 to fund capital calls to non-marketable investments in accordance with prior commitments. On a year-to-date basis, total income is \$15.8 million, which is ahead of budget by \$11.2 million. The Foundation has received an unbudgeted \$6.8 million from CHG in total for the year. Tim reported the November Financials show that the value of investments was down \$1.4 million from October to an ending value of \$120.6 million. The Foundation’s portfolio experienced net realized and unrealized losses of \$1.1 million during the month, reflecting an investment return of -0.9%. Additionally, a transfer of \$300,000 to the Foundation’s operating account further reduced the investment balance. Investment returns for the month and year-to-date are -0.9% and 7.5% respectively. Grant and programmatic expenses for the month of November were \$1.7 million and \$4.7 million for the year. Monthly expenses were over budget by \$352,000 but under budget by \$104,000 year to date. Year-to-date operating expenses are \$1.3 million and \$38,000 over budget. The primary difference between year to date actual and budgeted amounts is related to higher than budgeted legal fees, but offset by under budget salaries and lower than budgeted PR/marketing

expenses. Pam Chapin motioned to approve the October and November Financials, and Janie Schumaker seconded the motion. The financials were approved.

Tim asked the Board whether they would like the monthly financials to be added to the consent agenda in future meetings, with the provision that full financials would still be provided for review. Discussion ensued, and it was decided to add the financial statements to the consent agenda beginning in March 2011.

Tim also reviewed the November investment flash report, and noted investment return for the month was 7.5%. Tim presented the Directors and Officers Liability Policy for renewal with the same rate and coverage as 2010. Chad Moore moved that the Board approve the D&O Liability Policy for renewal with the Hartford at the rate of \$6,064.00 with a liability limit of \$5,000,000. Anita Metoyer seconded the motion, and it was approved. The next Finance Committee meeting will be Tuesday, February 22, 2011 at 7:00 a.m.

Janie Schumaker gave the Grants Committee- now Program and Policy Committee- report. She presented the renewal request for the Medical Home Initiative Year III, which will run from March 1, 2011 through February 28, 2012 and support up to nine local safety net clinics (7 returning and 2 new). The Program and Policy Committee has reviewed this request and recommends Board approval. Chad Moore motioned that the Board approve funding in the amount of \$263,000 to Qualis Health to support Year 3 of the Medical Home Initiative in up to nine clinics. Pam Chapin seconded the motion, and it was approved.

Janie presented the request for supplemental funding for Year 3 of the Cultural Competency Initiative to support technical assistance and expanded evaluation of the initiative. Seven organizations were approved for technical assistance in 2010 and five additional organizations will be approved in 2011. The Program and Policy Committee recommends that the Board expand the Cultural Competency Initiative parameters to include current program objectives and associated costs as reflected in the 2011 Board-approved operating budget. Heidi Cashman moved that the Board approve additional funding in the amount of \$100,000 to expand the original initiative amount to cover current year objectives. Chad Moore seconded the motion, and it was approved.

Janie noted a full list of 2010 staff discretionary grants was included in the packet for information. The next Cultural Competency Steering Committee meeting will be Thursday, January 27, 2011 at 11:00 a.m. The next Program and Policy Committee meeting will be Tuesday, February 1, 2011 at 5:00 p.m.

At 5:55 p.m., Chad Moore moved to go into closed session for 5 minutes to discuss legal matters before the Board. Janie Schumaker seconded the motion and it was approved. The Board returned to open session at 6:00 p.m., and the meeting was adjourned.

The next Board meeting will be held March 17, 2011 at 4:00 p.m. at REACH.

Respectfully submitted,

Heidi Cashman  
Secretary