

ALBERTINA KERR CENTERS
Governing Board Meeting Minutes
July 20, 2020
5 to 7 p.m.
Via Teams

Governing Board Members Present

Teri Barichello, David Boxberger, Kim Curry, David Connell, Miki Herman, Susan Hobbel, David Lake, Paul Litwinczuk, Melissa May, Jill Nickerson, Craig Payne, Karen Rasmussen, Laura Shipley, Heidi Steeves, Dennis Warneke, David Wilson

Excused

Rod Malone, Lisa Powell

A quorum was present.

Staff Present

Anne Adler, Jeff Carr, Van Fields, Owen Gibson, Janice Jacobs, Craig Rusch, Matthew Warner, Derrick Perry

Guest

Linda Carpenter of Carpenter Smith Consulting

Convene (Miki Herman, Chair)

Miki convened the meeting at 5:05 p.m.

One Word (Miki Herman)

Miki invited members to share one word that describes their feeling about the world as we know it now. Responses included the following: Blessed, enthusiastic, busy, frazzled, disappointed, resilient.

Approve Consent Agenda

- Minutes of the June 22, 2020 Joint Governing Board & Foundation Trustees Meeting
- CEO Written Report
- Fundraising Report
- Board Goals for FY2020-2021

David Connell provided an explanation for a revision to the minutes regarding the resolutions adopted at the June 22nd meeting. The motion listed in the minutes will be revised to include the exact language in the resolutions that were included in the June 22nd board packet sent in advance of the meeting. The updated bylaws, articles and first amendment will be attached as well and filed with the corporate records.

ACTION: Karen Rasmussen moved that, upon revision of the June 22nd minutes as stated, the consent agenda be approved. David Boxberger seconded. The motion passed via unanimous vote.

ACTION: The updated June 22nd minutes and related documents will be distributed with the minutes of this meeting.

May Financial Report (Janice Jacobs)

Janice reported that May performance was solid even with some losses due to COVID-19. Contract revenue was up 2.2%, with a quality metric payment from the Kaiser Subacute contract and COVID assistance from the State. Investment performance was good. Spending was controlled. Total revenue is within 1% of budget YTD. June expenses are looking strong as well, however, the PALS write-off of approximately \$300k will impact final performance. The Balance Sheet shows cash is in a good position. The audit will begin soon. The fiscal year beginning July 1st is starting in a strong position. The State implemented a 5% increase in reimbursements for adult IDD services. With the good performance, all things considered, potential cuts in the future are expected and many things are uncertain.

Anne Adler shared the excellent news that a single donor gave Kerr a surprise donation of \$500k via a hand-written check. The donor's sister was a participant at Port City before it transitioned into PALS. The sister has passed and her family wanted to donate from remaining funds kept in a trust set up for her care to care for others with IDD. In addition, three donors have made pledges for \$25k each to 24 Hours of Kerr, and two others gave \$10k today. Funds raised so far for 24 Hours of Kerr are at 50% of goal.

Quick Review of Work Completed at the Board & Foundation Retreat in January/February

Linda Carpenter reviewed the process of the retreat held on January 31st and February 1st of this year. Several themes emerged in that process to guide the Board's strategy and work to be done to take Kerr into the future.

Updating the Conversation

- Jeff Carr shared that, with much thanks to Miki Herman and the Executive Committee, all Board standing committees have Chairs and Chair Elects in place. Jeff also thanked everyone who stepped up to fill these roles. The Board and Foundation structure shift has taken place after several years of discussion and debate. Jeff thanked Melissa May and David Connell for their time and expertise in re-writing the bylaws for both Albertina Kerr Centers (AKC) and the AKC Foundation.
- Linda Carpenter congratulated everyone on how quickly, once decided, the Board and Foundation were able to act on and implement the new structure.
- Jeff reported on the continuing impact of COVID-19 on Kerr. Jeff likened the challenges to an Iron Man Triathlon in which we may be in the early stages of the second event. After swimming 2.4 miles, we are starting a 112 mile bike ride, and we still have a 26.2 mile marathon to run. People at Kerr, like everywhere, are tired and yet know we face a very long road ahead. Leadership is heavily focused on maintaining safety protocols and not getting lax about the necessary diligence. Financially, Jeff was informed that services Kerr provides are not on the proposed list of cuts from the State at this current fiscal year. The next biennium starting in July of 2021 is a risk factor, however. With expected cuts in the State budget, plus the negative impact COVID-19 is having on businesses and individuals, decreases in funding could lead to smaller agencies similar to Kerr having to merge, sell or close. This may open opportunities for Kerr to expand. With that in mind, Owen Gibson, Craig Rusch, Derrick Perry and Matthew Warner have been working to create a merger and acquisition matrix to guide decision-making should an opportunity arise.
- Kerr staff and leadership have been engaging in meaningful conversations and listening sessions around race, diversity, equity and inclusion in response to recent events. Matthew Warner is working on a framework for advancing DEI activities and goals, and changing the culture at Kerr. This moment is an opportunity and much is coming from the employee perspective. The framework will bring thinking together to build action plans, assemble groups of people, and create a collection of data and measurements and goals.

ACTION: Board members will be included in DEI work, conversations and action plans.

Board Strategic Plan: Creating the Board that can take Kerr into the Future

Linda Carpenter led the group through an exercise to review and refine the lists of Vision, Obstacles and Initial Areas of Focus identified at the Board and Foundation Retreat. The following captures the reports from breakout groups.

