

Michigan Health Endowment Fund
Board Meeting
Thursday, March 19, 2015
Radisson Hotel, 111 N. Grand Avenue, Lansing, MI 48933

Meeting Minutes

Call to order

The board meeting of the Michigan Health Endowment Fund was called to order at 8:34 p.m. by Chairman Robert Fowler.

Roll call

Quorum established based on the presence of the following Board Members:

Board Members present:

Lynn Alexander
Tim Damschroder
Rob Fowler
Sue Jandernoa
Michael Williams
James Murray

Participating by phone:

Marge Robinson
Cindy Estrada (joined at 9:00 a.m.)

Absent:

Keith Pretty

Others present:

Paul Hillegonds
Duane Tarnacki (by phone)
Michael Pattwell

Approval of agenda:

Chairman Fowler approves the agenda.

Review and approval of the minutes from the previous meeting:

Chairman Fowler moves to approve the minutes from the February 9, 2015, board meeting. Board Member Alexander seconds. Motion passes by a vote of eight to zero.

Public Comment:

Avery Eenigenburg from Michigan Association of Infant Mental Health described work being done by her organization including its Infant Mental Health Home Visiting evaluation project.

CEO Report:

Chairman Fowler stated he was very pleased to formally welcome Paul Hillegonds as the first President and CEO of the Fund. Mr. Hillegonds thanked Chairman Fowler and reported that he has met one on one with six of the directors and looks forward to meeting the other three. Mr. Hillegonds discussed his efforts and plans to staff the Michigan Health Endowment Fund office with an administrative assistant, chief financial officer, and chief program officer. Rick King of Kittleman is assisting. Mr. Hillegonds also described the benefits of attending the 2015 Grantmakers in Health Annual Conference on Health Philanthropy and noted the significant number of conversion foundations. He discussed the results of a positive meeting with Robert Collier, the President and CEO of the Council of Michigan Foundations who is putting together an affiliation group in Michigan for grantmakers in health.

Chair Report:

Chairman Fowler reported on his and other Board Members' participation in the 2015 Grantmakers in Health Annual Conference on Health Philanthropy. He observed that a fair number of conversion foundations are wrestling with the same issues as the Fund. Another important observation was the potential power the Fund could wield beyond mere grantmaking. For that reason, the Chair believes it is critical that the entire board participate in developing the long term strategy, inclusive of grantmaking.

Ms. Alexander suggested the Fund consider joining National Grantmakers on Aging.

Learning Presentation:

Jane Powers and Peter Pratt from Public Sector Consultants reported to the Board on the results of the 2014 Listening Tour which entailed the creation of six public forums across the State of Michigan and the receipt of public input on health issues from over 300 people. A copy of the Report will be made available on Michigan Health Endowment Fund's website.

Action on Administrative Items:

- I. Resolution to Adopt a Section 457(b) Plan.

The Board was presented with the following resolution:

WHEREAS, the Board of Directors desires to adopt an Internal Revenue Code Section 457(b) Plan effective March 16, 2015 for a select group of management or highly compensated employees, pursuant to which participants may make deferrals into the Plan; and

WHEREAS, the Board desires to provide that Paul C. Hillegonds, the Fund's President and Chief Executive Officer, will participate in the Plan and be afforded the opportunity to make deferrals of compensation in accordance with the Plan.

NOW, THEREFORE, the Board adopts a 457(b) Plan authorizing discretionary employee deferrals under the Plan subject to the limits of Internal Revenue Code Section 457(b) and consistent with the terms and outline presented at the meeting; and

FURTHER RESOLVED, Paul C. Hillegonds shall be a participant in the Plan; and

FURTHER RESOLVED, that the Chairman of the Board is hereby authorized and directed to execute the Plan document as prepared by legal counsel and to take any and all necessary action to implement these resolutions.

Board Member Damschroder moved to adopt the Resolution. Board Member Williams seconds the motion. Motion passes by a vote of eight to zero.

II. Motion to Accept Grant Management Services Proposal.

Committee Chair Jandernoa described the process the Grantmaking Committee used to review responses to the RFP for grant management services. She described the qualifications and experience of Neithercut Advisors.

Upon the recommendation of the Grantmaking Committee, Board Member Jandernoa moved that the Board accept the March 17, 2015 Grant Management Services Proposal of Neithercut Philanthropy Advisors, LLC, excluding services related to long term strategy which will be separately addressed. Board Member Alexander seconds. Motion passes by a vote of eight to zero. The Chair thanked Committee Chair Jandernoa and the Grantmaking Committee for their hard work.

Committee Reports:

- I. Executive and Compensation Committee:
Chairman Fowler states that the Board continues to improve reporting financial information and summarized the Michigan Health Endowment Fund's January 31, 2015 Financial Reports.
- II. Audit Committee:
Committee Chair Pretty was not present to report.
- III. Governance Committee:
Board Member Williams states that the Committee has not met since the last Board meeting.
- IV. Investment Committee:
Board Member Damschroder summarized the Michigan Health Endowment Fund's investments and reported that those investments are diversified and liquid.
- V. Grantmaking Committee:
Board Member Jandernoa stated that the Committee is developing an RFP seeking proposals to assist the Board with Long-Term Strategic Planning.

Adjournment

Board Member Jandernoa moves to adjourn the meeting. Board Member Alexander seconds. Motion passes by a vote of eight to zero. Meeting adjourns at 10:10 a.m.

Respectfully submitted,

Duane L. Tarnacki
Secretary of the meeting