

**United Way of Anchorage
Board Meeting
February 24, 2016, 4 p.m.
Wells Fargo Conference Room**

Members Present (15): Belinda Breaux, Jay Butler, Dan Clark, Joe Everhart, Charles Fedullo, Rick Fox, Katherine Jernstrom, Keith Hand, Dick Mandsager, Jordan Marshall, Susan Parkes, Ann Penniston, Cory Quarles, Beth Stuart, David Wight

RSVP Regrets (6): Mike Abbott, Kitty Farnham, Joe Marushack, Natasha Pope, Jack Sheppard, Janet Weiss

Guest: Laurie Wolf, President/CEO, The Foraker Group

Call to Order: Joe Everhart called the meeting to order at 4:05 p.m.

CONSENT AGENDA

Keith Hand moved to accept the consent agenda (January 27 meeting minutes and January financials) as presented, Belinda Breaux seconded, and the motion passed unanimously.

AGENDA ITEMS

The Foraker Group Update:

Laurie Wolf reported that The Foraker Group (TFG) has been focusing on amplifying the nonprofit sector's voice, especially in these challenging economic times. TFG has also been focusing on finding ways to support missions across the community and has been doing a lot of collaborative work. TFG helps organizations think about scenarios so that they could stay in the driver's seat when the landscape changes. This includes not only human but financial side as well. Many programs are designed around network model, and part of that is connecting to peer networks that already exist. TFG is currently in a good financial position, with a staff of 19. TFG has a 2-tiered Board system that includes governing and advising bodies that get together to map out future goals. TFG issued a call to the legislature that outlines the nonprofit perspective – not endorsing any specific plan but encouraging legislators to take strategic approach to the cuts they are making.

Emerging Leaders Update:

Ann Penniston reported that Emerging Leaders are using the bull's eye diagram to focus their energy as an Advisory Council. The goal of the bull's-eye is that it requires the Advisory Council to make choices about what is most important to the group and choose focus areas. These focus areas are then used to make choices about what Emerging Leaders put their time and energy into when planning programming and events. The most important focuses for the group are supporting UWA's mission, volunteering, and philanthropy, followed by membership and donors (maintaining and growing), building committees and leadership, thoughtful and collaborative partnerships, as well as general programming (appealing to a wider audience), marketing, and diversity.

Using the bull's eye diagram, Emerging Leaders are working to make their programming more meaningful. Emerging Leaders programming highlights have included focusing on family stability

by participating in Run and Walk for Warmth and having a lunch and learn presentation by Nancy Burke, Special Assistant to Mayor Berkowitz on Family Homelessness. In March, Emerging Leaders are focusing on civic involvement and working to invite assembly candidates to meet with Emerging Leaders donors. In April, Emerging Leaders are focusing on work and family balance. Along with the programming, Emerging Leaders are working to keep the positive momentum from 2015 going. Membership and donation levels have increased, and donors are doing great things. Special congratulations to Emerging Leaders members Jenna Desmaris from ExxonMobil and Tiffany Hall from Recover Alaska for their Top 40 under 40 awards.

Executive Committee Report:

Joe Everhart reported that things are going well in Michele Brown's absence and the organization has a good plan in place should any questions/issues arise. United Way of Kenai Peninsula approached UWA with a request to absorb them, mainly due to financial issues. Committee's view is that UWKP has not adopted an impact model and this may not be a good time for UWA to pursue this. UWKP also asked UWA about backroom services and Len Lambert will provide them the appropriate information.

Public Policy Committee Report:

Susan Parkes reported that 2016 public policy agenda has basically continuation items/issues. The legislature is consumed with fiscal issues and the ability to influence actions on other topics is quite limited. UWA should continue to voice a "do not harm" position for the BSA/schools funding and can continue taking a position on the restoration of pre-K funding, but the legislature is more likely to take macro actions to education funding rather than precision decision-making. There are several bills regarding Medicaid reform. UWA should continue to track, monitor, and develop positions. UWA's primary interest remains Medicaid expansion, and reform is interwoven with expansion. Charles Fedullo moved to approve the proposed 2016 public policy agenda as presented, Belinda Breaux seconded, and the motion passed unanimously.

