

**MINUTES OF MEETING OF BOARD OF DIRECTORS
OF THE REACH FOUNDATION
November 17, 2016**

Attendees:

Dana Abraham	Vicki Hohenstein
Arif Ahmed	Danielle Jones (by phone)
Laura Bond	Andy Klocke
Tom Carrico	Jon Marshall
JC Cowden	Stuart Munro
Heather Flick	Raymond Rico
Linda Hall	Rachelle Styles
Angela Harse	Lisa Thurlow

Not in Attendance:

Tim Spilker

Guests:

Mathew Davis, REACH Staff	Pattie Mansur, REACH Staff
Dawn Downes, REACH Staff	Bill Moore, REACH Staff
Troy Findley, Summit Strategies	Lyle Pishny, Of Counsel
Carla Gibson, REACH Staff	Matt Roney, Kit Bond Strategies
Georgeann Hemry, REACH Staff	

Welcome

Chair Dana Abraham called the meeting to order 4:05 p.m. She welcomed Troy Findley, Summit Strategies, and Matt Roney, Kit Bond Strategies, as our guest speakers.

Foundation Strategy

Troy Findley and Matt Roney each provided a post mortem on the results of the recent federal and state November elections and their potential impact on the Foundation's Policy Agenda. A question and answer session followed their remarks.

President's Report

Brenda Sharpe thanked the staff and Board for all the assistance provided during her recent medical leave. She noted she had just returned from the GIH Board meeting, held in Washington, DC. The consensus of the GIH Board is that health philanthropy's outcome and strategies as they pertain to access, quality and equity remain relevant regardless of the change in administration and as such REACH will continue to take the long-term view. There will be many opportunities to advance our priorities. And any changes that may occur will likely take years to fully implement. Health insurance marketplace enrollment continues and enrollees will have coverage at least through the end of 2017. CMS announced yesterday that one million people have already signed up in the current enrollment period.

Brenda continued by saying that philanthropy's ability to share resources and information is powerful and important in times of significant change. As developments are officially announced, the Foundation will review and share them as appropriate. She also emphasized that it has been REACH's long-standing position that philanthropy cannot replace the role of government and foundations are not in a position to pick up the tab

when federal and state resources are significantly cut. This messaging will be important to our local and state elected officials as well as prospective grantees who will undoubtedly be placed under additional strain.

Brenda shared an update on the Alliance for a Healthy Kansas, a coalition supported by REACH that seeks expansion of the Kansas Medicaid program called KanCare. Three community forums were hosted by the Alliance for a Healthy Kansas in our service area in September and October, and were all well-attended. Each forum also had several current legislators and those running for state office present. By December, the Alliance will have held more than 30 forums across the state. Momentum continues to build, and coalition members including funders are all working hard to secure hearings on KanCare Expansion in the upcoming session.

Each year, the REACH staff conducts an internal campaign to raise money for the United Way of Greater Kansas City. This year staff raised a record **\$21,784** in employee contributions and REACH matching grants. REACH is among a small number of regional companies who has been designated as a Circle of Caring organization. This award is designated to companies that meet several criteria such as 100% employee participation, have a corporate matching gift program, have a certain number of leadership givers, and engage their employees in volunteer activities. On October 19 we conducted our annual "REACH Reno" at reStart, Inc.

<https://www.restartinc.org/> and completed an outdoor seating and dining area for clients and staff to enjoy.

Foundation Business Consent Items

Dana Abraham noted the items on the Consent Agenda including the September 15, 2016 Board meeting minutes; August and September Financials, and the 2017 REACH Calendar that includes all Board, CAC and Committee meetings. Items other than the meeting minutes and next year's proposed calendar have all been reviewed in their respective Board committees and are recommended for approval.

Tom Carrico made a motion to approve all the items on the Consent Agenda as presented. JC Cowden seconded the motion. Motion carried.

Executive Committee Report

Dana Abraham stated that the recent Board, CAC and staff social held at her home last Friday evening was a great gathering and provided an opportunity for us to get to know one another better. She then announced that the 2017 GIH Annual Meeting will be held June 20-23, in Boston, MA. Board members who are interested in attending should let either Georgeann or Brenda know. Special consideration will be given to new Board members and first-time attendees. Dana next directed attention to upcoming professional development events available to the Board. Anyone interested in attending any event please contact Georgeann Henry.

