

BOARD OF DIRECTORS
January 26, 2017 Annual Board Business Meeting

Attendees: Mr. Eric Smith, Board Chair, Vice Chair, Dr. Greg Howes, Vice Chair, Mr. Stockton Whitten, Board Treasurer, Ms. Kathleen Rich-New, Ms. Andrea Betting, Ms. Barbara Loftus, Ms. Ruth Long

Members Absent: Mr. Mark Peterson and Ms. Catherine Wright

Others in Attendance: Dr. Patricia Nellius, CEO, Ms. Laurie Anna Blackburn, Board Liaison, Mr. Bill Bucher, Sr. Executive of Strategy, Ms. Debbie Davidson-Cook, Sr. Executive of Compliance, Mr. James Carlson, Sr. Executive of Administration, Ms. Valerie Holmes, Sr. Executive of Programs, Ms. Leigh Holt, Consultant, Ms. Patrice Grier, Staff Attorney, Ms. Amy Hammett, DCF, and Ms. Isabel Vasquez, IMPOWER.

Mr. Smith opened the meeting, welcomed and thanked everyone for attending the January 26, 2017 Annual Board of Directors Business Meeting. He then asked all to state their names for the record.

Mr. Smith then reminded members that if they had a perceived or real conflict of interest to please complete the Conflict of Interest form (available at the meeting) and provide it to Ms. Blackburn.

He then asked members to sign the Annual Certification of Compliance with the Conflict of Interest Policy for COA and asked it be returned to Ms. Blackburn.

Ms. Rich-New completed a conflict of interest form to disclose that she introduced Dr. Nellius, Ms. Holmes and Ms. Carraro to Mr. Dave Smith of Safe Steps as a potential provider to assist and implement strategies for college preparation to youth in our care. Mr. Smith reviewed and accepted the form.

Motion: Ms. Rich-New moved to approve the January 26, 2017 agenda. This was seconded by Ms. Loftus and the motion passed unanimously.

Mr. Smith asked Dr. Nellius to present board member service awards.

Dr. Nellius was pleased to present Mr. Smith and Ms. Rich-New with their 3 year Board Service Awards. She noted that they have actually served for 4.5 years and in their first year they were nominated and approved by the Board, but were not assigned a term. She then provided each of them with a BFP button down shirt.

Dr. Nellius then stated; in memory of Ms. Goldfarb, the recipient of the 2015 Perfect Attendance Award, the importance of board member participation; and congratulated and presented Ms. Betting with the 2016 Perfect Attendance Award.

Mr. Smith asked for a motion to approve the Consent Agenda

Motion: Mr. Whitten moved to approve the January Data Report. This was seconded by Ms. Long and the motion passed unanimously.

Mr. Smith asked for a motion to approve the December 5, 2016 minutes.

Motion: Mr. Long moved to approve the December 5, 2016 board meeting minutes. This was seconded by Dr. Howes and the motion passed unanimously.

Mr. Smith asked for a motion to approve the January 10, 2017 meeting minutes.

Motion: Ms. Loftus moved to approve the January 10, 2017 ad hoc meeting minutes. This was seconded by Ms. Rich-New and the motion passed unanimously.

Mr. Smith asked Dr. Nellius to present the CEO Board Report.

Board Report

Dr. Nellius began her report by personally thanking each of the members for their dedication, support, leadership and guidance in support of the vision and mission of BFP and for their commitment to the care and protection of Brevard's children and families.

Dr. Nellius expressed her sincere appreciation to the many generous community partners and all who provided gifts to ensure that all Brevard's children received a holiday gift. She extended a special thanks to Ms. Melissa Breckenridge and Mr. Carlson for going above and beyond to coordinate the holiday gift drive. Mr. Carlson acknowledged and thanked Mr. Whitten for arranging space free of charge with the county.

Dr. Nellius was pleased to announce that BFP received positive notification from the auditors. She congratulated Mr. Carlson, Ms. Simmons, and the finance team for their stellar work in preparing for the audit. A full report will be shared with the Board at the February meeting.

