

**MINUTES OF MEETING OF BOARD OF DIRECTORS
OF THE REACH FOUNDATION
January 19, 2017**

Attendees:

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

Not in Attendance:

Dawn Downes, REACH Staff	Vicki Hohenstein
Carla Gibson, REACH Staff	Bill Moore, REACH Staff
	Todd Patterson, Children's Services Fund

Guests:

Mathew Davis, REACH Staff	Pattie Mansur, REACH Staff
Georgeann Hemry, REACH Staff	Lyle Pishny, Of Counsel

Welcome

Chair Dana Abraham called the meeting to order 4:05 p.m. Dana welcomed and introduced Todd Patterson, consultant to the Children's Services Fund, and then turned the meeting over to him.

Foundation Strategy

Todd Patterson provided an update on the establishment of the Fund and thanked the Foundation for its grant in support of the Children's Services Fund ballot initiative in 2016. The ballot measure passed in Jackson County, Missouri, and is expected to raise approximately \$4 million in funding by April 2017 for children's health and human service organizations providing services to that county's residents. Todd stated that this is only the eighth fund to be established in the State of Missouri. A steering committee appointed by the Jackson County Administrator will select the initial Board of Directors, who will develop the infrastructure and grantmaking process. Todd shared lessons learned from the campaign—the Foundation's first foray into this type of advocacy strategy—and the Board discussed philanthropy's role in supporting policy advocacy and new revenue streams in our service area.

Dana Abraham then turned the meeting over to Brenda Sharpe for the President's Report.

President's Report

Brenda Sharpe provided an update on the Marketplace Open Enrollment efforts. She said the Affordable Care Act is in flux with talk of "repeal and replace" by President Trump and his administration, who will be sworn in on Friday, January 20. Brenda has recently met with Kansas Insurance Commissioner Ken Selzer and Tom Bell of the Kansas Hospital Association to discuss what they are learning at the federal level and how it may impact our work in Kansas.

Brenda shared that the Centers for Medicaid and Medicare Assistance recently rejected Kansas' request to extend its waiver for its privatized Medicaid program, KanCare, saying Kansas has failed to meet a number of federal standards and risked the health and safety of enrollees. The state's failure to ensure effective oversight of the program put the lives of enrollees at risk and made it difficult for them to navigate their benefits, investigators found. They also cited concerns about the program's transparency and effectiveness. Angela Harse commented that Kansas is the only state CMS has denied the application for KanCare expansion. The state has a designated period of time to address the issues in the denial and make another request for an extension.

Brenda said that both the Kansas House and Senate will consider Medicaid expansion bills for the first time in five years. The Alliance for a Healthy Kansas, supported by REACH and other Kansas Grantmakers in Health, has assembled more than 100 organizations as supporters, and mobilized thousands of Kansans through their digital and community convening strategies. Unfortunately, Governor Brownback has stated that he will not support Medicaid expansion within the state, so if the bill makes it to his desk, a veto-proof majority will be needed for an override. Brenda Sharpe, Pattie Mansur, and Troy Findley are presently working to prepare proponent testimony for hearings in the House of Representatives currently scheduled for February 6, 8, and 9.

Brenda reported that next Wednesday in Topeka is Dental Therapy Advocacy Day. The funders' goal is to get more people access to dental care. Other key stakeholders share these goals but our strategies sometimes differ. We are working closely with the Kansas Dental Project and the lobby team representing various stakeholders to finalize bill language everyone can support. Heather Flick and Dr. Lisa Thurlow have worked very closely to move this effort forward. Heather reported that she and 62 of her students will be in Topeka for the day for the rally and to meet with legislators. Brenda Sharpe added that she, Pattie, Dawn, Dr. Thurlow and Troy Findley are also scheduled to meet with legislators from our service area while they are in Topeka for the day.

Brenda Sharpe then directed attention to the articles in the meeting materials packet and the paper copies on the table. She noted that the top area foundations and charitable trusts are ranked by assets and that REACH appears at number 14 on the list.

