

**BROTHER'S BROTHER FOUNDATION
QUARTERLY MEETING OF THE BOARD OF TRUSTEES**

MINUTES OF April 25, 2017 QUARTERLY MEETING

The quarterly meeting of the Board of Trustees of Brother's Brother Foundation was held on Tuesday, April 25, 2017 in the conference room on the 2nd floor of the BBF Building, 941 Behan Street Pittsburgh, 15233. The meeting was called to order at 5:00 p.m. by Mr. Charles Stout, Chair.

PRESENT

Twenty-Three members of the Board of Trustees and Officers were present:

Barry Byer (via phone)	Phillip Jones	Lila Swan (via phone)
Daniel Delaney	Deborah McMahon	William Swartz
Walter Fowler	Ron Miller	Louann Tronsberg-Deihle (via phone)
Garry Garrison (via phone)	Les Pitton (via phone)	John Tymitz
Drew Harvey	Linda Rennington	John Unkovic
Austin Henry	Joseph Senko	Robert Verscharen
Luke L. Hingson	Charles Stout	Thomas Wentling
Graham Johnstone	David Swan	James Wolf

Two members of the Advisory Board were present:

Dan Martich (via phone)
Jose Ravano

Nine Staff members of the Foundation were present:

Sarah Boal	David Holdsworth (via phone)	Carolyn Santora
Bill Davis	Kevin Meszaros	Frank Seanez
Karen Dempsey	Erik Ryan	Neal Walker

GREETING AND REMARKS BY THE CHAIR

Mr. Stout welcomed the Trustees and Staff, and introduced Mr. Walt Fowler, a returning board member. Mr. Fowler gave a brief biography, and stated he is happy to be back on the Board. Mr. Stout then introduced Eric Ryan, from the Finance Department who gave a brief biography. Mr. Hingson introduced Carolyn Santora, the new Administrative Assistant who also gave a brief biography. Roll call was then taken for those that were on the conference call.

MINUTES APPROVED

Mr. Henry presented the Minutes of the January 17, 2017 Annual Board meeting. Mr. Henry signed off on the minutes, and Mr. Stout noted making corrections to James Wolf and Drew Harvey as voting trustees. Mr. Tymitz asked if the Board packets can be sent out at least one week prior to the meeting so members have a chance to review them. Mr. Stout approved.

- **MOTION:** to approve and adopt the minutes as amended. Moved, seconded, passed.
- **ACTION:** BBF to send out board packets one week prior to the meeting.

PRESIDENT'S REPORT

Mr. Hingson spoke of the Teva/Actavis merger and states that the surge of donations from Actavis is complete. Our Actavis contacts are no longer with the company. BBF has a 15% decrease in pharmaceutical donations by unit compared to last year. [REDACTED]

PROGRAM REPORTS

Education – Mr. Seanez reviewed the numbers from his report. In the Fall, McGraw-Hill donations carried into the early 2017 shipments. Most books went to the Caribbean, then to the US, and a small shipment to the country Georgia. There was a 28% increase in educational materials shipped over last quarter. The 2016 reorganization of the McGraw-Hill donation program will lead to changes in procedures. The new contact, Bobby Futrell, at McGraw-Hill has advised BBF of possible higher education offers this spring. Pearson no longer exists in the donation Gift-In-Kind program, and our contacts are no longer with the company. Apple Books is moving to Minnesota and has offered their remaining books to BBF, but they will be hard to place. BBF is currently looking to new sources for donations. Mr. Wentley asked if we have made progress on getting the rights to the BBF book. Mrs. Dempsey stated that we are working with the publisher and have the rights to reprint, and we are looking at the cost to add a post log.

- **ACTION:** Ms. Dempsey to follow up with Lars Pearson regarding the publication of the BBF book.

Medical –

[REDACTED] The number of containers being shipped is down, but many are filled with pharmaceuticals. Mr. Hingson has been cultivating new recipients. Dr. McMahon stated we are working hard to ensure the chain of custody prior to shipping medications overseas. Mr. Meszaros noted that donations are down overall as Actavis (now part of Teva) is not donating, and BBF is being cautious with Teva. Mylan is the largest donor this quarter giving us good dating. BBF is sending more air shipments to balance dating, sending more medications to Africa, and working directly with FFP distribution partners on the ground. Many thanks to Dr. Byer for his assistance in Honduras. BBF board members have been working directly with contacts in Malawi. BBF continues to work with Faith-in-Practice. Mr. Walker stated that 5 containers are on their way to Africa and expected to arrive in late May and the first week of June. The rest of the containers are still in route. Shipments from late 2016 have all been delivered. The last 2 are in the clearance process. There are ongoing discussions with groups and hospitals to improve processes for faster clearance. Mr. Meszaros stated BBF is in the process of coordinating a meeting date with Mylan for a staff visit. Mr. Hingson stated there are two physicians coming from the Cameroon (Dr. Fogway head of Presbyterian Health Services in Cameroon, and their chief surgeon) on May 3rd, 4th and possibly the 5th. If any board members want to meet with them they are welcome. Mr. Stout asked that we send out a note to everyone once we have more details.

- **ACTION:** Mr. Hingson to send additional information out once he finds out who is interested in meeting these physicians.

