



## **Andy Hill Cancer Research Endowment (CARE) Fund Board Meeting Minutes June 9, 2021**

The following board members, constituting a quorum, were present: Elaine Albert, Leslie Alexandre, Fred Appelbaum, Cliff Berkman, Thomas Brown, David Byrd, Carol Dahl, Eunice Hostetter, Gary Kaplan, Beth Lawlor

Board Members Absent: Steve Harr, Jennifer Kampsula Wong

CARE Fund Staff Attendees: Laura Flores Cantrell, Peter Choi, Sarah Hiller, Sooyoun Park

Guest Attendees: Sandra Adix (WA State Assistant Attorney General); Barbara Culley (Milliman); Julia Terlinchamp (WA State Department of Commerce); Maureen Tressel Lewis (Milliman)

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Wednesday, June 9, 2021, 3:00–4:30 p.m. (PT)

### **1. Welcome**

The meeting was called to order at 3:02 p.m. A quorum was confirmed with a roll call of the board by the Chair.

### **2. Consent Agenda**

Fred Appelbaum presented the consent agenda consisting of the Final Draft April 28, 2021 CARE Board Meeting Minutes and Proposed 2022 Board Meeting Dates, to the board. The board approved the April 28, 2021 CARE Board Meeting Minutes and the 2022 Board Meeting Dates, as presented, by consensus.

### **3. CARE Fund Program Administrator Update**

Laura Flores Cantrell provided a brief program administrator update to the board.

### **4. Commerce Update**

Julia Terlinchamp informed the board that there was an apparent successful contractor in response to the Request for Proposals (RFP) for CARE Fund Program Administrator services. The Department of Commerce (COM) is currently in contract negotiations. More information will be made available to the CARE Fund before the end of the month.

Dr. Appelbaum thanked Julia for her work in preparing and implementing the RFP.

### **5. Program Administration Transition**

Laura Flores Cantrell provided a summary and background of the meeting materials regarding the Program Administrator transition. In preparation for the change of CARE Fund Program Administrator, the following items are included in the board packet for board action:

- Resolution on Financial Authorizations
- Resolution to Open Investment Account
- Resolution Relating to Bessemer Trust Account
- Revised Endowment Investment Policy

Resolution on Financial Authorizations:

MOTION: Thomas Brown made a motion to approve the Resolution on Financial Authorizations; Elaine Albert seconded the motion. The motion was approved unanimously.

Resolution to Open Investment Account:

After the Executive Director's consultation with the Board Chair and Treasurer, a Request for Proposals (RFP) for investment advisory services for the CARE Fund was issued. The full board was informed of the RFP at the April 28, 2021 meeting. Six proposals were received in response to the RFP. Interviews were conducted by the CARE Fund Executive Director and Financial Analyst with three of the firms; their proposals are provided in the meeting materials to the board. The board discussed the merits of the proposals.

MOTION: Carol Dahl made a motion to approve Bernstein as the new investment firm for the CARE Fund and approve the Resolution to Open the Investment Account with Bernstein; Leslie Alexandre seconded the motion. The motion was approved unanimously.

Resolution Relating to Bessemer Trust Account:

As soon as feasible after the June 9, 2021 board meeting, the staff recommends opening a new investment account with the new investment firm, closing the current investment account at Bessemer Trust, and transferring funds from Bessemer Trust to the new investment firm.

MOTION: Thomas Brown made a motion to approve the Resolution Relating to Bessemer Trust Account; David Byrd seconded the motion. The motion was approved unanimously.

Revised Endowment Investment Policy:

The revised Investment Policy lists the CARE Fund as the account holder and includes other revisions as indicated in the materials.

MOTION: David Byrd made a motion to approve the Investment Policy; Thomas Brown seconded the motion. The motion was approved unanimously.

