

## **SAIL Retreat ~ May 2, 2015**

### **Notes and Minutes of the Annual Meeting**

*Facilitator: Dennis McMillan*

#### **Introductions:**

Tristan came to SAIL via OFRAM and has developed a passion for his work as he has grown within the organization.

Jason's as a professional experience in ADA compliance. His passion is for protecting civil rights. He thinks that funding and advocacy are priority issues for SAIL.

Jeff has been on the board for 7 years or so, and has worked for SAIL. He serves on the AWARE board, Gustavus community board. He's a volunteer EMT. His entire career since coming to Juneau as a JV has been in social services.

Elizabeth volunteered for SAIL for years before joining the board. When she was diagnosed with a disability, she joined the board. She likes all the board members. Her priority issues are board member recruitment and funding.

Joan's joined SAIL with ORCA in 1997 and became ED in 2002. Her priority issue is the FY16 budget deficit.

Kate has been on the board for about 5 years. (I was taking notes so I didn't write down what I said.)

Bob is a consumer board member and has served for many years. His priority issues are looking at redefining SAIL's roles in response to funding issue. He also serves on the state DVR board.

Sierra has worked at SAIL in many roles. Her passion is recreation – her first contact with SAIL was 20 years ago as a volunteer with ORCA at Eaglecrest. She would like to see the fund development committee stretch beyond Jeff and Sierra.

Mary met Joan at a Special Olympics years ago, and got involved in bringing ORCA to Ketchikan. Her daughter is an ORCA participant. She has been on the board for 10 years, and while she serves on other boards, this is her favorite. She winters in Hawaii but still participates by phone. Funding and gaining a better understanding of the services are her priorities.

Jorden volunteered with SAIL for many years before coming to work here. She is moving on to Zach Gorden but will continue to support the organization and hopes to be on the board in the future.

Cheryl came to SAIL as a consumer about 15 years ago. Then she came to work at SAIL. Then she joined the board. She appreciates that she is able to help others with what's she

learned from being part of SAIL. Her passion is working with seniors and ensuring accessibility.

### **Overview of SAIL:**

IL Centers were created by the federal Rehabilitation Act, specifically to provide consumer-directed services to empower people with disabilities to live as independently as possible. REACH was the original grantee, and spun off SAIL in 1993 to provide IL services to all ages and disabilities. ORCA was started some years later when SAIL absorbed Challenge Southeast.

Juneau and Ketchikan opened in 1993 and Sitka in 1994. There was a storming phase with a lot of upheaval, during which SAIL was able to identify and reinforce its philosophies. SAIL has also experienced loss, which helped connect staff and board members. Jeff was a JV with REACH/Challenge SE in 1994.

The ADRC came to SAIL several years ago as part of a national effort to blend aging and disability services. Seniors are the #1 demographic among SAIL consumers.

SAIL provides discrete/time-limited IL services in the whole host of life domains for people with disabilities and seniors. (ORCA is a more long-term program in that it offers recreation opportunities and not IL.) The five core services are advocacy, peer support, IL skills training, information and referral, and transition services (formerly deinstitutionalization). SAIL partners with other providers and agencies in SE communities, Foraker Group, state agencies, and other statewide organizations. Jeff noted that the agency has relationships but the staff and board members also have relationships that support effective service delivery.

SAIL is one of 4 IL centers serving all of Alaska.

### **Strategic Plan Review:**

Joan and Elizabeth reviewed the 2014-2016 strategic plan.

### **Board Development (“High Performing Boards”):**

Volatility, Uncertainty, Complexity, Ambiguity (VUCA) – new world of strategic planning (also called Age of Complexity)

*Bob Johansen – Vision, Understanding, Clarity, Agility*

Organizational trend is to move toward networks over hierarchies, decentralized structures that make chaos orderly. Institutions are not the end, they are the means.

The mission is what is sustained and not the organization.

Leaders are “master hosts” (people accomplished at assembling and supporting networks to achieve goals/objectives). The objective must be clearly defined and understood and the values and principles of action accepted by the network – this supports and energizes the participants to work together toward the goal. Once this solidifies, the organizational structure and legal parameters are established. Then the programs and practices are defined and implemented in a flexible and responsive manner.

**Board member responsibilities are clearly defined in law.** This is a fiduciary standard of care, putting the interest of the organization first. This standard of governance is met through reasonable inquiry, good faith, and acting as a reasonable person.

