

**MINUTES OF MEETING OF BOARD OF DIRECTORS
OF THE REACH FOUNDATION
June 21, 2012**

Attendees:

Dana Abraham
Tom Carrico
Eve McGee
Stuart Munro
Raymond Rico
Brad Stratton
Judy Works

Bill Bruning
Randy Lopez
Chad Moore
George Pierson
Brenda Sharpe, ex-officio
Liz Wehlage

Absent:

JC Cowden
Janie Schumaker

Brenda Bohaty
Harold Johnson
Rachelle Styles

Guests:

Abe Cole, BKD (via phone)
Becky Benak, REACH Staff
Carla Gibson, REACH Staff
Bill Moore, REACH Staff
Jo Yun, REACH Staff

Tondee Lutterman, BKD (via phone)
Dawn Downes, REACH Staff
Pattie Mansur, REACH Staff
Karen Moore, REACH Staff
Terrie Barnes, REACH Temporary Staff

The meeting was called to order by Chair Bill Bruning at 4:05 p.m. Bill Bruning welcomed new Board members, and introductions were made. Tom Carrico motioned to approve the May 17, 2012 minutes, and Chad Moore seconded the motion. The minutes were approved.

Abe Cole and Tondee Lutterman of BKD presented the 2011 Audited Financials via conference call. Tondee said the draft of the audit will be finalized as soon as outstanding items from investment managers are received. She reviewed the management letter and reported a clean audit was expected to be issued. Abe Cole and Tondee Lutterman of BKD presented a report of the audit in person to the Finance Committee at their meeting June 19, 2012. At 4:15 p.m., Randy Lopez motioned to adjourn to closed session for five minutes without management for dialogue with the auditors. Judy Works seconded the motion. At 4:20, the Board returned to open session. Brad Stratton moved that the Board approve the 2011 Audit as presented. Tom Carrico seconded the motion, and the 2011 Audited Financials were approved unanimously.

Pattie Mansur presented a draft of the 2011 Annual report. Pattie reported approximately 600 copies will be mailed out, and the annual report will also be distributed electronically. The Finance Committee has reviewed the financial pages of the 2011 Annual Report. Chad Moore moved the Board approve the 2011 Annual Report for publication, including financial pages as presented, pending final minor revisions by staff to format and content. Randy Lopez seconded the motion, and it was approved.

Bill Moore presented the second version of the Theory of Change, and noted it is key to the operationalization of the strategic plan, as it guides decision-making regarding investments and grants. The Theory of Change in its second version reflects a refinement of thinking and greater specificity, as well as incorporates feedback from grantees, experts in the field, and staff experience working with grantees. The language is more precise, and the Theory of Change is now more

explicit in strategies and use of technology. Additionally, long term impacts are now written in the positive based on grantee feedback. Bill also presented a new document, the Theory of Change overview, which gives guidance as to how the Foundation uses the Theory of Change. This companion document will be posted on the website and made available to grantees. Bill reported REACH is working with Voltage Creative, our website vendor, to make the Theory of Change more prominent and interactive on the REACH website. It will feature expanded definitions, links to literature, and examples of grantees, and as data becomes available, that will also be linked to the impacts. Bill reported there are plans for REACH to host a workshop on evaluation for grantees, include more discussion on evaluation as part of the grants application process, and increase grantee evaluation capacity. Discussion ensued.

Bill Moore also presented the REACH draft organization benchmarks. He noted this document reflects initial thoughts developed by senior management and is open to change and board input. Discussion ensued. The Executive Committee was asked to spend time discussing these benchmarks at upcoming meetings and present recommendations of measurements at the November meeting when the 2013 budget will be approved, with plans to launch benchmark measurement in January. Bill Bruning encouraged all Board members to reflect on suggested measurements and send feedback to staff, as well as him. The goal would be to measure no more than 10 benchmarks, two in each of the five domains of impact, outcomes, strategy, communications, and operations and governance. Discussion ensued.

The planned diversity activity on the agenda was deferred until the September meeting due to time constraints.

George Pierson 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 April 2012 Financial Statements approved as presented,
- the changes to the Statement of Internal Controls as presented,
- the appointments and voting privileges of Andy Klocke to the Finance Committee, and Jon Marshall to the Program & Policy Committee.

Brenda Sharpe gave the President's report. She reported Karen Moore has resigned her position at REACH to pursue graduate studies in Colorado with her husband and son. Becky Benak, Grants and Operations Manager, will oversee the search process for Karen's permanent replacement, and in the interim, REACH has engaged the services of Celebrity Staffing, a temporary staffing firm located in our building. Brenda introduced Terrie Barnes, an employee of Celebrity Staffing who will be providing administrative support to the Foundation. Brenda reported she and Lyle Pishny will be working over the summer on proposed revisions to the by-laws to provide greater clarity to Board terms and the Foundation's Board nominations process. Brenda reported Heather Flick has been appointed by the Johnson County Commission to the CAC. Brenda updated the Board on the changes to Kansas SRS lobbying language. Discussion ensued. Brenda also noted that she, Bill Moore, and Dawn Downes met with KDHE regarding Patient-Centered Medical Home, and Medicaid eligibility and outreach.

Bill Bruning reviewed the role of the Board chair and asked Board members to contact him freely with any thoughts or feedback on REACH meetings and agenda items. He reported a Board retreat has been scheduled for Friday, August 24, 2012 at the Samuel U. Rodgers Health Center, and the agenda and details will be forthcoming. Bill also noted the traditional holiday party has been moved

to the fall and will be at his home on Friday, September 28, 2012. Details and invitations will follow closer to the date.

Brad Stratton gave the Treasurer's report. He reviewed the April Financial Dashboard, and noted REACH investments ended April at \$122.9 million. Brad reviewed the philosophy behind the management of the Foundation's investments and grant-making for the benefit of new Board members. The next Finance Committee meeting is August 21, 2012 at 7:30 a.m.

Chad Moore gave the Program and Policy Committee report, and asked Bill Moore to give an update on all initiatives. Bill Moore reported the Rural Health Initiative may need an extended period of planning, as it had previously been compressed to 6 months. The focus is on building capacity and the conditions necessary for change. Chad Moore reported the Johnson County Health Partnership Clinic, a Foundation grantee, has been granted Federally Qualified Health Center status. The next Program and Policy Committee meeting will be Tuesday, July 10, 2012 at 5:00 p.m.

There being no further business, the meeting was adjourned at 6:05 p.m.

The next Board meeting will be held September 20, 2012 at 4:00 p.m.

Respectfully submitted,

Karen Moore
Administrative Assistant