Laura Flores Cantrell explained that two items originally listed on the agenda for board action were no longer in need of board consideration: (a) Resolution to Authorize a Loan from the CARE Fund Grantmaking Account and (b) Draft Loan Agreement. Instead, the Department of Commerce was able to propose structuring the new Program Administrator contract to provide an initial payment upon execution of the contract. Sandra Adix and Julia Terlinchamp explained that this is not an uncommon practice in Commerce contracting.

There was not a discussion of an Advisory Committee to the Board on investments.

Laura Flores Cantrell introduced an additional Program Administrator-related item for board action: board approval to amend CARE Fund grant award agreements, as needed, to reflect changes to the Program Administrator.

MOTION: Leslie Alexandre made a motion to approve the CARE Board authorization of amendments of CARE Fund grant award agreements, as needed, to reflect changes to the CARE Fund Program Administrator; Beth Lawlor seconded the motion. The motion was approved unanimously.

## **6. Grantmaking**

Fred Appelbaum presented the FY21 Revised Allocation Plan to the board. This allocation plan is slightly revised from the April 28, 2021 CARE Board Meeting materials to reflect the final figures as appropriated by the legislature.

MOTION: Tom Brown made a motion to approve the FY21 Revised Allocation Plan; Eunice Hostetter seconded the motion. The motion was approved unanimously.

Dr. Appelbaum requested two or three volunteers from the board to serve on the Ad Hoc Committee to appoint independent scientific review committees for the Distinguished Researchers Grant and the Breakthrough Research Grant reviews. The board approved an ad hoc committee consisting of Carol Dahl, David Byrd, and Thomas Brown by consensus.

## **7. Performance Audit Presentation**

David Byrd introduced the auditors selected by Commerce to conduct the CARE Fund performance audit, Barbara Culley and Maureen Tressel Lewis from Milliman, Inc. The Final Draft Performance Audit Report was distributed under separate cover directly to CARE Board members and was not sent with the board meeting packet. The Final Draft Performance Audit Report was not distributed to CARE Fund staff in advance. Maureen Tressel Lewis provided a high-level review of Milliman's approach, methodology, and findings of the performance audit that was conducted over the last several months. Barbara Culley invited questions from the board. The board thanked the auditors for their time, recommendations, and thorough performance audit.

## **8. Strategic Planning**

At the April 28, 2021 board meeting, the board discussed qualifications and attributes of the strategic planning external advisory committee. CARE Fund staff was interested in learning more about how the board would like to be involved when identifying strategic planning external advisory committee nominees. After board discussion, it was concluded that the board would like to add a process step in which board members are provided an opportunity to add additional considerations, qualifications, or attributes of nominees beyond what is required in statute. Board

members would also have an opportunity to suggest specific nominees, as appropriate, given the parameters and priorities for the strategic planning external advisory committee. Two board members suggested stronger representation from individuals with experience in industry research partnerships and grantmaking by state-funded entities, as well as committee members who are underrepresented in the field. Laura Flores Cantrell thanked the board for the additional guidance.

[Elaine Albert left the meeting.]

## **9. Board Officers Elections**

Fred Appelbaum presented the slate of candidates for election to serve as board officers for the upcoming fiscal year (July 1, 2021-June 30, 2022).

- David Byrd, Chair
- Elaine Albert, Vice Chair
- Steve Harr, Treasurer
- Eunice Hostetter, Secretary

MOTION: Tom Brown made a motion to approve the slate of FY22 board officers as presented; Leslie Alexandre seconded the motion. The motion was approved unanimously.

## **10. Public Comment**

[Gary Kaplan left the meeting.]

[Beth Lawlor left the meeting.]

No members of the public were present to provide comment.

## **11. Adjourn**

With no other business, the meeting was adjourned at 4:34 p.m.

I certify that the foregoing is a true and correct copy of the minutes approved by the CARE Board of Directors at a regular meeting of the board on September 15, 2021.

DocuSigned by:

Eunice Hostetter

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Eunice Hostetter, CARE Board Secretary

9/16/2021

Date