

**Michigan Health Endowment Fund
Board Meeting
Monday, September 15, 2014
Helen Gerace Auditorium – Northwood University – Midland, Michigan**

Meeting Minutes

Call to order

The board meeting of the Michigan Health Endowment Fund called to order at 9 a.m. by Chairman Robert Fowler.

Roll call

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

Board Members present:

Lynn Alexander
Rob Fowler
Sue Jandernoa
Jim Murray
Keith Pretty

Participating by phone:

Cindy Estrada
Marge Robinson

Others present:

Geralyn Lasher
Faith Mitchell
Mark Neithercut
Genevieve Otis
Jeff Padden

Others participating by phone:

Deanna Deldin

Approval of agenda

Chairman Fowler approves the agenda.

Public comment

There were no public comment cards submitted.

Review and adoption of the minutes from the previous meeting

Board Member Pretty moves to approve the minutes from August 18, 2014, board meeting.
Board Member Murray seconds. Motion passes by a vote of seven to zero.

Learning session: Perspectives from Grantmakers in Health

Faith Mitchell, President and CEO, Grantmakers in Health, presents to the Board on the resources available on health philanthropy.

Report of the Chair

- I. Chairman Fowler describes the progress made by the MHEF and would like to move forward with the hiring of a CEO by October 2014.
- II. The Board discussed the MHEF organizational structure and its status as an independent entity.
- III. Chairman Fowler wants the types of grantmaking to be inclusive of diversity, equity, and racial/economic/geographic disparities in health.
- IV. Chairman Fowler states the Board should receive financial reporting on a regular basis as the process continues to improve.

Executive Director Report:

- I. Ms. Lasher is enthusiastic on the 2015 grantmaking progress and the opportunity to reach new people.
- II. Ms. Lasher has had a meeting with Blue Cross/Blue Shield Foundation, the W.K. Kellogg Foundation and Community Foundation for Southeast Michigan, each of which is eager to partner and collaborate.
- III. Ms. Lasher reports that progress is being made on office space options, moving forward on the development of the logo and creating a brand identity.
- IV. Ms. Lasher provided information on DCH's health innovation grant funding process and stated some of the language is consistent with MHEF.

BREAK**Committee reports**

- I. Executive and Compensation Committee

Mr. Neithercut reminds the Board that it had approved a statement of mission of the Fund. The Executive Committee has brought in front of the Board for approval two statements for inclusion with the approved mission.

GOAL: The goal of the Fund is to have a significant and measurable impact on improving the health of Michigan residents.

VALUES: Transparency, Independent, Trusted, Respectful and Fair, Accessible and Equitable.

Board Member Murray questioned if “independent” should be reflected in the statement due to previous discussions. Board Chair Fowler believes it’s important. Board Member Alexander wants to table the vote on VALUES to allow all the Board members to be present.

Upon motion made and seconded, the GOAL statement was adopted by a vote of seven to zero.

Ms. Lasher offered to have language suggestions or input directed to her.

II. Financial Report

Board Chair Fowler describes the new format of the financial statement. The new format provides a better synopsis. A full set of financial documents will be brought back to the Board.

III. CEO and CFO compensation

Board Chair Fowler said there are conversations on-going regarding the full compensation benefit package for the CEO and general staff.

IV. Governance Committee Items-

Board Chair Fowler states that the committee has met but has not had a full quorum. Michael Williams has been working with counsel assisting with development of draft policies.

V. CEO Recruitment Committee:

Board Member Alexander states that interviews have been done for the CEO position and the process continues. Board Member Alexander states there is ongoing recruitment for the CFO position. Kittleman and Associates will have the necessary steps in place for when the positions are filled. The CEO will have input on the selection of the CFO.

VI. Investment Committee:

Board Member Fowler states Board Member Damschroder is out of the country and unable to attend and provide an update.

VII. Grantmaking Committee:

The committee met on Thursday, September 11, 2014.

Board Member Jandernoa stated that the 2014 Pilot Grants are moving at great speed. All of the proposals have been received. There were 12 invitations sent and 11 responses. The recommendation was initially six to eight grants but the Committee is willing to entertain granting additional awards. The Committee's recommendation will be provided at the October 20th meeting.

