

Michigan Health Endowment Fund
Board Meeting
Thursday, December 17, 2014
Radisson Hotel, 111 N. Grand Avenue, Lansing, Michigan, 48933

Meeting Minutes

Call to order

The board meeting of the Michigan Health Endowment Fund was called to order at 9:03 a.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:

Cindy Estrada
Marge Robinson

Others present:

Geralyn Lasher
Genevieve Otis
Laurie Solotorow
Duane Tarnacki

Approval of agenda

Chairman Fowler approves the agenda.

Review and adoption of the minutes from the previous meeting

Board Member Damschroder moves to approve the minutes from November 21, 2014, board meeting. Board Member Jandernoa seconds. Motion passes by a vote of seven to zero.

Public comment:

There were no public comment cards submitted.

Mr. Williams joined the meeting at 9:20 a.m.

Committee reports

I. Executive and Compensation Committee

Board Chair Fowler states that the accounting responsibilities have been transferred to an outside bookkeeping firm.

Board Member Damschroder moved to approve the 2014 Allocation to Spendable Account Resolution. Board Member Murray seconds. The following resolution was unanimously adopted:

WHEREAS, the Fund's Spending and Endowment Fund Policy allows the Fund to expend a portion of the money contributed to it in an amount up to the Maximum Spending Allowance which for year 1 is 80%;

WHEREAS, the Fund received total contributions in 2014 of \$100 million;

WHEREAS, for year 1 the Board has determined a budget range for spending of between \$25 million and \$40 million; and

WHEREAS, the Act requires that \$20 million be allocated to the Endowment Fund for purposes of meeting and complying with the Act's Accumulated Principal Goal.

RESOLVED, that the Board has reviewed the amounts spent for the year to date and the Fund has not spent the Maximum Spending Allowance, therefore, the Board hereby allocates to the "Spendable Account" the remaining amount of the Maximum Spending Allowance to be made available for spending in the balance of the current year and future years.

Board Chair Fowler stated the Board was on task and making good progress on the workplan.

II. CEO Recruitment Committee:

Board Member Alexander states the next meeting is on December 22, 2014, and will hold telephone interviews for the next round of candidates.

III. Audit Committee:

Ms. Lasher reported that there are three firms scheduled to interview on January 5, 2015.

IV. Governance Committee:

Board Member Williams stated that to date the manuals have been approved.

V. Grantmaking Committee:

Board Member Jandernoa reviewed the grants previously awarded by the Board.

Board Member Jandernoa reported that revisions have been submitted by the six additional applicants and will be recommending them to the Board for action.

Michigan Primary Care Association

Requests a grant of \$5 million for support of a project to hire, train, and integrate care liaison workers into primary care teams in health centers throughout Michigan.

The Grantmaking Committee recommends \$5 million to support this program.

Board Member Jandernoa moves to approve the Grantmaking Committee recommendation of \$5 million. Board Member Williams seconds. There were seven affirmative votes with Mr. Murray voting "no." Motion passes by a vote of seven to one.

Michigan Alliance of Boys and Girls Clubs

Requests a grant of \$5 million to fund the "Great Health Starts Here" program that seeks to improve the health of Michigan's at-risk youth by strengthening their connection to local health care systems.

The Grantmaking Committee recommends \$5 million to support this program.

Board Member Jandernoa moves to approve the Grantmaking Committee recommendation of \$5 million. Board Member Murray seconds. Motion passed unanimously.

Michigan Association of United Ways

Requests a grant of \$5 million for support of the expansion and integration of the Children's Healthcare Access Program and the 2-1-1 service.

The Grantmaking Committee recommends \$5 million to support this program.

Board Member Jandernoa moves to approve the Grantmaking Committee recommendation of \$5 million. Board Member Alexander seconds. Motion passed unanimously.

State Alliance of Michigan YMCAs

Requests an amended grant of \$3.3 million for support of a project to improve health outcomes in youth by modifying and scaling two current programs and to build state-wide-capacity for chronic disease prevention programs targeted at seniors.

The Grantmaking Committee recommends \$3.3 million to support this program.

Board Member Williams moves to approve the Grantmaking Committee recommendation of \$3.3 million. Board Member Damschroder seconds. Motion passed unanimously.

Michigan Association for Local Public Health

Requests an amended grant of \$1.9 million over three years to support the increase of vaccinations in children and seniors by developing a framework for achieving and sustaining high rates of vaccinations among these population segments.

The Grantmaking Committee recommends \$1.9 million to support this program.

Board Member Jandernoa moves to approve the Grantmaking Committee recommendation of \$1.9 million. Board Member Alexander seconds. Motion passed unanimously.

Michigan Fitness Foundation

Requests an amended grant of \$724,564 to support the roll out of the Act4Health program in two communities to support the improvement of senior health behaviors.

The Grantmaking Committee recommends \$750,000 million to support this program.

Board Member Murray moves to approve the Grantmaking Committee recommendation of \$750,000. Board Member Jandernoa seconds. Motion passed unanimously.

Michigan Association of Community Mental Health Boards

Requests a grant of \$3.4 million for support of programs to provide behavioral health services to children in doctors' offices and wellness education to older adults.

The Grantmaking Committee recommends that the application from the MACMHB be tabled to the 2015 grantmaking cycle.

- VI. Investment Committee:
Board Member Damschroder reports the portfolio is performing exactly as indicated and the fee for moving funds for grant awarding has been waived.
- VII. Board Member Williams made a motion to go into closed session to discuss search process for the position of Chief Executive Officer. Board Member Damschroder seconds. The Board voted on going into closed session:

Lynn Alexander- affirmative
Tim Damschroder- affirmative
Cindy Estrada- affirmative

Rob Fowler- affirmative
Sue Jandernoa- affirmative
Jim Murray- affirmative
Marge Robinson- affirmative
Michael Williams- affirmative

Keith Pretty- not present to vote

Motion passes by a vote of eight to zero.

CLOSED SESSION

Reconvene Open Meeting

Next Steps:

Chairman Fowler reports that the next board meeting is scheduled for January 21, 2015.

Board Member Murray made a motion to make a one-time bonus payment of \$50,000 to GERALYN Lasher for her exemplary performance during the last year as Interim Executive Director of the Fund, in order to bring her total compensation within the range for comparable positions as demonstrated by the Council of Michigan Foundations survey and compensation survey information provided by Kittleman & Associates. Board Member Alexander seconds. Motion passed unanimously.

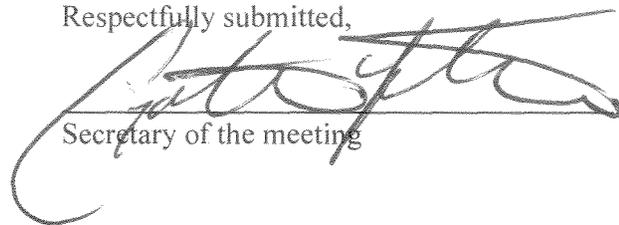
Board Members thanked Ms. Lasher for her services.

Board Members thanked Mr. Tarnacki for his services.

Adjournment

Board Member Murray moves to adjourn the meeting. Board Member Robinson seconds. Motion passes by a vote of eight to zero. Meeting adjourns at 11:30 a.m.

Respectfully submitted,



Secretary of the meeting