**Characteristics of highly effective boards are:**

- Sensible, feasible plan for the organization

  - Focus on what matters most

  - Annual action plan for key strategic issues

  - Strategic framework not a detailed plan

- Define and monitor organizational performance

  - Review committee structures annually to align with current priorities

    - Limit standing committees, utilize *ad hoc* committees

    - Include external stakeholders/experts on committees

  - Refine information shared with board members to promote preparation/participation

    - Bullets, dashboards, etc.

  - Move away from “culture of good news”

- Financial resiliency

- Select, support, and work with the executive officer(s)

  - Long term relationships with executive officers are rare and must be nurtured

  - Use the evaluation process to ensure alignment and shared vision, objectives

  - Clarify and hold to roles and responsibilities

  - Provide opportunity for executive officer to evaluate/comment on board performance

- Continuous board development/improvement

  - Right people on the board to achieve mission and adhere to values

    - Strategic recruitment – cultivate prospects

    - Look at spheres of influence rather than positional authority

    - Orient, mentor new board members

- Job descriptions

  - Use to promote active engagement in board business, decision making

## Holding effective meetings

Good discussion, every voice is heard, no one dominates (key tenets of Robert's Rules without rigidity)

Limit reports to items requiring action – use meetings for work

If a substantial number of participants are calling in, everyone should call in so that it's fair to everyone (teleconference etiquette)

Foster dissent

Example: call to order  
identify objectives of meeting  
connect with mission  
approve minutes, etc. (quick, easy action items)  
work session (what needs to be done)

## **ANNUAL MEETING**

Meeting was called to order at 12:53 p.m. by Vice-Chairperson Jeff Irwin.

In attendance were board members Elizabeth Spence, Jeff Irwin, Mary Gregg, Cheryl Putnam, Jason Burke, Kate Burkhart; executive director Joan O'Keefe and staff Jordan Nigro and Sierra Kaden. Guest Dennis McMillan was also in attendance.

The nominating committee proposed a slate of officers for 2015-2016:

Chairperson Kate Burkhart  
Vice-Chairperson Elizabeth Spence  
Treasurer Mary Gregg  
Secretary Suzi Williams

No other candidates being put forward, the nominations were closed. Mary **moved** the slate of nominees. Jason **seconded** the motion, which passed without objection.

Jeff **moved** for approval of the March meeting minutes. Mary **seconded** the motion. No amendments or corrections were offered. Jason noted that he was absent from the meeting. Kate was also absent. The motion passed without objection.

Joan reviewed the FY16 budget (balance sheets, projections, documents provided). The Finance COmmittee met Thursday night to review the budget for next year. SAIL is receiving a \$32k cut to its state grant, has lost the interpreter line funding, a 50% reduction in the cruise ship tax funds from the City of Juneau, and the pass through funds from Challenge Alaska (which did not apply for the community developmental disability services grant). The loss of the pass through funds from Challenge Alaska is a three year loss. Mary asked if other organizations could pass funds through to SAIL; there are not. SAIL is going into the year with a \$150,000+ shortfall.

The Finance Committee and Joan spoke about options for addressing the shortfall. Ideas from the staff retreat included increased fee-for-service revenue. Staff asked about their job security; Joan responded that we have some reserves but that it had not been determined how the board would address the lost revenue.

Mary noted that there are opportunities related to the Conflict Free Case Management changes to Medicaid waiver service system. Joan said that staff are investigating the possibilities. She gave an overview of the timeline (which is short) and how agencies have approached SAIL to take on the care coordination services. Joan spoke to the director of the Division of Senior and Disability Services about whether there was a conflict with an ADRC (there is not). The state is aware that a rate review and funding considerations are needed for stand-alone care coordination.

Dennis McMillan spoke about the possibility of for-profit businesses entering the field and taking the least complicated clients (leaving the more intensive, expensive clients to non-profit organizations). The Alaska Mental Health Trust is going to provide start-up funds for new care coordinator organizations. He offered that SAIL set up a separate entity or subsidiary to operate the services. Kate commented that the state is still in the middle of the planning process. Joan commented that there are opportunities for consolidating billing et al.

The Finance Committee has asked Joan to bring possible scenerios for dealing with the shortfall to the full board. Mary commented that SAIL has reserves for this sort of situation, and that she's confident it will work out. Elizabeth also spoke about possibilities related to staffing.

Kate asked if the one board meeting in June was enough time to deliberate on this and pass a budget. Joan commented that there is also an opportunity to meet in May. Jason agreed that the board should week the fourth week in May as well as in June. Joan needs time to meet with staff in each office and financial staff to get accurate information (re: case closures, types of clients served and with what services, etc.) for board members to consider. She will bring that to the Finance Committee and then the full board. Elizabeth said that board members would help with any hard conversations that might be needed with staff.

