

**MINUTES OF MEETING OF BOARD OF DIRECTORS
OF THE REACH FOUNDATION
November 17, 2011**

Attendees:

Brenda Bohaty
Heidi Cashman
Karen Gilpin
Harold Johnson
Eve McGee
Chad Moore
Janie Schumaker
Brad Stratton

Tom Carrico
Ken Davis
Scott Glasrud
Randy Lopez
Tim Michel
George Pierson
Brenda Sharpe, ex-officio
Judy Works

Not in Attendance:

Bill Bruning
Kumar Ethirajan

Guests:

Lyle Pishny, REACH Legal Counsel
Dawn Downes, REACH Staff
Bill Moore, REACH Staff
Jo Yun, REACH Staff

Becky Benak, REACH Staff
Carla Gibson, REACH Staff
Karen Moore, REACH Staff

The meeting was called to order by Chair Scott Glasrud at 4:04 p.m. The minutes of the September 15, 2011 meeting were reviewed. Upon a motion by Tom Carrico and a second by Janie Schumaker, the minutes were approved.

Dr. Jose Reyes and Sharon Goolsby lead a presentation and Board discussion on the continuum of cultural competency, associated skills, and ways nonprofit boards can build cultural competency. Dave Matson, President & CEO of The Children's Place, spoke about his organization's experience as a technical assistance recipient in the Foundation's Cultural Competency Initiative.

Brenda Sharpe reported the staff has attended numerous conferences over the fall, details of which are included in the packet. The CAC continues to recruit applicants for the 2012 Board nominations process. Peer evaluations on the four incumbents seeking a second term have been sent to all Board members to complete and return to Karen Moore. These will be compiled and forwarded to the CAC to use in the Board nominations process, as well as Board and Committee meeting attendance records. The ACA Opportunity Fund has funded nine grant proposals to date, for a total of \$244,800. There are \$205,200 remaining in the fund, and three proposals are pending review. The funders collaborative has agreed to extend the end date for the fund from December 31, 2011 to December 31, 2012, or until all funds are expended.

Ken Davis moved to approve the consent agenda. Chad Moore seconded the motion, and the following consent agenda items, each of which were reviewed and recommended by their respective committees, were approved:

- the REACH 2012 budget approved as presented by the Finance Committee;
- the August and September 2011 Financial Statements approved as presented by the Finance Committee;
- the 2012 Board and CAC meeting calendar approved as presented by the Executive Committee;

- the 2012 Board Diversity & Inclusion Plan as presented by the Executive Committee;
- approval of funding in the amount of \$165,000 for Year 4 of the Cultural Competency Initiative by the Program and Policy Committee.

Tim Michel gave the Treasurer's report. He reviewed the September Financial Dashboard. In September, the value of investments dropped \$8.0 million from August to an ending value of \$114.7 million, which is below the Foundation's Historical Dollar Value. This is the first time the investment values have fallen below this value since 2009. Year to date grant and programmatic expenses are \$287,000 under budget; however, these funds will be added to the 2011 competitive grant cycle scheduled for award in November. Operating expense are \$67,000 under budget through September, principally related to salaries and legal expenses. Additionally, Cambridge Associates has recommended allocating more money to emerging markets because of their valuations. The next Finance Committee meeting will be Tuesday, February 21, 2011 at 7:30 a.m.

Janie Schumaker gave the Program and Policy Committee report. Janie reported 20 core operating grants have been awarded for a total of \$1.67 million in grants. Of the 20 proposals received, 20 were funded. As was decided at the September Board meeting, the staff will be accessing 2012 funds in January 2012 to fund 2011 programmatic proposals. The staff will review 34 programmatic grant applications in December. There is \$1.2 million to award in January compared to the \$3.38 million in requests. Janie noted several concepts for 2012 initiatives have been presented to the Program & Policy Committee, including a Rural Health Initiative and a capacity-building initiative around Advocacy Evaluation to develop metrics around policy work. Discussion ensued. Janie reported Ehealthalign is no longer in existence, and related work is being carried out by KHIN, and discussion ensued. Janie noted that the staff discretionary grant summary was included in the packets for review. There will be a Cultural Competency Initiative Celebration on Thursday, December 15, 2011 from 4:30-7:00 p.m. at the Loose Mansion to which all technical assistance grantees, their Board members, the Steering Committee members, and the REACH Board members are invited. The next Program and Policy Committee meeting will be Tuesday, February 7, 2012 at 5:00 p.m.

At 5:25 p.m., Tom Carrico motioned to adjourn to executive session for 30 minutes for the purposes of discussing personnel matters. Ken Davis seconded the motion. Motion carried. Elaine Lasnik-Broida with Lasnik-Broida Consulting LLP was asked to join the Board in closed session at 5:31 p.m. for the purpose of discussing results of the 2011 President & CEO Executive Compensation review project conducted by her firm.

At 5:53 p.m. Ken Davis moved to extend the Executive Session for 15 minutes. Karen Gilpin seconded the motion. Motion carried.

At 6:08 p.m. Chad Moore moved to return to open session. Janie Schumaker seconded. Motion carried. Following a thorough review of comparability data and performance evaluations, George Pierson moved that action be taken by the board to extend a two-year contract agreement to Brenda Sharpe, President and CEO, the terms of which were based upon the recommendation of the Executive Committee and discussed by the Board in closed session. The contract will be finalized by Scott Glasrud, Board Chair, and Board Legal Counsel, Lyle Pishny. Compensation is based on comparative data provided by Lasnik-Broida. The contract will include the targeted range midpoint shown in the report, will maintain the current level of benefits, include a two year evergreen clause, a one year severance provision, and other benefits and provisions consistent with the current contract. Chad Moore seconded the motion. Motion carried.

The Board Chair and consultant (Lasnik Broida) reviewed comparability data and salary ranges for the two Vice Presidents. Janie Schumaker moved that the board approve the salaries in the "Middle Range" which represents 90-110% of the salary midpoint recommended by Lasnik Broida for the positions of Vice President of Programs, Policy and Evaluation and Vice President of Finance and Operations/CFO, along with other current benefits. The salaries for these and all other staff positions will be implemented by the CEO at her discretion as per foundation policy. Chad Moore seconded. Motion carried.

Ken Davis moved to accept the CEO performance appraisal prepared by Martha Davis with Davis Consulting Group, and provided to each Board member in closed session. Tom Carrico seconded. Motion carried.

There being no further business, the meeting was adjourned at 6:15 p.m.

The next Board meeting will be held January 19, 2012 at 4:00 p.m.

Respectfully submitted,

Karen Moore
Administrative Assistant