Dr. Nellius provided an update on the Risk Pool status sharing eight lead agencies submitted Risk Pool Funding requests this year; of the eight applicants, three have undergone site visits. With only 5 million dollars in the Risk Pool the 3 are reportedly to receive 85% of their request and DCF is working with the remaining agencies to present a Back of the Bill request. She was pleased to report, of the agencies who applied last year; BFP is the only agency that did not submit a request this year. She commended her team for doing an outstanding job controlling finances and implementing special initiatives which has prompted positive feedback from DCF.

Dr. Nellius spoke about two favorable meetings with legislators: On January 4th, leadership from BFP, C.A.R.E.S., Dixie and Jerry Sansom met with Representative Gayle Harrell to conduct a site visit at C.A.R.E.S to present the C.A.R.E.S. program model and to solicit her support for the C.A.R.E.S. replication to become a pilot demonstration for the state of Florida. Then, on January 19th, Ms. Holmes and Mr. Carlson met with Senator Mayfield to solicit support for the C.A.R.E.S. pilot demonstration project.

Dr. Nellius then reported, on January 9th, a team from BFP attended the Rally in Tally to meet with our legislative delegation to share local priorities.

Dr. Nellius shared, on January 30th, she, Ms. Holmes and Mr. Little will be traveling to San Diego to speak at the San Diego International Conference on Child Maltreatment and they have also been invited to present the C.A.R.E.S. Program Model at the Child Welfare League of America (CWLA) Conference in March. Additionally, Ms. Holmes submitted an abstract to present the model at the American Public Human Services Association (APHSA) National Health and Human Services Summit in Baltimore Maryland, on April 30, 2017.

Dr. Nellius provided a status update on the website, the outreach and mass marketing press campaign for the launch of the National Replication: Marketing materials and letters will be distributed the third week in February to all child welfare leaders in the country and Growing Tree Solutions is working diligently along with staff members to get a more robust website up and

operational to align with the launch of C.A.R.E.S. Replication Model as an Evidenced Based Program.

She then expressed her excitement about receiving two preliminary inquiries on the C.A.R.E.S replication from Utah and Texas.

Dr. Nellius spoke about exploring a potential contract with Root Cause, a national agency that assists in the development, marketing, and nationally launching replicable programs. She then described the 211 Help Me Grow Program which is one of the programs that Root Cause brought to scale nationally.

Dr. Nellius then provided a schedule of events to occur with COA: The first documentation submission is due on February 6, 2017, the following submission is due on April 21, 2017 and the site visit is slated to take place on June 4-6 2017. Board members are required to meet with reviewers and will be briefed in advance of the meeting.

Dr. Nellius concluded her report affirming DCF will be conducting its Fiscal Monitoring for the first time in 7 years and they will be onsite February 13th and again on February 21-23, 2017. She asked if there were any questions and none were expressed.

Mr. Smith then asked Ms. Holmes to present the C.A.R.E.S. Board Report.

Brevard C.A.R.E.S Board Report

Ms. Holmes began by reporting the Winter Wonderland event was a wonderful success and she expressed her appreciation for the number of community supporters listed on the report.

Ms. Holmes reported Brevard C.A.R.E.S. has requested \$20,000 from the Space Coast Health Foundation Pickett Responsive Grant to support our Mobile Response Team. The request has passed the first level of review and is currently at the second level review process.

Ms. Holmes shared Brevard CA.R.E.S was awarded a \$2,500 grant from the Titusville Walmart to continue to support the Cribs for Kids program.

Mr. Smith then asked Mr. Carlson to present the financials.

Financials

Mr. Carlson was pleased to report the budget is ahead of the projections allocated for the month of December. He then explained the DCF Adoption Subsidy funding process and affirmed that the Department will fully fund the account by fiscal year-end. Mr. Carlson concluded his report stating that the agency is in a good financial position with expenses \$140K less than income received for the month.

Mr. Smith then directed members to the board donation spreadsheet and provided clarity on the collective board goal of \$50,000 and the actual balance collected year to date. A corrected report will be provided at the February board meeting.

Mr. Smith then reviewed the 2016 Board Self-Evaluation results. He referenced item #5: Each Board Member has at least one committee assignment. He then reviewed each subcommittee and assured members that all are on at least one Board Sub-committee.

ACTION ITEM: Mr. Smith would like the Board Sub-Committee Roster to be included in the next board meeting binder.