From the work done on Vision, what additions, deletions or changes would better reflect today's environment?

- Group 1: Fundraising needs to be highlighted and strengthened.
- Group 2: 1 - The new Board and Foundation structure is good.
6 - A new Board member job description is needed and should speak to fundraising. Regular Board education around fundraising is needed.
2 - Diversity among Board members is needed in both race and industry knowledge. Board members need space to be more engaged and participate in active debate around advancing Kerr and the vision.
- Group 3: The word “Bold” needs better definition. What does it mean to be Bold? The Board should act quickly and decisively, and a great way to think is Bold.
- Group 4: 4 - Add “engaged” to the list including respectful, collaborative, bold and accountable. Board diversity should also reflect the community and support Kerr’s efforts to continue work toward diverse experiences and deep connections.
- Group 5: 1 - A better definition of the Executive Committee function and expectations of the standing committees is needed. Define the goals and expectations within the new Board structure. Define “success” for both the Board and the organization.
2 - Add networking, connecting to community, define and combine with item 6 regarding ownership and fundraising.
3 – Add a high level of passion. What measure of high passion do we have, and what do we do if passion is lacking? Clarify that at recruitment. Include succession planning.
4 – Add “inclusive” to the list.
6 – Add self-evaluation as a Board member.
- Group 6: Focus on the staff and Board diversity goals. Figure out how to engage Board members and how to facilitate their understanding of what is happening at Kerr, and what nuances exist. Enlist Board members’ expertise. Set aside time at Board meetings to explore and have deep conversations.
- Group 7: 1 – The new Board structure supports Kerr. Re-engage members as a whole new team, get to know each other and remind the group of the strengths in the room.
2 – Explore Board members’ backgrounds and expertise and identify gaps to fill with new members.
4 – Define in very clear terms what “collaboration” means and what it looks like.
5 – Goals and responsibilities need to be restated and defined. Group clarity and common understanding around what we do and mean is needed.
More work is needed around diversity.

From the work done on Obstacles to achieving the Board Vision, what additions, deletions or changes would better reflect today's environment?

- Group 1: 2 – The process of recruitment of Board members needs to be reworked to be much more expansive.
 3 – This item may need to be restated toward focusing on making more connections with the people Kerr serves.
 4 – Define processes and build solid agendas toward goals.
 6 – Expand orientation to be more than a board book. Create a funding culture.
- Group 2: There is competition for diverse talent. Difficult economic times could create some risk in keeping Board members given fundraising commitment required. An engaged board is needed to establish traditions.
 3 – The item can be removed.
 2 – A board member pipeline is needed.
 5 & 6 – Combine these items to clarify and develop a comprehensive process.
- Group 3: This group talked about the difficulty of recruiting and connecting during a pandemic. This board will need to consider COVID-19's impact on the ability to recruit.
- Group 4: 1 – Good progress was made by restructuring the Board. Board agendas and meetings need to be more work/strategic orientated and less report oriented to keep members engaged.
- Group 5: Board recruiting needs to be defined end to end, from recruiting, orientation, onboarding, self-replacement.
 Prospects and new members will need to connect with and be educated about Kerr's clients.
 Keeping board business to a minimum at meetings will increase member engagement. Engaging conversation and materials, and being prepared, will energize meetings. The Board should complete an evaluation of performance including metrics for individual contributions.
- Group 6: Regular reconnection with and reorientation of who Kerr's clients are is needed.
 A review of the Board member matrix of industry and expertise would be helpful.
- Group 7: Share the Board member matrix with the whole Board, not just the Executive Committee.
 Discover Kerr is a good prospecting event.
 Mission Moments should be reintroduced at meetings from time to time to stay connected with the work and clients.
 Refreshers are needed as Board policies are updated.

Initial Areas of Focus

- Clear roles and responsibilities
- COVID-19 fundraising impacts
- Fundraising training and education
- Reinvigorate excitement to serve on the Kerr Board

- COVID-19 fundraising impact
- Reengage and reenergize everyone
- Fundraising is about passion, should feel natural, make sure people are supported
- Diversity
- Engagement, project based, work with staff
- Stay energized, be a good Board member in the new world
- Meeting structure, functional opportunities, project oriented
- Board matrix update
- Senior staff roles vs. Board roles – define/differentiate
- New rhythm to Board meetings, make them something to look forward to
- Growth, strategic vision
- Board engagement
- Revise Board agendas
- Diversity
- Fundraising
- Challenging, uncertain future, need mutual priorities, a starting lane
- Board big picture strategy
- Kerr staff succession if COVID-19 outbreak
- What opportunities has COVID-19 presented
- Work toward a diverse board
- Find balance in meetings, more discussion, create opportunities
- Start on an action plan for diversity, project based
- Board matrix review, leverage talents and skills
- Baseline training
- Look at agenda, more engaging style

Top items will be pulled together for prioritization. Follow-up will be shared with the Executive Committee and full Board. Members are in a great deal of alignment which is a good place. Board members are encouraged to reach out to help Kerr with expertise and passion.

Executive Session

Board and Foundation members did not hold executive session.

Adjourn

Miki Herman adjourned the meeting at 7:25 p.m.

Recorded by Holly Edgar, Corporate Secretary