

STATE OF CONNECTICUT HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY

Draft Minutes of  
The Grant Committee Meeting  
of June 24, 2008

The Grant Committee of the State of Connecticut Health and Educational Facilities Authority met in session at the offices of the Authority at 12:36 p.m. on Tuesday, June 24, 2008.

The Meeting was called to order by Patrick A. Colangelo, Committee Chair, and upon roll call those present and absent were as follows:

PRESENT: Patrick A. Colangelo, Committee Chair  
John Mengacci (Rep. Secretary Robert Genuario)  
Bryan K. Pollard  
Barbara Rubin

ABSENT: Steven P. Blackburn, Ph.D.  
Sarah K. Sanders (Rep. Honorable Denise Nappier)

ALSO PRESENT: Jeffrey A. Asher, Managing Director/CFO  
Kimberley Fontaine, Manager, Grants & Grants Administration  
Paula L. Herman, General Counsel  
JoAnne Mackewicz, Controller  
Debra M. Pinney, Manager, Administrative Services  
Norberto Ramirez, Compliance/Internal Auditor  
and Kathy Owens, Receptionist/Administrative Assistant of  
Connecticut Health and Educational Facilities Authority

The Notice of Meeting was read and ordered spread upon the Minutes of this Meeting and filed for the record.

MINUTES OF THE GRANT COMMITTEE MEETING

June 24, 2008

The purpose of the Meeting was to: 1) Approve the Minutes of February 26, 2008 Grant Committee Meeting; 2) Review and Discuss Staff-recommended Open Grant Applications; 3) Recommend Approval of Open Grant Awards to the Board; and 4) Review and Discuss Science Center Proposal.

**MINUTES**

Mr. Colangelo requested a motion to approve the February 26, 2008 Grant Committee Minutes. Ms. Rubin moved for approval of the minutes; Mr. Mengacci seconded her motion.

Upon roll call, the “Ayes,” “Nays,” and “Abstentions” were as follows:

**AYES**

**NAYS**

**ABSTENTIONS**

Patrick Colangelo

None

None

John Mengacci

Bryan K. Pollard

Barbara Rubin

## **Review and Discuss Staff-recommended Open Grant Applications**

Ms. Fontaine reported that CHEFA received nearly \$2.4 million in 2008 Open Grant requests from applicants. Only one applicant, Naugatuck Valley Community College, was deemed ineligible as it is not a 501(c)(3) entity. Out of 19 Community Foundations in Connecticut, 16 submitted nominations to CHEFA. Ms. Rubin inquired if the Naugatuck Valley Community College application came through a community foundation, and if so, which foundation did they come through. Ms. Fontaine responded that the application came through the Watertown Foundation. Watertown is new to the CHEFA Grant Program. This is the first year that they have nominated any applications. The three organizations that did not submit nominations are: Orange, Madison and Guilford Foundations.

To date, CHEFA has awarded \$4.45 million through the Open Grant Program. Ms. Fontaine stated that the handout that she provided to the Committee is a compilation of all the grant cycles for Open and Client grants, along with the totals. Thirty-five percent of this cycle's requests came from New Haven County. Staff recommendations would provide 51% of the awarded grant funds to organizations in New Haven County. In 2007, 65% of CHEFA's awarded open grant funds went to human service organizations. Staff proposes that 59% of this cycle's funds be distributed to human service organizations. Ms. Fontaine noted that PA 08-165 cited on Page four of the binder was vetoed by Governor Rell on June 13, 2008. At present, NFP HSO's receive a 3% increase in the current fiscal year, but no increase in 2009. The vetoed bill would have

represented a 9% funding increase in the second year of the two-year state budget adopted in 2007.

Ms. Fontaine reported that during the calendar year 2008, \$161,360.02 was returned to the Authority, and is available for distribution. Mr. Colangelo asked Ms. Fontaine how the returned funds are monitored. Ms. Fontaine responded that she keeps track of the returned funds. CHEFA has a substantial BONDS program that is generated by the IT Department that allows her to input the application information including the due dates for all reports and this is monitored on a weekly basis. She added that there is on-going communication with all outstanding grants.

Mr. Mengacci asked why the funds were not utilized. Ms. Fontaine referred the Committee to Tab one of the binder where the organizations are listed and the reasons for which funds were returned. Ms. Fontaine added that in two of the three instances, the construction projects were unable to move forward despite generous extensions.

Ms. Fontaine reported that the amount of requests continue to increase. In 2007, for both the Open and Client Grant programs, Staff reviewed \$4.4 million in grant applications as a whole. In 2008, Staff reviewed \$6.2 million in grant requests.