Mr. Smith then noted that there were a few no responses. Ms. Blackburn shared that a board member indicated that they were not privileged to certain information pertaining to other Board Sub-committees and therefore chose not to respond to those line items.

Mr. Smith then moved to page 3 Item #4: The board makeup is diverse with experience, skills, ethnicity, gender, and age group. Mr. Smith found this of particular interest and asked members to consider diversity to include demographics, ethnicity, former recipient of services, foster and adoptive parents.

Mr. Smith then opened the floor for further discussions with the Board Self-Evaluation. Ms. Betting expressed her appreciation for the new format.

There were discussions concerning the initiative to recruit new board members. Dr. Nellius shared that the By-laws allow up to 15 board members and that 12 has been typical. She added she would like to see an independent living youth or someone who has aged out of the system of care to serve on the board; however from her perspective due to the sensitive issues surrounding the pending law suits; she recommends to defer recruitment efforts.

1:30 Isabel Vasquez from IMPOWER arrived.

Mr. Smith reminded member's that policy GOV207 has been posted to the board portal to review in advance of the meeting. He then asked for a motion to approve.

Motion: Dr. Howes moved to approve policy GOV207 – Budget. This was seconded by Ms. Long and the motion passed unanimously.

Mr. Smith then moved for a motion to approve the slate of officers.

Motion: Mr. Whitten moved to approve Mr. Eric Smith to serve as Board Chair for 2017-2018. This was seconded by Ms. Rich-New and the motion passed unanimously.

Motion: Ms. Rich-New moved to approve Dr. Greg Howes to serve as Board Vice Chair for 2017-2018. This was seconded by Ms. Long and the motion passed unanimously.

Motion: Dr. Howes moved to approve Mr. Stockton Whitten to serve as Board Treasurer for 2017-2018. This was seconded by Ms. Betting and the motion passed unanimously.

Mr. Smith then shared Mr. Peterson has agreed to serve a three year renewal term. He then asked for a motion.

Motion: Ms. Betting moved to approve a three year renewal term for Mr. Mark Peterson beginning January 2017. This was seconded by Ms. Rich-New and the motion passed unanimously.

Mr. Smith then moved to review the Board Sub-Committee appointments with a request for motions to retain each sub-committee as follows and to assign new members:

Board Audit Subcommittee

- Stockton Whitten Chair
- Eric Smith Member
- Greg Howes Member

Motion: Ms. Loftus moved to retain the Board Audit Sub-committee and its members. This was seconded by Ms. Betting and the motion passed unanimously.

Motion: Mr. Whitten moved to appoint Dr. Howes to serve as the Board Audit Sub-Committee Vice Chair. This was seconded by Mr. Smith and the motion passed unanimously.

Board Donor Relations and Civic Engagement Subcommittee

- Ruth Long Chair
- Stockton Whitten Member

Motion: Dr. Howes moved to retain the Board Audit Sub-committee and its members. This was seconded by Ms. Loftus and the motion passed unanimously.

Motion: Mr. Whitten moved to appoint Mr. Eric Smith as a member of the Board Donor Relations and Civic Engagement Sub-committee. This was seconded by Dr. Howes and the motion passed unanimously.

Motion: Mr. Whitten moved to appoint Mr. Eric Smith as the Vice Chair of the Board Donor Relations and Civic Engagement Sub-committee. This was seconded by Ms. Long and the motion passed unanimously.

Board Marketing Sub-committee

- Catherine Wright Chair
- Andrea Betting Member

Motion: Dr. Howes moved to retain the Board Marketing Sub-committee and its members. This was seconded by Ms. Long and the motion passed unanimously.

Motion: Dr. Howes moved to appoint Ms. Barb Loftus as the Vice Chair of the Board Marketing Sub-committee. This was seconded by Mr. Whitten and the motion passed unanimously.

Board Recruitment Subcommittee

- Eric Smith Vice Chair
- Kathleen Rich-New Member
- Stockton Whitten Member
- Andrea Betting Member

Motion: Dr. Howes moved to retain the Board Recruitment Sub-committee and its members. This was seconded by Mr. Whitten and the motion passed unanimously.