The Foundation will host a lunch for Wyandotte County legislators on February 14 in the State Capitol. Pattie Mansur, Troy Findley, and Brenda Sharpe will attend. We are also working with Troy to host the Johnson County delegation lunch during this legislative session.

Foundation Business Consent Items

Dana Abraham noted the items on the Consent Agenda including the November 17, 2016 Board meeting minutes; October and November Financials, and the D&O Insurance Policy Renewal for 2017. Dana said that all have been reviewed in their respective Board committees and are recommended for approval.

Angela Harse made a motion to approve all items on the Consent Agenda as presented. Laura Bond seconded the motion. Motion carried.

Executive Committee Report

Dana Abraham asked Brenda Sharpe to provide an update on the applications for upcoming Board vacancies. Brenda said there will be six vacancies, which include three slots held by incumbents eligible for a second term. The Foundation received a total of 35 Statements of Interest including incumbents Laura Bond, Linda Hall, and

Andy Klocke. The Community Advisory Committee met this past Tuesday and pared the list down to 14 individuals to be interviewed by the entire CAC. Interviews will be held on Friday, February 3 at the Foundation's offices. Brenda continued by saying that preliminary background licensing checks eliminated one person and that aggressive recruitment will likely not be needed for next year's cycle due to the volume and qualifications of the 35 who applied this year.

Dana announced that this year's annual Grantmakers In Health convening will be held June 21-23, 2017 in Boston, MA. Board members are asked to please let Georgeann Henry know if you would like to attend. Brenda strongly encouraged new Board members to attend, and they have the first opportunities to reserve a spot at the conference.

Dana Abraham announced that the next Executive Committee meeting will be Thursday, February 16, 2017.

Finance Committee Report

Jo Yun provided the Finance Committee report on behalf of Vicki Hohenstein. Overall, we are making great progress in hitting our objectives. Last year's grants awarded \$4.4 million for a total of \$53.5 million since the Foundation's inception. The value of investments decreased a bit month over month, with an ending November value of \$124.5 million. In November, the Foundation moved \$450,000 from investments to cover operating costs and grant payments. Year-to-date, \$5.5 million has been transferred from investments to cover foundation-related program and operating costs. This compares to \$6.3 million in transfers at the same point last year.

Grant and program-related expenses for November are over budget. Year-to-Date program-related expenses are over budget. The under budget variances experienced in prior months were timing related and are turning around as the end of the year nears. Management expects to be at or near budget for program-related expenses at year-end.

November operating expenses are under budget. The most significant variances during the year that are not timing-related correspond to 47(b) plan evaluation and associated corrections and marketing expenses. These variances are expected to be offset by savings in other operational areas, finishing the year at or near the annual budgeted expense amount.

Program and Policy Committee Report

Jon Marshall said that the open enrollment period for the health insurance marketplace opened November 1, 2016 and closes January 31, 2017. He directed attention to the summary sheet in the materials packet. Kansas enrollment is higher in this enrollment period than in the previous two, while Missouri enrollment is lower than the previous two cycles. To date, 20 million individuals have gained health coverage as a result of the Affordable Care Act.

Jon continued with the final Discretionary Grants report and asked Brenda Sharpe to provide a brief overview of the staff process. Brenda noted that staff members bring potential opportunities to the full team for review and debate, and that they primarily fund requests that are highly aligned with the Theory of Change and are generally one-time, short-term grants. The Foundation also makes an annual holiday gift to an emergency assistance organization in each of the six counties in our service area.

At 5:06 p.m., JC Cowden made a motion to adjourn to executive session for 20 minutes for the purpose of discussing legal matters before the Board. Andy Klocke seconded the motion. Motion carried.

At 5:24 p.m., on a motion by Heather Flick and a second by Tom Carrico, the Board voted to return to open session.

There being no further business, the meeting adjourned at 5:30 p.m. on a motion by JC Cowden and a second by Tom Carrico.

Respectfully submitted,

Georgeann Henry
Executive Assistant