

**MINUTES OF MEETING OF BOARD OF DIRECTORS
OF THE REACH FOUNDATION
January 15, 2015**

Attendees:

Dana Abraham
Bill Bruning
Tom Carrico
JC Cowden
Harold Johnson
Syrtiler Kabat
Andy Klocke
Randy Lopez
Chad Moore (by phone)

Stuart Munro
Raymond Rico
Brenda Sharpe, ex-officio
Brad Stratton
Rachelle Styles
David Thomas
Liz Wehlage
Judy Works

Not in Attendance:

Linda Hall

Guests:

Becky Benak, REACH Staff
Mathew Davis, REACH Staff
Dawn Downes, REACH Staff
Carla Gibson, REACH Staff

Georgeann Hemry, REACH Staff
Pattie Mansur, REACH Staff
Bill Moore, REACH Staff
Lyle Pishny, Of Counsel
Jo Yun, REACH Staff

Welcome and Introduction

Chair Brad Stratton called the meeting to order at 4:05 p.m. He welcomed everyone to the first Board meeting of 2015. He then turned the meeting over to Brenda Sharpe.

Foundation Business

Brenda Sharpe noted that late last year, President Obama issued an executive order on immigration. At the suggestion of several Board members, she asked Raymond Rico, REACH Board members, to provide an overview of the key aspects of the order. In addition to Raymond's immigration law practice, he works closely with the National Immigration Law Center. Raymond made a presentation to the Board and a question and answer session followed.

President's Report

Brenda reported that she and Bill Moore have had preliminary phone calls with the two consultants REACH has engaged for this process, Steve Isaacs and Paul Jellinek. Both will be in Overland Park on January 26-27 to conduct in-person meetings and interviews with staff and members of the Executive Committee.

The Kansas and Missouri legislative sessions have both begun. REACH sent a letter and copies of public policy agenda to the legislative delegates in our six-county service area in November 2014, and then distributed an e-mail earlier this week. Troy Findley of Summit Strategies in Kansas, and Julie Murphy Finn and Matt Rooney of Kit Bond Strategies in Missouri are also sharing our policy priorities in Topeka and Jefferson City, respectively.

The Registered Dental Practitioner movement in Kansas is gaining new partners and interest, particularly amongst conservative legislators. A Kansas Senate bill was introduced just this week, and Kansas Dental Project leaders are reasonably confident this bill will have a hearing in the health committee in the Kansas House of Representatives. Additional organizing efforts amongst dentists interested in learning more about dental midlevels and their impact on access and productivity will be led by the RDP team over the next several months.

Next Wednesday is RDP Advocacy Day in Topeka. Brenda Moore, Pattie Mansur, and Dawn Downes will attend and meet with individual legislators. Dr. Kevin Nagakaki, a Minnesota dentist and employer of dental therapists in that state, has been invited to attend and will speak with advocates, key legislators and dental providers while in Kansas.

Brenda stated that her recent election to the GIH Board will require one trip per year for the GIH Board retreat. The other two meetings per year are held in conjunction with the GIH Annual Meeting in March and GIH Fall Forum for CEO's in November. Brenda also noted that she will be resigning her position from a couple of other boards in order to appropriately manage her time commitments.

REACH will have a strong presence at the upcoming GIH Annual meeting. In addition to three staff, we anticipate having a Board contingency of approximately 4-6 make the trip to San Antonio. Georgeann will be finalizing those arrangements in the coming weeks. REACH will be a sponsor of the GIH Oral Health Funder's breakfast on Friday, March 6, along with our colleagues from the Washington Dental Services Foundation. Along with colleagues from Pew Charitable Trusts and Washington Dental Services Foundation, Brenda will also serve as a host for a session of the Funders Oral Health Policy Group prior to the annual meeting.

The Johnson County Commission has appointed Todd Pleimann of Overland Park, KS, to the Foundation's Community Advisory Committee. Todd will serve a three-year term of appointment, from June 1, 2014 to May 31, 2017. Todd is the Managing Partner of RubinBrown's Kansas City Office and serves as a Partner in the Assurance Services Group.

Brenda concluded her report by noting that approximately a dozen candidates have submitted Statements of Interest in serving on the REACH Board, three of whom are incumbents: JC Cowden, Raymond Rico, and Rachelle Styles. Two CAC members have applied; Heather Flick and Jon Marshall. Please remember to mark your calendars for Thursday afternoon, March 12 for our annual Board Nominee Meet and Greet at the Foundation's offices.

Brad Stratton congratulated Brenda Sharpe on her nomination to the GIH Board.

Consent Agenda

Brad Stratton reviewed the Consent Agenda. The items included are the November 20, 2014 Board Meeting Minutes, October and November 2014 Financials, and the annual D&O Insurance Policy Renewal. Brad asked if anyone wanted to pull any item off to discuss and vote on separately. Dave Thomas made a motion to accept the Consent Agenda as presented. Randy Lopez seconded. The motion passed.

