



## **Andy Hill Cancer Research Endowment Board Meeting Minutes**

The following board members, constituting a quorum, were present:

Elaine Albert, Leslie Alexandre, Fred Appelbaum, S. Lori Brown, Thomas Brown, David Byrd, Carol Dahl (phone), Jim Hendricks (phone), Eunice Hostetter, Jennifer Kampsula Wong (phone)

Board Members Absent: Weihang Chai, Steve Harr

CARE Staff Attendees: Peter Choi, Laura Flores Cantrell

Guest Attendees: Julia Terlinchamp (WA Dept of Commerce); Sandra Adix (WA AAG); Chelsea Hager (Insight Strategic Partners)

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Fred Hutchinson Cancer Research Center, 1100 Fairview Ave. North, Thomas Building, Sze East Conference Room (D1-084), Seattle, WA | Wednesday, June 26, 2019 3:00 p.m.–5:00 p.m.

### **1. Welcome**

A quorum being present, the meeting was called to order at 3:06 p.m.

### **2. CARE Update**

Laura Flores Cantrell provided a CARE Program update including:

- CARE will host a reception at the Executive Residence (Governor's Mansion) January 30, 2020 to introduce the CARE Program and its impact. Additional details will be shared at future meetings.
- The August 27, 2019 CARE Board Meeting has been cancelled. The next regular board meeting is scheduled for October 30, 2019. CARE staff will continue to work with board members and committees during the interim. There were no objections to the cancellation of the August 27 meeting.
- The board discussed whether the current board schedule is an appropriate number of regular CARE Board meetings per year. There was general agreement among the board members that five to six meetings per year was appropriate.
- Laura met with Steve Harr (Treasurer) prior to the board meeting to discuss investments currently held at Bessemer. Three considerations were discussed: capital preservation and assurance of liquidity, annualized return, and fees. CARE requested a reduction in fees and Bessemer approved to reduction of 10 basis points, from 35 basis points to 25 basis points. Having met expectations on capital preservation, return, and fees (as reduced), staff and the Treasurer are comfortable retaining Bessemer.

### **3. Consent Agenda**

Fred Appelbaum presented the April 30, 2019 Board Meeting Minutes for approval.

MOTION: A motion to approve the April 30, 2019 Board Meeting Minutes was made by Leslie Alexandre, seconded by David Byrd, and unanimously approved.

#### **4. Department of Commerce Update (Julia Terlinchamp & Laura Flores Cantrell)**

Laura Flores Cantrell provided a summary of the 2019 Legislative Session results and implications for CARE. The governor signed the Vapor Product Taxation Bill (ESSHB 1873), which provides dedicated revenue to CARE. The CARE Fund will receive 50% of vapor product tax revenue, up to \$10 million per fiscal year. Fifty percent of the vapor product tax revenue, plus revenue above \$10 million from CARE Fund's 50% portion will be deposited to the newly established foundational public health services account. There was discussion regarding projected revenues from the vapor product tax.

The vapor product tax bill requires that any new grants issued by CARE have a maximum grant period of two years. The bill also repealed the sunset date (July 1, 2025) of the CARE Fund that was included in the original CARE statute (RCW 43.348.900).

Julia Terlinchamp and Sandra Adix provided a summary of the issue related to the passage of the Operating Budget (ESHB 1109) and the Vapor Product Tax bill. Currently, a gap in funding for CARE between July 1, 2019 and when the tax bill revenue will become available (November 2020) is anticipated. CARE's program administrator contract with Empire Health Foundation (EHF) will be renewed for Fiscal Year 2020, but the Department of Commerce loses authority to manage the CARE account September 30, 2019. The performance audit will be delayed until the funding issue is addressed.

The Department of Commerce is currently working to address the issue. A solution is expected during the next legislative session. In the interim, Commerce will continue to have oversight and Empire Health Foundation will continue as the program administrator.

#### **5. CARE Strategic Plan (July 1, 2019–June 30, 2021)**

Fred Appelbaum presented the strategic plan for discussion.

There was a discussion regarding the intended audience, length of the document, and suggested clarifying language for the final version. Board members will send additional feedback to Peter Choi via email.

MOTION: A motion to approve the CARE Strategic Plan (with changes to respond to board member feedback) was made by Tom Brown, seconded by Elaine Albert, and unanimously approved.

#### **6. Grants Calendar 2019–20**

Peter Choi presented the Grants Calendar and CARE's current funding position for grantmaking. A recommendation was made for the next steps for the Breakthrough Research Program. There was a discussion regarding the process for determining whether currently awarded Breakthrough grant recipients will receive continued funding in Year 2. CARE staff will work with the American Association for the Advancement of Science (AAAS) to develop an application for continued

funding. The CARE Board will receive the AAAS recommendations for continued funding at a future board meeting for the board to vote on whether grantees will receive Year 2 funding.

A general process for developing a new targeted funding request for proposal (RFP) was presented. There was a discussion regarding the information and resources that would help the board and staff develop an RFP. There was general agreement that the board would like guest presentations at future board meetings regarding programmatic areas for funding and how to structure the grant funding mechanism.

An ad hoc committee was formed for the purpose of providing guidance on information gathering to inform this new RFP opportunity. Lori Brown, Tom Brown, and Leslie Alexandre volunteered to serve on the committee.

Laura Flores Cantrell presented the Distinguished Researchers Program goals and accomplishments and asked whether the Distinguished Researchers Program should issue an RFP for Cohort 4 in the near future. There was a discussion regarding the current state of the Distinguished Researchers Program and the changes the board recommends. There was general agreement that the board members support the Distinguished Researchers Program and would like to see it further develop to align with the strategic plan (July 1, 2019–June 30, 2021). Distinguished Researchers Cohort 4 RFP will be released at a future date. In the interim, CARE staff will work with AAAS to revise the Distinguished Researchers Program to better align with the strategic plan. A revised version will be presented to the board at a future board meeting for approval.

## 7. Board Governance Discussion

David Byrd provided a summary of the Ad Hoc Governance Committee work to-date. The Ad Hoc Governance Committee is charged with working with staff to develop Draft Bylaws and related governance recommendations to bring to the full board for board action. Members of the ad hoc committee are Leslie Alexandre, David Byrd, Carol Dahl, and Jennifer Kampsula Wong. The ad hoc committee has met once to work through an initial draft of the bylaws. Key issues discussed included whether a Vice Chair position should be created. The Committee began working through an initial draft of the Bylaws and made good progress. The Committee will reconvene over the summer to continue its work. If any board member has a strong interest in, or key questions about, any aspect of the bylaws/governance, they are invited to please contact Laura by Friday, July 12, so that these ideas can be considered in the ad hoc committee's process.

## 8. Adjourn

Meeting Adjourned 5:07 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 October 30, 2019.

<p>DocuSigned by:    <hr/> Eunice Hostetter, Secretary</p>	<p>2/7/2020  <hr/> Date</p>
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