

STATE OF CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY
Annual Grant Committee Meeting Minutes
September 9, 2022

The Grant Committee of the State of Connecticut Health and Educational Facilities Authority held an annual meeting via videoconference at 9:00 a.m. on Friday, September 9, 2022.¹

The annual videoconference meeting was called to order by Mr. Lawrence Davis, Grant Committee Chair, at 9:01 a.m. and upon roll call, those present and absent were as follows:

PRESENT: Peter Lisi, Board Chair
Lawrence Davis, Grant Committee Chair
Steven L. Elbaum²
Kimberly Kennison (*Designee for Jeffrey Beckham, OPM Secretary*)
Susan Martin

ABSENT: Alan Mattamana

OTHER BOARD MEMBERS PRESENT: Michael Angelini
Darrell Hill³

ALSO PRESENT: Jeanette W. Weldon, Executive Director
Rebecca Abblett, Administrative Services Assistant
Denise Aguilera, General Counsel
Rob Blake, Network Architect
Daniel Giungi, Government Affairs and Communications Specialist
Bob Jandreau, Senior Finance Associate
Krista Johnson, Compliance Specialist
Dan Kurowski, Manager, Program Development & CHEFA CDC
Andrew Kwashnak, Senior Systems and Data Analyst
JoAnne Mackewicz, Controller
Michael Morris, Managing Director, Client Services
Cynthia D. Peoples-H, Managing Director, Operations & Finance
Julia Pollano, Operations Reporting Analyst
Kara Stuart, Manager, Administrative Services
Betty Sugerman Weintraub, Manager of Grant Programs and
Philanthropic Outreach of Connecticut Health and
Educational Facilities Authority

INVITED GUESTS: Andrea Levere, President Emerita, Prosperity Now and Executive

¹ All attendees participated in the meeting via conference telephone that permitted all parties to hear each other

² Mr. Elbaum joined the meeting at 9:03 a.m.

³ Mr. Hill joined the meeting at 9:03 a.m.

Fellow, Yale School of Management

APPROVAL OF MINUTES

Mr. Davis requested a motion to approve the minutes of the May 18, 2022 Special Grant Committee Meeting. Mr. Lisi moved for approval of the minutes, which was seconded by Ms. Martin.

Upon a voice vote, the “Ayes,” “Nays” and “Abstentions” were as follows:

AYES

Lawrence Davis
Steven L. Elbaum
Peter Lisi
Susan Martin

NAYS

None

ABSTENTIONS

Kimberly Kennison⁴

WELCOME

Ms. Weldon stated that the CHEFA Grant Program has been operating for 20 years. During that time period, the CHEFA Grant Program has typically utilized the same grantmaking process. Ms. Weldon noted that the keynote presentation will provide an interesting and alternative perspective to the landscape of philanthropy.

GUEST SPEAKER – ANDREA LEVERE, PRESIDENT EMERITA, PROSPERITY NOW AND EXECUTIVE FELLOW, YALE SCHOOL OF MANAGEMENT

Ms. Weintraub introduced the keynote speaker, Ms. Andrea Levere, as a visionary leader in enterprise capital with the goal of financing nonprofit organizations by building assets and addressing the welfare divide.

Ms. Andrea Levere gave a presentation on “Enterprise Capital: How Philanthropic Innovation Can Expand Community Impact”. The presentation included an overview of the following topics:

- Opening Remarks and Introductions
- Enterprise Capital: Why All Money is not Equal
 - What is Enterprise Capital?
 - Why Enterprise Capital matters

⁴ Ms. Kennison abstained from voting as she did not attend the May 18, 2022 Special Grant Committee Meeting.

- How to align capital and capacity
- Integrating Enterprise Capital into your Portfolio
 - Core principles of grantmaking
 - Identifying candidates and delivering capacity-building services
 - Measuring impact
 - Engaging philanthropic and public allies

During the presentation, Ms. Levere asked CHEFA Staff and Grant Committee members what have been the most important outcomes achieved through CHEFA's grantmaking. Ms. Weintraub first noted the targeted grantmaking with a focus in workforce that was aligned with the economic and workforce development strategic pillar outlined in CHEFA's three-year strategic plan. Ms. Weldon also noted the broadening of CHEFA's grantmaking during the pandemic to dedicate all \$3 million towards COVID-related relief for qualified nonprofit organizations. Mr. Lisi stated that an important outcome of CHEFA's grantmaking is filling the gap of welfare disparity present in Connecticut and helping those in need. Ms. Weintraub affirmed that CHEFA fulfills a unique niche as a statewide funder in Connecticut, as well as a funder for capital expenditures and program grants.

KEYNOTE PRESENTATION DISCUSSION

During and after the completion of the presentation, the floor was opened to questions and a discussion ensued.

Mr. Davis inquired about matching short-term and long-term funding, the targeting of funders, and the structure that Ms. Levere proposes. Ms. Levere noted the call for action on the Council Foundation's website to change operating strategies, to where more than 800 organizations have responded. Ms. Levere also stated that funders can change how money is distributed without shifting their priority focus.

Mr. Lisi inquired about balancing reduced reporting requirements with outcome-driven results from funders. Ms. Levere explained the use and creation of common outcome metrics, as well as the need for supporting the internal research capacity of nonprofit organizations in providing the data for these outcome metrics. A brief discussion ensued. Mr. Davis also commented on the timing of reported outcomes, where the funders should shift their focus to more qualitative outcomes rather than esoteric outcomes.

Mr. Elbaum inquired about the support and guidance that would be required for collaborative outcomes. Ms. Levere noted pipeline development and capacity-building tools through her presentation. A discussion ensued.