Finance Committee

Tom Carrico reported that our investment consultants, Cambridge Associates, had recently made a change in our lead consultants. Tom asked REACH CFO Jo Yun, who participated in a recent conference call with Cambridge regarding those personnel changes, to update the Board. Eric Johnson, who is one of two

Cambridge individuals assigned to the foundation's account, is leaving the firm. Eric is more senior in experience, but Bill Thompson has been the primary Cambridge contact for REACH for the past few years. Bill will remain on our account, taking the lead on the engagement. Nash Dykes will join him and round out the foundation's Cambridge relationship team.

Tom Carrico directed his comments to the November 2014 dashboard materials included in the packet. He reported that September and October were weak months from an investment return perspective. The markets have struggled in the latter half of the year and the Foundation's returns reflected that trend. REACH remains more heavily invested in equities versus our target while being slightly under-weight in the fixed income sector. Although November returns were stronger, the investment balance at the end of the month was relatively flat with year-end 2013. Over the course of the year, the foundation has drawn money out of investments to fund \$4.1 million in grant awards and pay operating expenses.

Through November 30, year to date net income is \$1.5 million behind budgeted targets, due to lower than expected investment returns for the year. Programmatic and operating expenses are right at budgeted amounts for the same period and management expects total expenses to be at or near annual targets at year end.

Program and Policy Committee

Randy Lopez provided the Program and Policy Committee report and directed the Board's attention to the 2015 Program Grants Awards information in the meeting packet, which listed the foundation's recent grant awards and declinations. Randy thanked all the P&P staff for their hard work, many hours of deliberations and their due diligence and turned the meeting over to Bill Moore, VP of Programs and Evaluation, to review the report in further detail.

The grant awards, quality of the proposals, and geographic area represented align with REACH's Theory of Change. In this recent grant cycle, the Foundation received 48 letters of intent. Of that number, 25 were invited to apply, resulting in 22 applications. One chose not to apply and two missed the application deadline. Fourteen of the 22 applications were approved. In total, \$1.25 million was available for grantmaking in this competitive cycle compared to \$2.4 million in requests. Eight mental health grants were awarded, five safety net clinics received grants and organizations in four of the six counties in our service area were funded.

Bill Moore noted that the 2015 competitive grants process was very competitive with many high quality proposals making the selection of just 14 projects very challenging. He noted that the selected projects reflect many of the Foundation's highest priority investment targets and advance our Theory of Change. The projects selected included school-based services, care coordination, integrated care, health navigation, trauma informed care, bilingual therapy, chronic disease management, early intervention, and community health workers.

Randy Lopez said that the Program and Policy Committee is always looking to find potential partners and new ways to be innovative or fund in an innovative manner. REACH's program team mentors our grantee organizations throughout the process. We don't just give them money and then walk away; we also invest in their capacity and infrastructure because we want them to be a healthy non-profit corporation first and foremost.

Other Foundation Business

Harold Johnson announced has filed for the District 4 opening the Unified Government of Kansas City, KS/Wyandotte County. If elected, Harold would be required to resign from the Board of Directors per the Foundation's By-Laws and because the Unified Government is an appointing authority to the REACH Foundation.

Brad Stratton stated that he has filed for an At-Large seat on the Shawnee Mission School Board. If elected, Brad's position will be a volunteer, non-compensated position. At 5:44 p.m. Brad turned the meeting over to Dana Abraham, Vice-Chair, and then recused himself from the meeting.

At 5:45 p.m., JC Cowden made a motion to adjourn to closed session for 20 minutes for the purposes of discussing processes of the CAC and Board of Directors in identifying qualified individuals to be nominated to fill staff positions and Board vacancies. Judy Works seconded. The motion passed.

At 6:04 p.m., Bill Bruning moved to extend the closed session for an additional 10 minutes. Andy Klocke seconded. Motion carried.

At 6:10 p.m., Syrtiller Kabat moved to return to open session and Liz Wehlage seconded. Motion passed.

Brad Stratton was asked to rejoin the meeting and resumed presiding over the meeting. Brad announced that Randy Lopez has accepted employment with the Wyandotte Health Foundation and offered his congratulations. Because his new position represents a potential conflict of interest with the two foundations involved, Randy has resigned his position with the REACH Healthcare Foundation.

Brad thanked Randy for his service, hard work and serving as Chair of the Program and Policy Committee. Brenda Sharpe said Randy was in the first group of young, emerging leaders recruited to the REACH Board, and has made significant contributions to our work and our outreach in the community. As is our tradition, a \$500 CEO Discretionary Grant award is being made to the REACH grantee of Randy's choice. Randy has chosen Riverview Health Services as the recipient.

Randy Lopez thanked everyone and said he has appreciated the mentoring and trust placed in him.

Liz Wehlage made a motion to accept Randy's resignation with regret. Syrtiller Kabat seconded. The motion passed.

Brad Stratton noted that with Randy's resignation, we will have a vacant Program and Policy chairmanship open. JC Cowden has agreed to serve in this capacity, but first Brad sought additional nominations or volunteers from the floor. Bill Bruning made the motion to close the nomination and approve JC Cowden as Program and Policy Chair for the duration of Randy Lopez's unexpired term of 17 months. Tom Carrico seconded. The motion passed.

There being no further business, Brad adjourned the meeting at 6:30 p.m.

Respectfully submitted,

Georgeann Henry
Executive Assistant