Mission Trips – Ms. Boal gave a brief update on the mission trip program. Bryn Mesko (PIT) and Dinita Thomas (NCA) have done a fantastic job serving 105 trips in the first quarter. Ms. Boal reviewed the process for vetting people and how they can apply for items to hand carry on trips. Mr. Stout asked how the process was going with Allegheny Health Network (AHN). Ms. Boal reported they have been consistent at this point picking up products every three weeks. She also stated BBF has been in contact with only management at AHN and not individual hospitals. [REDACTED]

Volunteer Program - Ms. Boal provided an update stating we have more volunteers than there is product to sort. BBF needs to find more organizations like AHN to obtain additional product. BBF Pittsburgh is bringing in product from BBF/NCA. BBF is the recipient of choice for Heritage Valley and UPMC Passavant, Pittsburgh.

FINANCIAL REPORT

Mr. Senko reviewed the Financial Statements in the packet. Mr. Tymitz asked if the bequests were restricted or unrestricted. Ms. Dempsey stated they are unrestricted, and that three bequests have come in, and two other bequests are pending. BBF has not heard from one prior donor related to an additional bequest. Mr. Hingson stated BBF has completed the field work on the audit. Ms. Renninger spoke with auditors saying the audit went well; the Audit Committee Meeting is coming up in the next month, and she will present the

findings at that meeting. Mr. Verscharen noted the pharmaceutical valuation and the continuing policy of CMS as primary source. [REDACTED]

- **ACTION:** Ms. Rennington to let the Board members know when the next Audit Committee Meeting will be held.

NCA OFFICE REPORT

Mr. Pitton reports that the NCA Advisory Committee met on April 12th. Three new members have been added to the Advisory Council; Mr. Pitton gives biographies. Mr. Pitton reviewed all the upcoming events for NCA. Grace Weisser from the Sterling Foundation gave a presentation on the 2018 gala event. Ms. Weisser is building a host committee and working on corporate sponsorships. She also has Pittsburgh connections and can be helpful for both events. Mr. Stout was impressed with Ms. Weisser [REDACTED]

[REDACTED]. Mr. Stout asked Ms. Dempsey to let Board members know what we need to do to move other project over to Sterling. [REDACTED]

[REDACTED]. Ms. Dempsey informed the group that Tim Kim is one of our assigned staff persons at Sterling, and is helping with corporate sponsor lists and other things. BBF has locations that are solid for the gala, and is working on dates. Pittsburgh is looking at Heinz History Center and the Rivers Club as back up. If anyone has a strong opinion about either they are to contact Ms. Dempsey. Mr. Hingson showed the award to the board that NCA received from Community Coalition For Haiti. NCA received the award for all their support and assistance given to Haiti last year after the hurricane.

- **ACTION:** Ms. Dempsey to obtain a copy of the NCA Advisory Committee members from Mr. Holdsworth and share it with the board members.
- **ACTION:** Ms. Dempsey to keep the board apprised of all the events in NCA and Pittsburgh.

EXECUTIVE COMMITTEE REPORT

Mr. Stout announced that BBF has started restructuring the accounting and finance dept. With the hiring of Erik Ryan, he brings to BBF a tremendous background with a moving company, truck management, warehouse management, and accounting and software systems. [REDACTED]

[REDACTED]. The committee has approved moving ahead with the Galas. BBF is close to moving ahead with bringing in someone to join in the senior management team with a background in finance. Mr. Tymitz and Mr. Jones are working with Mr. Hingson to make an offer to this individual, and change the structure of the organization so that there are four direct reports who will answer directly to Mr. Hingson at the senior level. BBF is working hard for a meeting at Mylan.

[REDACTED]

At 6:50 p.m. Mr. Henry requested the meeting to go into Executive Session.

- **MOTION:** moved, seconded, and passed.

At 7:10 p.m. Mr. Henry requested to come out of Executive Session.

- **MOTION:** moved, seconded, and passed.

The Executive Committee discussed working on a project to bring solar power to Malawi, which is currently rated the poorest country in the world. When visited, the only doctor told horror stories of electrical rolling black outs, and life and death situations. BBF is considering a project, like previous solar projects where a grant from BBF would be matched by Southminster Presbyterian Church in Pittsburgh, and by their Pastor,

Reverend Dan Merry and Mr. Stout. The Executive Committee is suggesting that BBF make a \$25K grant that will be matched for a solar power project in Mulange Mission Hospital. Mr. Henry stated this is consistent with solar installations in Liberia. The executive committee voted unanimously to recommend to board.

- **MOTION:** moved, seconded, and passed.

Mr. Jones indicated we need to look at our entire business model and the whole model not just cut costs. We need more tweaking overall than just short term cost cutting. Mr. Stout stated BBF needs to do an update to our overall strategic plan to reflect these changes. Mr. Hingson is working on expanding partnerships.

DEVELOPMENT REPORT

Ms. Dempsey briefly reviewed the Development Report stating to date BBF has received [REDACTED]. Mr. Jones stated we have a mix of individual contributions. Ms. Dempsey thanked Mr. Henry for his council with the bequests. Mr. Henry asked that everyone keep in mind we should be looking for groups and charities to pay for the shipping containers.

Mr. Holdsworth brought up the lease extension for BBF/NCA in Merrifield [REDACTED].

- **MOTION:** moved, seconded, and passed.

The meeting adjourned at 7:17p.m.

Chairperson/Secretary

AH/cs