Staff recommends funding the top ranked nine grant applications with an additional \$15,000 for one applicant to maintain a sustainable organization in the future. The total of Staff recommended awards is \$556,080.

Mr. Colangelo asked for clarification of the word “most,” which was used in the report referring to the applications that fell below the funding level that were not well suited. Ms. Fontaine explained that the majority of Staff was dissatisfied with the organizations that fell below the funding level.

Mr. Asher pointed out that this was his first time serving on the Grant Review committee and he was concerned that too much of the time he was putting on his “CFO” hat and he also expressed a concern that many of the applications were not written well; they didn’t demonstrate the need. Many applications didn’t meet the core measurement and provide us with a compelling reason why they needed the grant.

Mr. Pollard inquired about the process and if the community foundations are playing an active role in gathering the information. Ms. Rubin recommended the committee discuss this issue in more detail at today’s meeting; Mr. Colangelo concurred. Mr. Colangelo agreed with Mr. Asher in that some of the applications were not written well. Ms. Rubin had a concern with the community foundations; she did not like that they were trying to discourage some of the applications that don’t touch upon their goals, such was the case with the Hartford Foundation for Public Giving (HFPG). Ms. Rubin suggested that she, Mr. Asher and Mr. Gray meet with the Hartford Foundation to discuss this issue. She indicated that we previously encouraged other nonprofit organizations to apply and the HFPG turned them down because they didn’t meet their goals. Mr. Colangelo indicated that he had the same experience with an organization in the Fairfield County area.

Further discussion ensued. Mr. Asher added that Staff had to work hard to come up with nine recommendations for this cycle.

Mr. Asher also stated that Ms. Fontaine knows the foundations better than anyone and attends a lot of Council on Philanthropy meetings and each foundation is different. He stated that some foundations do an excellent job in screening the applications and some just don't have the staff to do more than they do already. He believes that because of the lack of staff, some of the applicants are forwarded to CHEFA without the foundation having the time to review them. Mr. Asher stated that he does not want CHEFA to start receiving applications directly because this would be overwhelming for CHEFA's limited staff. Mr. Asher also stated that the most difficulty he had was getting to the level of approaching the \$556,000. He added that he is bothered by the fact that so many needy organizations probably have never had the opportunity to apply for a grant because of the review process by local foundations. Mr. Colangelo stated that we are under no obligation to provide \$556,000; if we have to really work hard to come up with nine recipients, something is wrong.

Mr. Mengacci asked if the foundations were the appropriate intermediaries because they have the greatest contact with the community. Ms. Rubin answered it was because CHEFA was considerably flooded, not having the resources necessary to come through. The Authority uses the foundation as a first contact. Mr. Mengacci added that he thought that the foundations were the appropriate group to handle this and asked why we can't get another group involved to help us. Ms. Rubin indicated that we would most likely have

to pay someone to do this for us. Mr. Mengacci stated that we need someone in the role of the foundation that would not be counterproductive.

Ms. Rubin summarized that we have three options: (1) continue to work with the community foundations; (2) go in-house; or (3) hire someone to assist us. Ms. Rubin inquired as to how many people it would take to do it in-house. Ms. Fontaine indicated that we could change the process to begin with solely a letter of intent. We would need to know the purpose; measurements and dollar amount. Mr. Asher suggested that possibly the Authority could work with the CT Association of Nonprofits. Mr. Pollard suggested we talk to the community foundations to obtain their input before cutting them off.

Mr. Colangelo asked if there is a possibility of another intermediary. Mr. Asher replied that there are other agencies and the Authority could do an RFP to see what their capacity is. Ms. Rubin suggested that CHEFA change the process as described and possibly hire a consultant that could work out of his/her home. This would be a tremendous opportunity. Mr. Colangelo inquired as to how many hours it takes to go through the process. Ms. Fontaine said she started approximately four months ago. Mr. Colangelo asked how many hours it takes when Staff meets as a group. Mr. Asher stated it takes approximately 120 hours for Staff to review the applications. Ms. Fontaine added that if CHEFA changed the process and went with a letter of intent, it would cut a lot of the review time out. Mr. Colangelo inquired as to how much time CHEFA has spent before reviewing the client grant applications. Ms. Fontaine responded approximately six months. Mr.

Colangelo stated that possibly the review committee could come up with some ideas and circulate and email them to the Grant Committee.