There has been a \$2 million grant awarded to the United Way of SE Michigan to help with the emergency water shut-offs and the management of the recent flooding in the Detroit area. MHEF has provided United Way a grant application. Once received the award letter and grant contract will be distributed. Due to this grant being in the approval phase it will not be presented to the Board.

Grant strategy is a big focus for the committee and Board Member Jandernoa provided an over view of some of the discussions the committee has had and wanted Board input.

Board Member Jandernoa thinks the Fund can take 2-3 different strategies. A narrow focus would be easier to measure the outcome and the ability to have a greater impact. The Fund could focus on more prevention, wellness, nutrition and fitness on children and seniors. The third possible strategy is to offer a wide variety of health-issue grants in the state. This approach allows more people to apply for the grants and the Board would learn more about the needs of the people in the State but it will be more difficult to see a measurable impact.

The Board members held a discussion and decided to start broad and then can narrow the focus.

Board Member Jandernoa provided possible criteria for emergency grants: is a reputable agency leading the response to the emergency; are there any additional major Funders participating in the effort; is the emergency suitably large and rare; is the request the appropriate size; what other relief resources are available like Federal State of Emergency status; are there emergency funds available through other government resources; are there possible preventable measures that can be taken to prepare for disasters.

The Board members held a discussion and the grant committee will create criteria on to which they would measure a request and bring it to the Board.

VIII. Governance Committee:

Board Chair Fowler wants to table this matter until the next Board meeting due to Mr. Williams not being in attendance.

IX. Legal Issues

Ms. Deldin stated that Clark Hill is working on the contract for the investment consultant.

X. Learning Opportunities

Mr. Padden reviewed three conferences; Health Policy Forum; Council of Michigan Foundations Annual Conference; Grantmakers in Health.

Mr. Padden reviewed research reports; obesity is a major contributor to heart disease and diabetes; the impact of adverse childhood events on future health and wellness; nurses leading innovation for the elderly.

XI. Audit Committee:

The Committee met briefly after the last Board meeting and has received responses from five potential audit firms to serve as the MHEF auditor: Baker Tilly; George Johnson; Maner Costerisan; Plante Moran; and UHY. Board Member Pretty would like to make the final decision with the CEO and CFO.

Next Steps

- I. The next Board meeting is October 20th in Detroit in conjunction with a Listening Tour at a GM training facility. November 21st meeting is in Grand Rapids in conjunction with a Listening Tour. There will be a Board meeting December 15th. 2015 Board meeting dates to be determined and will be held bi-monthly after the first of the year.
- II. Board Chair Fowler reminds the Board to complete the feedback form.

CLOSED SESSION

- I. Board Member Pretty made a motion to go into closed session to discuss the hiring of an executive director per the statute. Board Member Murray seconds. The Board voted on going into closed session:

Lynn Alexander- affirmative
Cindy Estrada- affirmative
Rob Fowler- affirmative
Sue Jandernoa- affirmative
Jim Murray- affirmative
Keith Pretty- affirmative
Marge Robinson- affirmative

Motion passes by a vote of seven to zero.

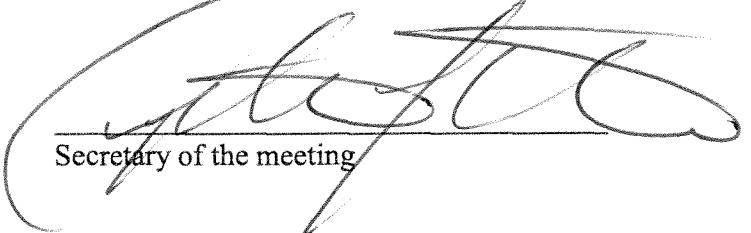
Reconvene Open Meeting

I. Board Member Murray moved that the three candidates discussed be invited back for second interviews. Board Member Jandernoa seconds. The motion was passed seven to zero.

Adjournment

Board Chair Fowler moves to adjourn the meeting. Board Member Murray seconds. Motion passes by a vote of six to zero. Meeting adjourns at 12:28 p.m.

Respectfully submitted,



Secretary of the meeting