

**MINUTES OF MEETING OF BOARD OF DIRECTORS
OF THE REACH FOUNDATION
May 16, 2013**

Attendees:

Dana Abraham
Brenda Bohaty (by phone)
Bill Bruning
Tom Carrico
JC Cowden
Harold Johnson, Jr.
Randy Lopez

Stuart Munro
Raymond Rico
Janie Schumaker
Brenda Sharpe, ex-officio
Brad Stratton (by phone)
Liz Wehlage
Judy Works

Not in Attendance:

Eve McGee
Chad Moore

George Pierson
Rachelle Styles

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
Jo Yun, REACH Staff

Welcome and Introduction

The meeting was called to order by Chair Bill Bruning at 4:05 p.m.

Foundation Strategy

Bill Bruning introduced Dean Katerndahl of Mid America Regional Council (MARC) who presented the REACH Healthcare Foundation's recently completed *"The Regional Health Data Analysis."* REACH has committed to conduct this data analysis "refresh" approximately every two years to inform our work and that of community partners. Dean spoke about the regional health assessment and about the disparities across counties, races and incomes. There is significant correlation between health outcomes and access to care, and to income, race, and geography. A question and answer session followed the presentation. Pattie Mansur, Communications Director, discussed the accompanying County Health Profiles prepared as part of the data analysis project. REACH paid for creation of the county profiles for each county in our service area, and MARC prepared profiles for five additional counties in their service area. REACH will be making the report and profiles available on our website, and will be working with Dean to provide a number of community presentations across the metro.

Foundation Business

Bill Bruning reported the nominees for Board officers and At-Large members were as follows: Harold Johnson, Secretary; Brad Stratton, Treasurer; Tom Carrico and Randy Lopez, At-Large Members. Normally officers serve two-year terms; however, because Harold and Brad's officer terms did not coincide with their Board terms, they were both elected to one-year terms last year, pending the outcome of the Board elections in March. Because both were re-elected, the Board can now renew their officer term for a second year. The At-Large terms are always one-year terms, and Tom and Randy are seeking a second term. Bill asked for any additional nominations from the floor. There being none, officer ballots were distributed. Stuart Monroe made a motion to approve the

elected slate of officers by acclamation, foregoing the ballot, and Raymond Rico seconded the motion. The motion passed unanimously.

Bill stated that current Board member Liz Wehlage recently purchased a new primary residence and notified the Board accordingly. Although Liz continues to work in Allen County, her new residence is across the county line in neighboring Neosho County, which is outside the Foundation's service area. The Executive Committee recommends that she be allowed to continue on the Board through the completion of her first term (May 31, 2015). However, the bylaws are clear regarding nominees and elections which state that candidates must reside in the Foundation's service area. Thus, Liz would not be eligible to seek re-election to a second term in 2015 assuming she does not relocate back into the service area during the intervening two years. Tom Carrico made a motion to approve that Liz Wehlage be allowed to continue on the board through the completion of her first term, May 31, 2013, and Dana Abraham seconded the motion. The motion passed unanimously.

President's Report

Brenda Sharpe gave the President's Report. She said that the Operations Dashboard for 2012 has now been populated and will serve as our initial benchmarks. Bill Moore, Vice President of Program, Policy and Evaluation, stated that the Dashboard is strictly an operations tool, and that the benchmarks may change based on Board feedback and expectations. He anticipates having the Dashboard populated for the first quarter of 2013 very soon. A brief discussion ensued regarding whether or not to publish this data on the REACH website and with what frequency. Bill Bruning iterated that this question should be taken up by the Executive Committee at their next meeting.

Syrtiller Kabat's new Board member orientation was completed in April, Brenda noted.

April's CAC meeting was a gathering and dinner at Milburn Country Club to thank and recognize CAC members for all their efforts. Appointments to the CAC are currently in process. Denny Kurogi is expected to be reappointed by the Johnson County Commission on May 30, as is Cecilia Ysaac-Belmares' appointment by the Unified Government. Jon Marshall has been reappointed by the Allen County Commission, and the Governor has two appointments pending.

Brenda noted that information about additional Board/CAC development opportunities was included in the packets for review. If Board/CAC members want to attend any event, please contact Georgeann Henry, who will handle registrations. She also reminded everyone of the KGIH Dinner and Retreat on June 13-14, 2013 to be held in Topeka, KS. Please contact Georgeann Henry if you plan to attend.

Brenda recognized the staff's length of service to the Foundation's mission: Becky Benak, 9 years; Carla Gibson, 7 years; Pattie Mansur, 6 years; Dawn Downes, 6 years; Jo Yun, 4 years; and Bill Moore, 2 years. The team held a staff retreat May 13th to recognize new members Georgeann Henry and Mathew Davis.

Brenda recognized outgoing Board member Eve McGee for her tenure on the Board, and noted her contributions to the Foundation as a former At-Large Member of the Executive Committee, a member of the Program and Policy Committee, and as a Board liaison to the Cultural Competency Steering Committee. As is REACH's custom, a \$500 discretionary grant was awarded to the REACH grantee of Eve's choice, which was DeLaSalle.

Foundation Business and Consent Items

Bill Bruning reviewed the items on the consent agenda, including the March 28, 2013 Board meeting minutes, February and March 2013 Financials, Internal Control Policy Revisions, and the KGIH Opportunity Fund. All items have been reviewed, vetted and are recommended for approval by their respective committees. Janie

Schumaker moved and JC Cowden seconded the motion to approve the consent agenda. The motion passed unanimously.

