

**MINUTES OF MEETING OF BOARD OF DIRECTORS
OF THE REACH FOUNDATION
June 19, 2014, 2014**

Attendees:

Dana Abraham
Bill Bruning
Tom Carrico
Linda Hall
Syrtiler Kabat
Randy Lopez
Chad Moore (by phone)

Stuart Munro
Brenda Sharpe, ex-officio
Brad Stratton
Dave Thomas
Liz Wehlage
Judy Works

Not in Attendance:

JC Cowden
Harold Johnson
Andy Klocke

Raymond Rico
Rachelle Styles

Guests:

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

Georgeann Henry, REACH Staff
Pattie Mansur, REACH Staff
Bill Moore, REACH Staff
Jo Yun, REACH Staff

Welcome and Introduction

Chair Brad Stratton called the meeting to order at 4:00 p.m. He welcomed and congratulated attendees Linda Hall and Dave Thomas, as well as Andy Klocke as our new Board Members.

Foundation Business

Brad Stratton then introduced Tondee Lutterman of BDK and then turned the meeting over to Jo Yun. Tondee took the Board through the summary findings of the audit report, noting that she had thoroughly reviewed the report and findings with the Finance Committee at their meeting earlier in the week. Tondee explained that the audit isn't final yet, but no significant changes are expected. Consistent with prior years, there is a lag in receiving the audited financial statements from some of the Foundation's alternative investment managers. At this time, three statements are outstanding. These statements are not expected to change or impact the audit; however, BKD wants to have all the required audited financial statements in-hand before issuing the Foundation's final audited financial statements for 2013.

The overall findings are that the audit was very clean and everything is in good order. Tondee said there were no internal control issues, or other management related matters to report to the Board. This report and related findings, including no proposed audit adjustments, are consistent with prior years.

Brad Stratton asked if there was any discussion or if anyone had questions or concerns. There being none, at 4:12 p.m., Syrtiler Kabat made a motion to adjourn to executive session for 10 minutes for the purpose of discussing management cooperation with audit procedures. Randy Lopez seconded. The motion carried.

At 4:20 p.m., Dana Abraham made a motion to adjourn to open session. Dave Thomas seconded the motion. Motion carried.

Tom Carrico then made a motion to accept the BKD draft version of the 2013 audit. Liz Wehlage seconded the motion. Motion carried.

Brad Stratton announced the next item on the Agenda is REACH's Annual Report and then turned the discussion over to Pattie Mansur. Pattie stated that beginning this year and going forward, the Annual Report will be a completely on-line publication; no print versions will be produced. Once the report is finalized, REACH will mail a postcard containing the link to access it through REACH's website.

Several Board Members inquired if it would be possible to imbed hyperlinks within the Annual Report linking to various information, i.e., 1099 Form; grant guidelines; overview of grantmaking; Theory of Change; Fact Sheets, and other vital REACH documents. Pattie said she thinks this can be accomplished and will contact the developer about incorporating them.

Dave Thomas complimented Pattie on all her efforts and then made a motion to accept and approve the Annual Report. Judy Works seconded the motion. Motion carried.

President's Report

Brenda Sharpe began by stating that the annual MARC Awards event was held last Friday at Westin Crown Center Hotel. REACH was recognized and awarded the Regional Leadership for investment in health-related activities in the metro area. MARC's regional healthcare initiative coordinates a variety of activities centered around the safety net clinics. This is truly a regional organization in our area and we are fortunate to have MARC as a resource.

REACH Organizational Chart

Included in the Board meeting materials is an updated version of the Foundation's organizational chart. A number of revisions were made to employee titles to more accurately reflect key job responsibilities, tenure and reporting/supervisory relationships. These titles also allow us to identify and monitor comparable salary and benefits data included in commonly referenced resources such as Council on Foundations and Lasnik Broida.

KCK Health Campus Update

The feedback that Board members provided me following the request for discretionary funding by the Unified Government of Wyandotte County/Kansas City Kansas was excellent and very well-received by Mayor Mark Holland. Many of your suggestions have already been incorporated into the emerging planning process. I have been asked to serve on the Mayor's Healthy Campus Steering Committee, as well as the Community Advisory Committee that is working with Gould Evans to engage the community in the design process and I will continue to update you on progress and emerging concerns. The Wyandotte Health Foundation recently announced they are making a \$1 million pledge to the project, and the Unified Government has committed \$6 million in funding for the effort, which they have never done before. REACH does not fund capital investments so it is expected we will be contacted in the future for a request of some kind. Our initial contribution was \$50,000 and we are still working through the proposal. Finding a grocery store to anchor the project is proving to be most challenging. Thank you to REACH Board members Randy Lopez and Harold Johnson for attending the recent public Town Hall to announce the Healthy Campus project.

Missouri Legislative Consultant

REACH is in the process of engaging Kit Bond Strategies (KBS) in Missouri to assist the Foundation in establishing and cultivating allies and lasting relationships with the members of the Missouri General Assembly who represent the three Missouri counties in our service area. KBS will also assist the Program and

Policy Committee and staff as they consider the Foundation's 2015 public policy agenda and engagement strategy. Chad Moore has been very instrumental in pointing us in the proper direction. He has provided technical assistance and support as it relates to this engagement. At this time, we plan to bring Julie Murphy Finn and Matt Roney to September's Policy & Program Committee Meeting.