The consensus was for Joan to meet with her team, bring that information to the Finance Committee in May, and then the full board will meet and consider that at the May board meeting.

Kate asked board members to sign their job descriptions and confidentiality agreement (available at the meeting). Kate read the Conflict of Interest Policy and asked if there were any questions or concerns about the policy. There were none.

Elizabeth asked about the response rate on the board matrix. Joan said that six of eight people had responded. When the matrix is complete, it will go to the Board Development Committee to be used in recruitment (and is available to all board members upon request).

Kate reminded board members to make their annual contribution to SAIL if they haven't already (and to but whale watching tickets for the upcoming events).

Elizabeth commented that the executive director's evaluation should be a priority. Mary suggested a committee do the evaluation, and agreed with the idea of the executive committee doing the evaluation. Joan will provide the framework from Foraker Group and other information to the executive committee.

**Mary moved** to adjourn the meeting; **Elizabeth seconded** the motion. The Annual Meeting adjourned at 1:31p.m.

*Annual Retreat Resumed . . .*

### **Reading a Financial Statement**

A strong Finance Committee is essential. Inviting a non-board member with financial expertise to join the committee provides an external eye for the budget.

Non-profits are often tempted, when faced with cash flow problems, to prioritize some expenses over others. The Finance Committee should be ensuring that obligations (especially payroll taxes) are being paid, that financial statements are being reconciled regularly, and understand the level of uncollected receivables. The full board should also be periodically confirming that these actions are being taken.

The elements of a balance sheet were reviewed with board members, using the third quarter (March 31, 2015) consolidated balance sheet. Important questions for board members to ask when reviewing the balance sheet include:

- Do these figures make sense? (Don't be afraid to check the math.)
- How does this compare to this time last year?
- Looking at receivables, when will we get paid these amounts?
- Are there any new, unexpected, or disproportionate expenses?
- What is the net income (is it positive or negative)?
- Are restricted funds being spent according to the requirements of the funder(s)?

### **Revenue and Fund Development:**

The \$150,000 shortfall is a best case scenario. Municipal support is at risk, and philanthropic giving could decline during the recession.

A specific discussion of how to develop additional revenue ensued, including discussion of:

1. Finding bridging funds (Rasmuson Tier I is \$25,000) to maintain the deaf interpreter services until the state can reinstitute the funding for FY17.

2. Expanding DVR services, starting with the new Pre-Employment Transition Services program for FY15-16 (\$60,000 total value).
  - a. Will implementation (staff costs) exceed the reimbursement? Not if delivered in group/cohort format.
3. Reviewing fees assessed for ORCA programs (membership fees, tiered fees, contracting with agencies to provide activities for clients) (\$10,000+ needed).
4. HomeMAP fees (if RurAL CAP performs) (\$35,000 possible).
5. Accessible tourism services.
  - a. Previously funded by CBJ cruise ship head tax, FY16 is last year at 50%
  - b. Renting wheel chairs and walkers to visitors (loaned right now)
  - c. Training for tourism companies
  - d. Accessible bike tours (Gastineau Guiding) – no up-front costs beyond staff time (\$25,000+ reasonable return)
    - i. Could mesh with DVR/PETS programs
6. Solicit additional major donors (Sam Skaggs, \$10,000 requested)

Tristan ~ Path for Prosperity (Sealaska) idea for accessible tours (based on ORCA experience with consumer trips/tours). Application is due May 31.

*All of these are within the strategic plan.*

Four types of challenges:

COMPLEX	COMPLICATED
CHAOS	SIMPLE

Simple challenges have standard answers (internal staff can follow a recipe for solution).

*Example: bake a chocolate chip cookie*

Complicated challenges have best practice answers (might need external help to solve).

*Example: build a rocket ship*

Complex challenges have multi-dimensional aspects with no standard answer (lots of opinions and expert TA, but no guaranteed result – solution found through trial and error over time).

*Example: raise a child*

Chaos challenges (not explained)

**Board Member Recruitment and Development:**

Action items:

Invite Tyler the banker from True North-Juneau, who indicated a desire to volunteer with SAIL, to join the Finance Committee.

**FY16 Priorities:**

- Balance need to maintain quality of core services and staff with need to diversify to address shortfall/budget needs.
- Develop accessible tourism ideas.
- Increase individual giving to SAIL, specifically Pick Click Give.
- HomeMAP