Motion: Mr. Whitten moved to appoint Mr. Eric Smith as Chair and Ms. Kathleen Rich-New as Vice Chair of the Board Recruitment Sub-committee. This was seconded by Dr. Howes and the motion passed unanimously.

Board Risk Management Subcommittee

- Barb Loftus Chair
- Mark Peterson Vice Chair

Motion: Ms. Betting moved to retain the Board Risk Management Subcommittee and its members. This was seconded by Mr. Whitten and the motion passed unanimously.

Motion: Ms. Betting moved to appoint Mr. Eric Smith as a member of the Board Risk Management Sub-committee. This was seconded by Dr. Howes and the motion passed unanimously.

Mr. Smith asked for a motion to disband the Board System of Care Sustainability Sub-committee which was originally formed to oversee the forensic study for Promise of Brevard.

Motion: Ms. Rich-New moved to disband the Board System of Care Sustainability Sub-committee. This was seconded by Dr. Howes and the motion passed unanimously.

Mr. Smith reminded member's that Ms. Loftus had proposed changes to the Board Risk Management Sub-committee charter which has been posted to the board portal for review in advance of the meeting. Absent any discussions, he asked for a motion to approve.

Motion: Dr. Howes moved to approve the name change from Board Risk Mitigation Sub-committee to Board Risk Management Sub-committee and to remove language with reference to risk appetite. This was seconded by Ms. Betting and the motion passed unanimously.

Mr. Smith then asked Ms. Grier to present the joint venture with The National Center for Innovation and Excellence (NCFIE) and Growing Tree Solutions.

Dr. Nellius briefly spoke about the current proprietary utilization management system and the status on the replication of that system. She then expressed the need to develop a new software system because of the National C.A.R.E.S. replication and program requirements and the need to forge new partnerships with NCFIE to expand and broaden the system capacity that could be utilized by different markets. The agency has contracted with Growing Tree Solutions (GTS) to work on the website and the principals of the organization are highly skilled IT and technology professionals who are familiar with the agency's platform. She shared that the agency has met with the members of GTS to discuss the business venture and the agency has pursued outside counsel to separate this venture from the National Replication and NCFIE would form a partnership with the individuals as a separate entity and Ms. Grier will present the business relationship options.

Ms. Grier then directed board members to the very last page of the Summary of NCFIE Options handout she distributed and stated that NCFIE is evaluating a potential business relationship with these five individuals instead of partnering with another agency.

Using a PowerPoint presentation, Ms. Grier then described in detail the pros and cons of 3 business options proposed by outside council: Limited Liability Company, Corporation and Contractual Relationship.

Ms. Grier reported that based on the information provided by GTS and recommendations from outside council, the LLC would be the best option for NCFIE because of the desire to create an ongoing relationship with each party bringing information, ideas, and expertise together.

She then shared it has been determined that the LLC's activities would not be a substantial part of NCFIE's activities and therefore, even if a determination were made that the LLC's activities were not substantially related to NCFIE's tax exempt purposes, NCFIE would not lose its tax exempt status. However, the LLC's activities would be subject to tax. Additionally, the LLC would further the charitable purposes of NCFIE by providing the software program with training for use by agencies that engage in wrap around programs. Also, to meet the requirement that NCFIE exercise control over the LLC for its tax exempt purposes, the parties can have an agreement ensuring that the LLC further NCFIE's exempt purposes; therefore, as long the LLC adheres to the requirements for tax purposes, NCFIE can be a member. Ms. Grier ended her report stressing that the LLC must be organized and operated exclusively for the charitable, exempt purposes of NCFIE, Control the LLC by owning more than 50%; control the decisions related to ensuring the LLC further its exempt purposes; and/or by agreement ensure that the LLC furthers NCFIE's tax exempt purposes.

Ms. Grier then stated the purpose of the presentation was to share the information, solicit feedback from the board and seek a recommendation on whether or not to move forward with discussions and negotiations.

The board members then discussed the ramifications of NCFIE partnering with 5 individuals. Ms. Grier indicated the agreement should include specific language addressing separation of a partner and typically if that situation occurs the other partners would buy out their interest.