Ms. Rubin asked if the Grant Committee's views were representative of CHEFA's views. Ms. Fontaine responded that they are equally frustrated by the processes by some of the community foundations. Mr. Mengacci asked if Ms. Fontaine could give the Committee some guidance of how they would like to proceed some time in the near future. Ms. Fontaine responded affirmatively. Mr. Mengacci expressed the desire to see what CHEFA was going to transition into and how we are going to transition to it and how is the outreach of that component going to be addressed. We use the foundations because of their outreach and if they are not doing this then how do we change that. If outreach is the biggest issue, then there must be better ways it can be done. He stated that he agrees with Ms. Rubin, that one person, on a consultant basis doing this full-time at our direction using our screening criteria should be able to better review applications than what we are receiving. Mr. Colangelo suggested having a tickler system using the criteria to expedite the process. Ms. Rubin agreed with this suggestion. Mr. Colangelo finds it incredible that an organization without the 501(c)(3) designation would get this far in the process.

Mr. Colangelo asked if Staff had enough direction to go ahead on this. Ms. Fontaine responded affirmatively, adding that the community foundations, including the Hartford Foundation, have expressed a willingness to meet with the CHEFA Board and Staff to discuss their processes.

Mr. Colangelo opened the floor to discuss some of the applications. He stated that one of the applicants was ranked low but it still managed to get into the top nine. Mr. Asher responded that for what the organization was requesting, he did not see where the project would benefit the people that they serve. He added that possibly the equipment they requested will help them better serve their clients, but they did not give an explanation that he believed supported their request. Ms. Fontaine stated that the system this organization uses is an “all paper system” and they do provide services to a large number of clients. Mr. Colangelo pointed out another organization that was in need of electronic medical records. Mr. Asher stated that this applicant ranked tenth.

Ms. Rubin asked Ms. Collins what she liked about one of the applicants she scored. Ms. Collins stated that she liked them because they are trying to build up the north end of Middletown by creating affordable housing for low income people. It did not fit with the core of what CHEFA was trying to do but she thought it was a well put together application. Ms. Collins stated that she also visited the site and was able to see where they are going with the project.

Ms. Rubin asked Ms. Collins to explain her assessment of another applicant she scored. Ms. Collins explained that they were trying to help people who were affected by the mortgage crisis to avoid going into foreclosure. They were trying to educate their clients in how to better their finances, how to budget, and to avoid foreclosure. Ms. Collins stated that she believes Nehemiah is a very good program that would help the homeowners stay in their homes.

Mr. Colangelo asked if there were any other questions or comments. There being none, Mr. Colangelo requested a motion to approve the Staff-recommended Open Grant awards in the amount of \$556,080. Mr. Pollard moved to approve the recommendation; Mr. Mengacci seconded his motion.

Upon roll call, the “Ayes,” “Nays,” and “Abstentions” were as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTENTIONS</u>
Patrick Colangelo	None	None
John Mengacci		
Bryan Pollard		
Barbara Rubin		

### **Review and Discuss Science Center Proposal**

Ms. Rubin stated that she was approached directly by the Hank Gruner, the Program Director and Matt Fleury who is Operations Director, of the Connecticut Science Center. She reported that there is no specific program to speak of at this time; the request is for operational monies for a program that is essentially in startup. There isn't a large endowment at this point. Therefore, the Connecticut Science Center is trying to raise money to help them get all of their programs off the ground. She added that she spent a fair amount of time discussing the request with both Hank and Matt. Ms. Rubin stated

that Mr. Gray excused himself entirely from this discussion because of his affiliation with the CT Science Center and his daughter is employed by the Connecticut Science Center.

After further discussion with Hank and Matt, Ms. Rubin realized that there is a rationale for making quite a substantial contribution. It is a major organization and it is based in Hartford and it is a targeted area for giving. It is an operation that is going to influence children throughout the state of Connecticut. In fact, there are some significant outreach programs and support to access and bring in children in from virtually every corner of the state of Connecticut. The reality is that this is a phenomenal institution that will provide tremendous experience and they came to us with this request. Someone may ask why that organization and no one else and the answer is they came to us and requested funding and no one else did. Ms. Rubin believes that all the other institutions in the greater Hartford area, greater Bridgeport area, and greater Waterbury area know that we're here but they haven't requested assistance. She added that the question is do they deserve it.

Ms. Rubin asked Mr. Asher to report on the reserve funds. Mr. Asher reported that CHEFA's year-to-date profit through May 31 is \$2.1 million. After allocation of all programs, CHEFA would have a reserve of \$2.8 million. Ms. Rubin asked if this reserve is over and above all the other targeted reserves for specific things. Mr. Asher replied that this amount is above the operating reserve, SCRF reserve and grant amount. Ms. Rubin asked how many months does the operating reserve cover. Mr. Asher estimated approximately five months. Ms. Rubin inquired if the Authority still had a legal reserve.