Ms. Kennison commented about bridging the gap between nonprofit organizations who do and do not have the organizational capacity to handle financial oversight, and Mr. Elbaum noted the Connecticut Small Business Boost Fund might be a resource. This fund will provide \$150 million of capital to small businesses in the state. A discussion ensued.

Mr. Davis commented about the lender-perspective on funding not-for-profit organizations. Ms. Levere noted that healthcare institutions are very interested in new financing approaches.

Mr. Davis and Mr. Lisi thanked Ms. Levere for her time and exceptional presentation. Ms. Levere thanked CHEFA Staff and the Board for the opportunity and recommended CHEFA as a panelist for an upcoming philanthropic conference hosted at Yale University in February 2023.

Ms. Levere left the videoconference meeting at 10:13 a.m. The floor was opened to additional comments on Ms. Levere's presentation and a discussion ensued.

CHEFA'S FY 2023 CLIENT AND NONPROFIT AWARD AMOUNTS

Mr. Davis introduced the memo provided by Staff surrounding the funding awarded to cultural sectors. Ms. Weintraub explained that although CHEFA awards grants to organizations within the healthcare, education, childcare, and cultural sectors, only the non-client cycle typically has applicants in the cultural sector. The client grant cycle only has one cultural entity, the Wadsworth Atheneum, with a tax-exempt loan that does not always submit a grant request. Ms. Weintraub reported that organizations in the cultural sector are underrepresented compared to the total applicant pool in the non-client cycle, as well as underrepresented in the grant awards. Staff therefore proposed \$100,000 of grant funds in the non-client cycle be dedicated to organizations applying in the cultural sector. Mr. Davis also recommended an even split of the \$2 million in funds yet to be determined for FY 2023, to be split between the client and non-client grant cycles. A discussion ensued.

Mr. Lisi inquired about the volume of applicants between the two grant cycles. Ms. Weintraub clarified that the volume of applicants is larger for the non-client grant cycle due to the larger number of organizations that are eligible for the non-client grant cycle, but that the number of applicants selected to submit a full application are similar between each cycle due to the Internal Review Committee's capacity for review. Ms. Weldon reported that the historical reasoning for the \$1 million grant award amounts for each cycle was to give client and non-client organizations an equal opportunity, since the grant funds originate from client fees.

Ms. Kennison inquired about the relationship between the \$100,000 cultural funding proposal and the overall structure of the CHEFA grant programs. A brief discussion ensued.

Committee members noted that any shifting of the allocation of grant funds for each cycle would require greater sector analysis. A continuation of \$1 million in grant awards for each cycle was considered reasonable given the current data presented. Ms. Kennison inquired to Ms. Weldon and Ms. Weintraub of their recommendation. Ms. Weldon and Ms. Weintraub both recommended a continuation of the current awarding model but suggested an openness for review in the future. A discussion ensued.

Mr. Davis requested a motion to continue to award the CHEFA client and non-client grant cycles with \$1 million for each cycle. Ms. Kennison moved for approval of the motion, which was seconded by Ms. Martin.

Upon a voice vote, the "Ayes," "Nays" and "Abstentions" were as follows:

AYES

Lawrence Davis
Steven L. Elbaum
Kimberly Kennison
Peter Lisi
Susan Martin

NAYS

None

ABSTENTIONS

None

Mr. Davis requested a motion to approve the recommendation of earmarking \$100,000 out of the \$1 million grant funds for cultural organizations who apply in the non-client grant cycle. Ms. Martin moved for approval of the motion, which was seconded by Mr. Elbaum.

Mr. Lisi inquired about the flexibility of the \$100,000 allocation for cultural sectors. Mr. Davis clarified that the \$100,000 would be a set-aside for the cultural sector and any unused funds would be put back into the \$1 million allocation for the non-client grant cycle. Mr. Davis and Ms. Weintraub stated that the Grant Committee would, however, make any final decisions regarding funding allocations and could award additional grants to the cultural sector over and above the \$100,000.

Ms. Kennison inquired about the volume of cultural applicants compared to the cultural awards, and Ms. Weldon noted the data provided in the Staff memo. Ms. Weintraub stated that she is currently involved in outreach activities with nonprofit organizations in the cultural sector.

Mr. Elbaum left the videoconference meeting at 11:03 a.m.

Upon a voice vote, the “Ayes,” “Nays” and “Abstentions” were as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTENTIONS</u>
Lawrence Davis Peter Lisi Susan Martin	None	Kimberly Kennison ⁵

Ms. Martin left the videoconference meeting at 11:06 a.m.

NEW GRANT COMMITTEE REVIEW PROCESS DISCUSSION

Approval/Denial for Portion of Grants

Mr. Davis reported on the updated grant review process, where Staff presented a rated list of all applications for the Grant Committee to review, rather than a numerical ranking list of recommended applications, to support the Grant Committee in their decision- and recommendation-making process. Mr. Davis stated that this was successful at the May 18, 2022 Special Grant Committee Meeting.

Materials

⁵ Ms. Kennison abstained from voting due to the need of further education on CHEFA grantmaking.

Mr. Davis inquired about the preference of the Grant Committee for an electronic or a hard copy of the meeting materials. Several committee members agreed that a hard copy of the meeting materials would be preferred when grant awards are being made.

OTHER BUSINESS

Mr. Lisi and Mr. Davis thanked Ms. Weldon and Ms. Weintraub for organizing the keynote presentation.

ADJOURNMENT

There being no further business, at 11:10 a.m., Mr. Davis moved to adjourn the meeting, Mr. Lisi moved the motion and Ms. Kennison seconded the motion.

Upon a voice vote, the “Ayes,” “Nays” and “Abstentions” were as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTENTIONS</u>
Lawrence Davis Kimberly Kennison Peter Lisi	None	None

The meeting adjourned at 11:10 a.m.

Respectfully submitted,

Jeanette Weldon
Executive Director