Dr. Howes asked for clarity on the relationship between the five individuals. Dr. Nellius shared GTS is a newly formed technology company and Ms. Kellie Sweat is the principle who subcontracts with the remaining individuals.

Dr. Howes then asked how NCFIE would be represented in the partnership. Ms. Grier stated that would have to be worked out in the agreement.

Dr. Howes then asked would the individuals be prohibited from sitting on the NCFIE Board of Directors. Ms. Grier shared it would be a conflict of interest for members of the partnership to serve on the d NCFIE board.

Dr. Howes then asked why the five individuals haven't formed a partnership. Ms. Grier shared initially it was assumed that the partnership would be with GTS but as discussions advanced it was reported that the partnership would be with the five individuals. After in depth discussions, collectively the board agreed NCFIE would consider partnering with the five individuals if they form their own company with NCFIE holding a majority interest i.e. 60/40

The board then discussed each party's contribution to the partnership; NCFIE would load the utilization management system on to the entity's platform and they would provide the operational support 24/7, technology expertise and marketing within the human services industry, using their sweat equity in lieu of an upfront capital investment.

The board then discussed there is a great need to determine whether their platform has the capabilities to scale nationally, what their intellectual property is actually worth should they decide to walk away and take their I.P address with them, then how to incentivize the profits that would be allocated through the LLC, with NCFIE having the majority interest to control the NCFIE tax exemption status and charitable purposes.

Mr. Smith asked Ms. Grier to clarify what is needed from the board. Ms. Grier conveyed she is looking for direction from the board to move forward with potentially forming a LLC relationship and for the approval to move forward with negotiations if the board finds this venture feasible.

Dr. Nellius shared her take away from discussions today is that the board will entertain a business partnership if the individuals form a company with a 60/40 interest in favor of the NCFIE.

Dr. Howes added the actual worth of their software package along with the market value should be acquired before determining the percentage split given that it took 7 years for the C.A.R.E.S Program Model to become evidence based practice.

Dr. Nellius stated for clarity; they are looking for the board's guidance on whether to proceed in the current direction. She also stated that BFP has been in contract with the current partner for more than eight years building a customized utilization management system; there isn't a software program that can be purchased to manage this specialized system. She added that the prospects are experts in their field and Ms. Sweat and Mr. Slager are very well known and trusted by the agency. Dr. Nellius then shared as negotiation progress, board members who have this area of expertise will be asked to be present during negotiations since the agency does not have this expertise in house.

Dr. Howes asked if NCFIE has representation with an extensive technical background to enter into discussions with the principles. Dr. Nellius reported the agency does not have the technology background but the agency does have the experience with our current long term partner and Attorney Calloway who has been working on the contract language.

Ms. Grier then summarized that the board feels comfortable with the continuance of this dialogue with the principles; but in order to consider entering into a partnership, the five principals must form a company and if an LLC is formed with the new company, NCFIE must hold the majority interest.

Ms. Betting then spoke about the fee schedule for accessing an informational data base she once used when she was a realtor. Dr. Nellius confirmed that the fees would be similar in that the rate would be per child: for example if the rate was a dollar per child the agency would receive .60 cents and partners would receive .40 if the split was 60/40 in favor of the NCFIE.

Ms. Loftus suggested there be more dialogue pertaining to managing proprietary ownership of the programs. Dr. Nellius reported that item along with others will be in the agreements and as we near negotiations; she will call on the board for their area of expertise.

Mr. Smith then asked Ms. Holmes to report on Strategic Goal 3: Safeguard Continuity of Care

3f. Promote the colocation of services and personnel with DCF and other partners
CEO/Sr. Executive of Programs will meet with Managing Entity, DV Co-located Advocacy Project Leadership, and DCF to pursue co-location opportunities.

Case Management Surveys went to stake holders

Public Comments

Mr. Smith asked for public comments.

Mr. Carlson shared that the Board Marketing Sub-committee wanted to share one of their marketing initiatives and directed the board to review the large poster campaign. Board members were pleased with the poster.

Motion: Ms. Betting moved to adjourn. This was seconded by Dr. Howes and the motion passed unanimously.

Respectfully Submitted,

Laurie Anna Blackburn
Board Liaison

Approved at the Brevard Family Partnership Board of Directors meeting on February 23, 2017.