

**United Way of Anchorage
Board Meeting
March 20, 2019, 4-5:30 p.m.
Rasmuson Foundation Conference Room**

Members Present (18): Belinda Breaux, Laurie Butcher, Charles Fedullo, Rick Fox, Sarah Gaines, Darlene Gates, Teresa LaPella, Dick Mandsager, Jordan Marshall, Joe Marushack, Alexandra McKay, Daniel Mitchell, Susan Parkes, Frank Paskvan, Jack Sheppard, Beth Stuart, Ed Ulman, Tom Yetman

RSVP Regrets (10): Greg Deal, Mike Dunn, Bill Falsey, Michael Huston, Geoff Lundfelt, Teri Nienhaus, Natasha Pope, Brad Spees, Janet Weiss, David Wight

Call to Order: Belinda Breaux called the meeting to order at 4:05 p.m.

CONSENT AGENDA

Susan Parkes moved the resolution to accept the consent agenda (February 20 meeting minutes) as presented, Laurie Butcher seconded, and the motion passed unanimously.

AGENDA ITEMS

Executive Committee Report:

The Board extended kudos to:

- Joe Marushack and ConocoPhillips Alaska for its continued extraordinary generosity in providing office space through 2020 and working with us to see what options might be available beyond 2020.
- Jay Butler for his service to the Board. He has taken a position at the CDC in Atlanta to join the fight against AIDS.

The United Way of Massachusetts Bay's former VP of IT was charged with embezzlement and wire-fraud. The UW discovered the alleged misconduct and terminated the employee, hired forensic accountants, and retained legal counsel to advise them on the investigation. Their Board has been actively involved throughout the process. The Executive Committee is looking into how the embezzlement happened and then will review UWA's internal controls, audits, and review processes for maximum security.

The most recent UWW public opinion survey showed trust, which had been in decline, rebounding. While general awareness of UW showed growth, the pattern of low awareness among millennials continued.

- Trust among those aware of United Way increased from 67% to 75%.
- Trust in the workplace increased from 76% to 78%.
- There were substantial increases in positive news coverage (70% to 76%) and focus area understanding (33% to 38%), which are drivers of trust.
- The non-profit sector trust levels climbed from 65% to 73%.
- United Way's brand awareness grew from 85% to 88%.

The annual Toqueville Awards Reception will be held April 24, 2019 and will honor Tom and Sheila Barrett.

Finance Committee Report:

Beth Stuart reported that financials are advisory because of some outstanding questions the Committee had. There are no serious concerns but they need more information and a sharper forecast to plan for impact investments and for preparing the 2020 budget to be presented at the April Board meeting. Payroll processing is being outsourced but personnel turnover has led to delays.

Partner Impact Investments

Sue Brogan reported that due to the outstanding financial projection questions, the usual April 1 date to notify partner agencies will be delayed. Partners will be informed of the delay in notification of the community fund impact investment award. Agencies have been notified of the fact that campaign is below last year's total. All 35 organizations (57 programs) from FY '19 met the criteria for the streamlined application process. No red flags were raised in the financial review.

PSH/PFS Update

Michele Brown gave an update on the Permanent Supportive Housing/Pay for Success project. In Anchorage there are 300-400 individuals (out of the approximately 1100 total homeless individuals) who are the most frequent users of public services. The estimated per person costs of these services is nearly \$47,000 and the status quo does nothing to address the possibility of a better quality of life for these individuals, nor to decrease their dependence on emergency services, and is not alleviating the public concern over public space conflicts.

The Permanent Supportive Housing plan for chronically homeless people is estimated to cost about \$46,000 per person, but it yields more favorable outcomes: improved mental health, addiction recovery, improvements in chronic health conditions, fewer emergency department visits and inpatient hospitalizations, cost offsets in Medicaid and other publicly funded services, and reductions in recidivism to prison.

The plan will begin implementation in June through scattered site housing which has served as a successful model for the VA. The pilot year of housing and support services will be funded through philanthropy. After the model proves up, we will transition to a Pay for Success funding model. The funding comes from investors such as philanthropies, mission-driven financial institutions, institutional investors, and high net worth individuals. This offers investors an opportunity to make community investments with a measurable social return and a possible financial return ranging from principal to principal plus a modest rate of return. If the goals of housing stability are met, then government or others who have been paying the cost of for these individuals pay back the investors. This contracting and financing mechanism helps governments link payment and performance and transfers the financial performance risk to upfront investors. With Pay for Success, instead of paying for services, payment is made for achieving favorable outcomes.

Because the funding is based on outcomes, there is mutual interest in and accountability for measuring success carefully. This project would foster an effective partnership between the State, the Municipality of Anchorage, and hospitals and health insurers. If the project achieves policy goals, the State could consider continuing to fund the intervention directly. If it does not, the State can re-purpose the money it would have spent to try a new approach.

Rick Fox suggested reading a report published by the Wells Fargo Investment Institute *Global Alternative Investments Opportunity Zone Investing*. The report summarizes the “Investing in Opportunity Act” included in the December 2017 Tax Cuts and Jobs Act.

Strategic Plan Committee Report:

Charles Fedullo reported that the Committee is still discussing the most effective planning process to implement during the Board Retreat, likely to be in the fall. The Committee is exploring a decision framework analysis that identifies broad ideas for the Board to set the direction for the coming years on how to sustain funding for impact work in light of a declining workplace campaign.

Public Policy Committee Report:

Susan Parkes presented that the Committee continues to monitor the issues on the public policy agenda as conversations continue to happen in the state about funding priorities.

UWA will draft an op-ed to disseminate specific data about what Alaskans are experiencing now in terms of their requests for assistance through Alaska 2-1-1 and the availability of pertinent resources to assist. This helps inform the public and policy makers while they determine what programs to fund or not. It also shows the value of Alaska 2-1-1 in having its finger on the pulse of Alaskans’ needs. Alaska 2-1-1 operating funds could be directly affected by proposed budget cuts and most certainly will be affected by more Alaskans seeking services as programs are reduced or cut.

The Committee added Alaska HB89 as a bill to track. It relates to the prescription of opioids in the practice of dentistry, medicine, podiatry, osteopathy, nursing, optometry, and pharmacy.

The Foraker Group has made it a top public policy item to educate about the 2020 Census. Federal funding depends on census numbers. Alaska, unlike some other states, has not invested in outreach to encourage people to participate.

Motion to adjourn was made by Rick Fox, Charles Fedullo seconded, and the motion passed unanimously.

Next Board meeting: April 17, 2019