Finance Committee Report

Vicki Hohenstein reported that overall, year-to-date investments have improved over 2015 performance and the increase is expected to continue through year-end. From an operational perspective, due to thoughtful budgeting and cost management throughout the year, expenses should finish right on target for 2016.

Net income was \$1.1 million for September and \$4.7 million for the year-to-date period ending September 30, 2016. Operating expenses were \$1.3 million year-to-date, and are generally on budget as we approach year-end. Year-to-date program related expenses through the end of September are \$2.3 million and under budget. All of the variance from budget is timing-related; therefore, expenses are expected to come in line with the budget during the fourth quarter of the year. Investment results have been relatively strong in 2016. The investment

portfolio balance at September 30 is \$126.4 million, up \$4.0 million from \$122.4 million balance recorded at year-end 2015. This investment balance increase is particularly notable given \$4.5 million has been transferred out of investments over the course of the year to fund program commitments and operational needs of the Foundation.

Program and Policy Committee Report

Jon Marshall reported that at their last meeting, staff made its annual recommended revisions to the Theory of Change to more accurately reflect the Foundation's work. The P&P Committee thoroughly discussed the modifications, deemed minimal, and agreed that the Theory of Change should continue to be revisited and revised as necessary as the health policy environment and culture continues to change.

Arif Ahmed made a motion to recommend the revisions to the 2017 Theory of Change as presented. Stuart Munro seconded the motion. Motion carried.

Jon continued with a review of the proposed budget and projects to be included in the Foundation's 2017 Outcome Investments. All proposed costs are reflected in the 2017 budget to be reviewed later in this meeting. Jon noted that once approved, the staff, under CEO supervision, will have discretion to allocate funds and determine the timing of commitments within the approval limit proposed for each Outcome Investment per the Foundation's adopted Internal Controls. The recommended projects and budgets were reviewed by the Program and Policy Committee and are recommended to the full Board for approval.

Angela Harse made a motion to recommend the proposed expenditures and projects associated with the Foundation's Outcome Investments as presented. Vicki Hohenstein seconded the motion. Motion carried.

Next, Jon Marshall presented a request to approve the Foundation's 2017 Public Policy Agenda. Each year, the REACH Board considers a set of policy proprieties which guide Foundation advocacy and education efforts with local, state, and federal lawmakers. These priorities reinforce the mission, vision and outcomes the Foundation seeks to advance through its grant investments, strategic partnerships and other efforts.

Laura Bond made a motion to approve the 2017 Public Policy Agendas for both Missouri and Kansas as presented. Raymond Rico seconded the motion. Motion carried.

Jon added that 27 Core Operating Partners have been identified and offered a \$50,000 renewable annual grant for 2017. He also noted that all the funds for the 2016 Discretionary Grants have been spoken for and directed Board members to the Discretionary Grants schedule for more information.

At 4:54 p.m., JC Cowden made a motion to adjourn to executive session for 30 minutes for the purpose of discussing personnel and legal matters. Rachele Styles seconded the motion. The motion carried. At 5:05 p.m. Brenda Sharpe was asked to leave the meeting for the purposes of discussing the annual CEO performance review and compensation.

At 5:24 p.m., the meeting returned to open session.

JC Cowden made the following motion: Following a consideration of the 2016 CEO Performance Review, Performance Goals, Self-Assessment, the report of the engaged consultant Martha Davis, and a study and

review of peer comparability data, that the President's CEO base compensation for the year 2017 be increased by 4%. Tom Carrico seconded the motion. Motion carried.

Jo Yun presented the 2017 Budget to the Board, which had been previously reviewed in detail and recommended for approval by both the Finance Committee and the Program and Policy Committee. Tom Carrico made a motion to accept the 2017 Budget as presented. Stuart Munro seconded the motion. Motion carried.

Dana Abraham announced that the next Board meeting will be held on Thursday, January 19, 2017. She wished every a happy Thanksgiving and happy holidays.

There being no further business, the meeting adjourned at 5:35 p.m. by consensus.

Respectfully submitted,

Georgeann Henry
Executive Assistant