Mr. Asher responded affirmatively and added that the Authority also has a reserve for the Child Care Program.

Ms. Rubin recommended that CHEFA continue to spend this money by adding it to special programs such as Violence Prevention and the Targeted Investment Program. Ms. Rubin asked if there was any reserve left in those programs. Ms. Asher stated that the Authority has not spent all of the Targeted Investment Funds. Ms. Fontaine added that some of the nursing funds were spent last year on client grants because there were two applications that directly affected the number of nurses in the State.

Ms. Rubin asked the Committee whether it made sense to support an initiative in the greater Hartford area that will impact the overall State and targets young students that leads them along the path toward science. Ms. Rubin stated that she believes it is worth it. Ms. Rubin inquired as to how much to give is the real question. She proposed that CHEFA provide approximately \$200,000 a year with a target of three years and have certain deliverables that we would require at the end of each year before the next \$200,000 is distributed.

Mr. Colangelo asked if there were any financial statements received from this organization. Ms. Rubin stated that she did not have financial statements; she does have a budget but did not have it with her today. She added that the Science Center hasn't opened and is operating under a construction budget at this time and they have developed

an operating budget. Mr. Colangelo suggested that the Committee review the budget for the program before making any decision. Further discussion ensued.

Ms. Rubin indicated that she would like the Committee to bring this proposal to the Board, subject to Staff reviewing the budget and that we donate to the first few years of operation and require certain deliverables, and require them to complete a comprehensive application. Mr. Mengacci indicated that he would like to see more information before bringing the proposal to the Board. He added that this is one proposal and we need to look at it in context to our own mission. Further discussion ensued.

The committee agreed to have the Science Center complete a comprehensive application and submit a budget and then Staff could decide to make a recommendation to the Board.

There being no further business, Mr. Colangelo requested a motion to adjourn. Ms. Rubin moved to adjourn the meeting and Mr. Mengacci seconded her motion.

Upon roll call, the “Ayes,” “Nays,” and “Abstentions” were as follows:

**AYES**

**NAYS**

**ABSTENTIONS**

Patrick Colangelo

None

None

John Mengacci

Bryan K. Pollard

Barbara Rubin

The meeting adjourned at 1:50 p.m.

Respectfully submitted,

Patrick A. Colangelo, Committee Chair

Connecticut Health and Educational Facilities Authority  
2008 Open Grant Awards

Grantee	Nominating Community Foundation	Award	Location	Description
Bread for Life, Inc.	Main Street Community Foundation	\$ 38,000	Southington	Purchase of a van to transport hot meals to the homebound and senior housing complexes, and to pick up donated food from local restaurants, stores, and Foodshare
Child Guidance Clinic of Greater Waterbury, Inc.	Connecticut Community Foundation	\$ 100,000	Waterbury	Purchase of an electronic medical records system for the only Enhanced Care Clinic in the Waterbury area. The EMR will allow Wellpath to increase capacity by more than 100 clients
Covenant Shelter of New London, Inc.	The Community Foundation of Southeastern Connecticut	\$ 50,000	New London	Desperately needed roof renovation project for year-round homeless shelter that serves men, women and children
Harbor Health Services, Inc.	Branford Community Foundation	\$ 54,500	Branford	Establish an electronic health records system at agency that provides services for mentally ill and substance abuse patients that will allow service providers to access real-time data securely while in the community with clients
Holy Family Home and Shelter, Inc.	Tri-County Community Foundation	\$ 52,050	Willimantic	Safety and security renovations including fire sprinkler system overhaul to address dangerous conditions in the only shelter in the Greater Windham area, which serves men, women and children
Meriden-Wallingford Chrysalis, Inc.	Community Foundation of Central Connecticut	\$ 26,530	Meriden	Innovative Transition Living Program salaries and resident stipends to help victims of domestic abuse develop trade skills financial independence.
New Haven Ecology Project Inc.	The Community Foundation for Greater New Haven	\$ 100,000	New Haven	Renovations and equipment for the kitchen facility that will serve Common Ground High School and be open to the public for canning and preserving as a community kitchen
Susan B. Anthony Project, Inc.	The Community Foundation of Northwest Connecticut	\$ 60,000	Torrington	Operational support at domestic violence emergency shelter to provide staffing onsite 24/7/365
VNA Health at Home, Inc.	Watertown Foundation, Inc.	\$ 75,000	Watertown	Implementation of telehealth monitoring program and associated costs to provide better care management to their patients and reduce preventable hospital admissions
<b>Total of awards</b>		<b>\$ 556,080</b>		