Rural Service Area Visits

My spring tour of our rural service area concluded with a visit to Lafayette County. I had the opportunity to participate in a meeting of the Rural Health Initiative core leadership team, host lunch for a dozen local health leaders in Lexington, and tour two FQHC clinic sites in Concordia and Waverly. My hope is to repeat this activity in Allen, Cass and Lafayette again in early fall. I've enjoyed these visits and it is always energizing to meet with highly engaged leaders committed to improving the health in their respective communities.

Board Development Opportunities

Thank you to Harold Johnson and Syrtiller Kabat for attending the recent Kansas Health Policy Summit hosted by our colleagues at the Kansas Health Foundation in Wichita. Bill Moore, Pattie Mansur, and I also attended. Syrtiller stated that it was one of the most outstanding seminars/presentation she has attended in quite some time; very worthwhile.

Board professional development opportunities tend to drop off significantly as summer approaches but they gear up quickly in early fall. We will keep you apprised of any opportunities which might occur between now and our next regular Board meeting in September. Enjoy the break!

Brenda Sharpe reported that Kansas' three leading KanCare companies have joined to form an association and that Troy Findley has been appointed to a new position of part-time executive director. The three managed care companies are Amerigroup, United Healthcare, and Sunflower State Health Plan, a subsidiary of Centene. She expects that in his new position, it will probably help us with our position of Medicaid expansion. It will be a managed care organization.

Brenda then stated that REACH has recommended Jack Fincham's name to the Johnson County Board of Commissioners for appointment to the CAC. She has also placed calls to two other potential candidates and is awaiting their responses. The finance and investment pieces are hard ones to fill due to knowledge and experience in the financial arena.

Foundation Business and Consent Agenda

Brad Stratton reviewed the Consent Agenda including the May 15, 2014 Board meeting minutes and April financials, and stated they will each be addressed separately.

It was noted that the minutes should be amended to reflect that Dana Abraham was in attendance at the May 15 meeting. Randy Lopez made a motion to accept the minutes as amended. Syrtiller Kabat seconded. The motion carried.

Syrtiller Kabat then made a motion that the April financials be accepted as presented. Liz Wehlage seconded the motion. The motion carried.

Committee Reports

Brad Stratton gave the Executive Committee report. He noted that it is time for REACH to embark on our next five-year plan, and that conversation will begin in September. He then referred to the meeting materials packet and said updated Board roster was included. Additionally, the Executive Committee meetings will now be held on Thursday's beginning in August; the next one being August 21 at 3:00 p.m.

Tom Carrico presented the Finance Committee report. The April month end investment balance for the Foundation is \$136.5 million, which is an increase from March. In April, the Foundation moved \$250,000 from investments to cover grant payments and operating costs, while paying out \$257,000 in programmatic disbursements and \$138,000 in operating expenses. Year to date, the Foundation has transferred \$2.8 million from the investment pool to the operating account to cover Foundation-related expenses.

From an investment allocation perspective, Tom noted that equity holdings are currently above targeted allocation targets while bond related investments are below policy targets. The Foundation's year-to-date investment return through the end of April is very near the benchmark for the same period.

The Program & Policy report was given by Randy Lopez. He thanked Chad Moore for his leadership and relationship-building. Wyandotte County recognized the great work that P&P has done by enrolling their communities to work with the residents. How WYCO works and communicates with different ethnicities within the community and different ages to enroll them in ACA has been challenging.

Randy then thanked Carla Gibson, Dawn Downes, and Bill Moore for all the great work they do. He complimented them on making the change in our grant cycles which makes it more efficient and easier for grantees. He then turned the meeting over to Bill Moore for further edification.

Bill said that Ryan Barker and Cathy Harding were guests at the June P&P meeting. Bill attended Enroll America earlier this week in Washington, DC. The leaders and speakers were outstanding and he plans to implement their efforts.

Bill reiterated that REACH's anti-discrimination policy within Grantmaking is scheduled to be fully implemented in the 2015 grant cycle. The result will be that all organizations selected for funding will be required to have a board-approved policy in place which covers the same protected classes or more than the Foundation's own policy. REACH has given our potential grantees almost two years to align their policies aligned with the Foundation.

He then said that fall is a very busy time for P&P, and directed everyone to the Operating Grants Schedule and Program Grants Process contained in the meeting materials packet for complete information. The timeline changes will make it more convenient for our grantees since the February 1 grant start-date is more realistic. This gives the month of January for applicants to finalize their documentation to be presented to the Foundation.

Bill announced that Cathy Harding will be the new CEO of Wyandotte Health Foundation. She is very excited to begin her new role on July 7. She will leave KAMU for Wyandotte.

Bill highly recommended Ken Segall's book, *"Insanely Simple; The Obsession That Drives Apple's Success"*.

There being no further business, Randy Lopez made the motion to adjourn at 5:50 p.m. which was seconded by Liz Wehlage. Motion carried and the meeting was adjourned.

Respectfully submitted,

Georgeann Hemry
Executive Assistant