Alaska's Future group asked UWA to sign on to its position to convince the legislature of the urgency and importance to use permanent fund earnings to significantly reduce the deficit, support essential public services, and maintain a sustainable dividend and a healthy permanent fund as the first step toward a stable economic foundation for Alaska. The Committee determined not to take a position at this time. The 501(c)(4) affiliated with Alaska's Future will be involved with candidate support/opposition and UWA needs to keep away from any association with candidate endorsements or oppositions. Also, it is not in UWA's expertise or interest to take a stand on any particular way to address the state's fiscal position. However, the staff and Committee will continue to monitor the issues and bring to the Committee other opportunities to consider.

Finance Committee Report:

Keith Hand reported that since the state of UWA is dependent on revenue, the Committee scales back on funding and expenses as needed. UWA needs to be aware of the critical nature of incoming funds to its existence. UWA has been using reserves for a while and dwindled down to the Board minimum of \$1.5 million, set aside for catastrophic events or if UWA has to move. The Committee is working on the amount of unrestricted campaign dollars to distribute to service partners. \$1.52 million from workplace campaign is available; additional funds may push it to \$1.6 million, which still leaves an \$800,000 deficit. There will be a 33% reduction in funding if no other funds are available.

Investment Follow Up:

June Sobocinski reported that for FY'16 UWA invested \$2.4 million in its annual investment process to programs/agencies doing work that aligns to UWA goals. There was \$1.8 million available from campaign, and UWA used about \$600,000 of its reserves and donor restricted funds to do so.

Knowing fundraising would be down considerably this year, the Board established some guidelines at the Board retreat in January. Objectives determined at the Board retreat included keeping the flywheels moving on mission, strategies, collaborations, and results; continuing the impact investment evolution toward results-based investment and maintaining the long-term vision; not unduly destabilizing partners; and not risking reputational harm.

Options considered at the Board retreat included percentage cut across the board, percentage cut across the board plus additional investments for performance criteria, investing solely on performance criteria, and focusing only in certain subject areas and/or categories of investments. Decision at the Board retreat was a percentage cut across the board for eligible organizations/programs to reflect the revenue reduction, then using the resources (as available) to propel work most aligned with the community work. The partner EDs present at the last ED meeting suggested a pro-rata cut across the board as well.

The Finance Committee has approved \$1.6 million of unrestricted dollars as available for investment. Agency financial reviews and program reviews are underway now. It is likely that all or most will pass these reviews and UWA will be looking at a total request of about the same as was funded last year, \$2.4 million. There no new programs or increases; \$2.4 million would be steady state. EIH Committees are now discussing what the cut level should be. Education Committee met last week, and Income/Health Committees will meet next week.

The scenario is this: If UWA uses unrestricted money only – the \$1.6 million – it will be a 33% cut to agencies from what was distributed in FY'16. The Education Committee, the first to weigh in, has recommended a 25% cut, using some of the donor restricted money as appropriate to donor intent, to fill the gap. This scenario would require the use of about \$224,000 in donor restricted funds. There are donor restricted funds available for which this would be an appropriate use, notably the remains of the Providence gift. Income/Health Committees will discuss cut level next week, and if they come to a different recommendation, all three committees will need to convene to find consensus.

After the consistent cut level is determined, each committee may review staff recommendation on how and when to use any remaining donor restricted funds to propel the collaborative work related to the community solutions efforts such as 90% by 2020 or impact initiative efforts such as the Cold Weather Plan. These are considered separately by each committee based on the restricted money available in each area (EIH) and what is ripe for incentive. The final recommendations of all the committees will be presented at the March 23 Board meeting for final Board decision. Agencies will be notified of funding levels on April 1.

RD and Community Campaign:

Elizabeth Miller reported that there were over 300 participants at Run & Walk for Warmth and over \$50,000 raised. Both numbers are up from last year – participation up 6% and gross revenues up 4%. Thank you to the many Board members who donated and participated; Frank Paskvan led the #1 fundraising team. Campaign is on track to exceed the \$5.9 million that was projected at last month's meeting. Tocqueville Society has raised a total of \$1,156,703 to date and includes 78 members (compared with 74 members last year). There are 65 renewing members, and 13 new members. The

team is meeting tonight to launch a final push; Rick Fox will ask team members to reach out to two more prospects. Tocqueville reception will be hosted by Ken and Pat Thompson on April 28.

Motion to adjourn was made by Dan Clark, seconded by Jay Butler, and unanimously approved.

Next Board meeting: March 23, 2016