Committee Reports

Bill Bruning gave the Executive Committee report. He reminded those present of the KGIH dinner and retreat in Topeka on June 13-14, 2013 and strongly encouraged Board members to attend either or both events. If you plan to attend, and require overnight lodging, please let Georgeann know.

Bill then reviewed the Chair's Board Committee Appointments for ratification by the full Board. There being no discussion on the appointments, Janie Schumaker moved and Harold Johnson seconded the motion to approve the appointments as presented. The motion passed unanimously.

The next meeting of the Executive Committee will be Tuesday, June 18, 2013 at 4:00 p.m.

Tom Carrico presented the Finance Committee report. He reviewed the financial dashboards through March 31, 2013 and stated that investment returns are up 2.55% through the end of 2012. They are 3.1% above projections for first quarter 2013. The equity market is very strong right now and April was an exceptionally good month. Specific target equities have performed well since the beginning of 2013. Bonds are unlikely to increase.

Tom asked Jo Yun, VP of Finance and CFO, to provide an update on the annual audit progress. Jo stated it will be completed early next month and expects to present the final report to the Board at the June meeting. Jo further commented that everything went exceptionally well. All-in-all, it was a very clean and uneventful audit. BKD will provide the final audit report to the Finance Committee at its June meeting, and to the full Board on June 20th.

Jo also reported on a State of Kansas audit of REACH that took place earlier this spring. The state audit was sales and use-tax focused and covered a five-year period of time. Ultimately, the Foundation had minimal unpaid tax liability relative to our overall operations. Where we did have liability, it was primarily for goods and services for which REACH wasn't initially invoiced for sales tax, but Kansas requires a use tax, such as purchases made in Missouri for office equipment at the time of our relocation in 2008. Out-of-state teleconferencing services and online subscriptions were also subject to Kansas use tax, unbeknownst to the Foundation and to its vendors. The Foundation will pay past amounts due and related interest totaling approximately \$8,000 (penalties were abated). The Foundation is working with BKD to develop procedures for paying sales tax on all applicable future purchases.

The next meeting of the Finance Committee will be Tuesday, June 18, 2013 at 7:30 a.m.

Janie Schumaker provided the Program and Policy Committee report. Janie asked Bill Moore to provide an update on the Rural Health Initiative (RHI). Bill stated that the focus of the RHI is currently on assuring the three participating rural counties of the availability of technical assistance consultants, and each county has received additional funds to support the activities of the Core Leadership Teams. National rural health advisors will be engaging the leadership teams in a number of joint "Communities of Practice" sessions. One is planned in Cass County, MO for the end of May 2013.

Bill asked Dawn Downes and Carla Gibson, Program Officers, to highlight activities in the counties they are supporting. Dawn Downes stated that Cass County is at focusing its efforts on expanding the Core Leadership Team and early capacity building efforts. Carla Gibson reported that Lafayette County is in full implementation mode, and two rural health clinics plan to open June 1, 2013, one in Concordia, MO and the other in Waverly,

MO. At the present time these two clinics will focus on dental treatment and care. Judy Works, RHI Board Liaison, noted that Allen County plans to convert part of its family practice clinic to an FQHC through a partnership with Southeast Kansas Community Health Center to provide medical, dental, and pharmacy services. The timeline for this is approximately 15 months away.

Janie reported that the Program and Policy Committee and staff are discussing a number of possible changes to the Request for Proposal for the 2014 Competitive Grant Cycle, to be released in August. Bill Moore said that Core Operating Grants are likely to move out of the competitive process and become solicited from highly aligned partners, in part due to the fact that there is approximately \$380,000 less dollars to award this year and there is now a much higher demand than in the past. The Committee is also discussing changes relative to eligibility for Core Operating Grants, for instance limiting those grants to organizations with based on operating budgets of \$10 million or less.

Bill also noted that the Program & Policy Committee has reviewed the Foundation's anti-discrimination policy requirements for grantees, and is supportive of strict enforcement of that policy. Following a staff review, most of our grantee partners have an anti-discrimination clause that either meet or exceed REACH's current policy, as required. However, a good number of the applicants do not now meet our policies, primarily a function of omission, but in some cases by design, particularly related to sexual orientation discrimination in employment policies by faith-based organizations. These organizations will all be informed of the Foundation's position to not continue funding, and will allow adequate time for them to make changes to their policies or seek other sources of support should they choose not to comply.

Brenda Sharpe provided the Discretionary Grants schedule. Staff are currently working to move as many pending applications through the process as possible by June 1, 2013, so that we can determine what, if any, funds remain in that pool.

Janie concluded her report by mentioning that the next Programs and Policy Committee meeting will be Tuesday, July 9, 2013 at 5:00 p.m.

Brenda announced that 2013 is REACH's 10-year Anniversary and to celebrate this milestone we will host two events. On Friday evening, September 27th, REACH will host an evening reception for Board and CAC members at the Nerman Museum of Modern Art at Johnson County Community College in Overland Park. On October 2nd, we will host a community luncheon for our grantees and other stakeholders at The Gallery in Kansas City, MO. Invitees to the lunch are in the process of being finalized, and the Foundation has hired a special events company to assist with the logistics.

There being no further business, Tom Carrico moved to adjourn the meeting. Janie Schumaker seconded the motion. Motion carried and the meeting was adjourned at 6:05 p.m.

Respectfully submitted,

Georgeann Hemry
Executive Assistant