

STATE OF CONNECTICUT HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY

Final Minutes of  
The Grant Committee Meeting  
of February 26, 2008

The Grant Committee of the State of Connecticut Health and Educational Facilities Authority met in session at the offices of the Authority at 12:05 p.m. on Tuesday, February 26, 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  
William J. Cibes, Ph.D.<sup>1</sup>  
John Mengacci  
Bryan K. Pollard<sup>2</sup>  
Barbara Rubin  
Sarah Sanders  
Dori Taylor Sullivan, Ph.D.<sup>3</sup>

ABSENT: Steven P. Blackburn, Ph.D.  
Howard G. Rifkin

ALSO PRESENT: Richard D. Gray, Executive Director  
Jeffrey A. Asher, Managing Director/CFO  
Kimberley Fontaine, Manager, Grants & Grants Administration  
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.

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<sup>1</sup> Joined the meeting at 12:10 p.m.

<sup>2</sup> Joined the meeting at 12:20 p.m.

<sup>3</sup> Joined the meeting at 12:10 p.m. via telephone.

MINUTES OF THE GRANT COMMITTEE MEETING  
February 26, 2008

The purpose of the Meeting was to: 1) Approve the Minutes of June 26, 2007 Grant Committee Meeting; 2) Review and Discuss Staff-recommended Client Grant Applications; 3) Recommend Approval of Client Grant Awards to the Board; 5) Discuss Community Foundation Nominations for the Open Grant Program; and 4) Conduct Other Business.

**MINUTES**

A motion was made by Mr. Colangelo to approve the Minutes from the June 26, 2007 Grant Committee Meeting. Mr. Mengacci seconded the motion.

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

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTENTIONS</u></b>
Patrick Colangelo Barbara Rubin	None	John Mengacci <sup>4</sup> Sarah Sanders <sup>5</sup> Dori Taylor Sullivan <sup>6</sup>

**Review and Discuss Staff-recommended Client Grant Applications**

Ms. Fontaine reported that the CHEFA Client Grant Program began with the December 2003 Awards, at which time the Board awarded grants totaling \$733,000. The Program continued with awards in February 2004 through 2007. In 2004, \$1.37 million was awarded through 20 grants awards; in February 2005, the Board awarded 11 grants totaling \$771,000; in 2006, eight grants were awarded totaling \$545,000; and in 2007, the Board awarded nine grants totaling \$861,000 which brings the total Client Grant Program awards, to date, to \$3.5 million through 48 grants. As a comparison, the Open Grant Program has awarded \$4.45 million through 64 grants. The reason for the increased number of Open Grants is because there was an extra cycle of this program.

Ms. Fontaine reported that 40 applications were received for the 2008 cycle. The requests totaled \$3.35 million for a budgeted pool of \$550,000. Ms. Fontaine noted that four of the 40 applications were ineligible for funding in grant funds. Three entities declined to provide the Authority with the requested documentation as noted in the new nondiscrimination regulations under PA 07-142 and PA 07-245, as set forth by the State Legislature.

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<sup>4</sup> Was not in attendance at the June 26, 2007 meeting.

<sup>5</sup> Was not in attendance at the June 26, 2007 meeting.

<sup>6</sup> Not present at time of vote.

Ms. Rubin inquired if the \$550,000 included the give-back from unused funds. Mr. Gray referred to Page two of the memo which listed the proposed awards and the proposed sources of funding. Ms. Sanders inquired as to what the source of funding is for these grants. Mr. Gray replied that the source of funding is from the Authority's operating reserves. The Authority generates a surplus from administrative fees each year and transfers that surplus into an allocation and it is funded out of the allocation. Further discussion ensued about the differences of the two grant programs. Mr. Gray explained that those entities who obtain a Client Award are not eligible for another Client Grant for three years. Therefore, the Authority does not have the same clients cycling through the application process.

Mr. Gray reported that the Board allocated \$6 million for Targeted Investments. The Board designated violence prevention and increasing the number of nurses in Connecticut as the focus areas for these funds.

Ms. Rubin inquired if CHEFA's Client Grants go directly through the community foundations. Mr. Gray responded that they do not; the clients make direct applications to CHEFA for Client Grants.

### **Recommend Approval of Client Grant Awards to the Board**

Ms. Fontaine reported that of the eligible 36 applications, the Internal Review Group (IRG) has made a final recommendation for funding of 10 applications. She explained that there were two applications that the Committee proposed funding from the Targeted Investment Nursing Fund for a total of \$179,175. These funds will go to two higher education institutions: Fairfield University and UConn Foundation, as those applications directly relate to increasing the number of nurses in the state of Connecticut.

Ms. Fontaine stated that the remaining eight applications total \$660,725 and they would go to four healthcare institutions, two entities that provide human services, one cultural, and one child care entity. The Authority received a return of \$63,950 from St. Vincent's Medical Center from a 2007 Client Grant that did not commence. CHEFA Staff proposed adding that money back into the available pool of Client Grant funds for distribution during this cycle.

Capital requests in 2008 were 71% of the applications received. If funded as proposed by Staff, 82% of the awards this cycle would fund capital projects or purchases.

In 2007, 58% of the Client Grant awards were for capital uses and 42% for operating costs. Ms. Fontaine stated that Staff continues to find that Clients view the Authority's Client Grant Program as a viable source of funds for capital projects that they are not able to get access to elsewhere. Mr. Gray added that the Targeted Nursing Program is being funded out of the Targeted Investment Fund because the Authority did not award grants as they had anticipated. These two clients required funding for programs that would have a material effect on the number of nurses in Connecticut.

Dr. Sullivan stated that she would support taking the funds for the two initiatives from the Nursing Targeted Investment Fund as proposed by Staff. She added that she agrees with Mr. Gray, that this distribution of Targeted Investment Funds is completely in line with the Committee's intent.

Mr. Colangelo referred to the Draft Client Grant ranking chart provided in today's handouts and questioned the proposed funding of the Gaylord Hospital application.

Ms. Fontaine responded that the Gaylord Hospital application was for seven patient lifts. Gaylord Hospital serves a unique patient population. Increasingly, the Hospital is seeing a larger population coming in for bariatric surgery. Also, they are having a significant number of their staff sustaining injury from lifting patients and not having the appropriate tools to do so safely. This creates the potential for their patients to sustain injuries as well. The IRG felt that this was a critical need even though the application did not necessarily score as high according to the preliminary ranking. The IRG believed that this was a compelling case. Dr. Sullivan added that there is a large national initiative related to safety in the area of patient lifts and staff injuries related to moving patients.

Ms. Rubin requested an explanation of the scoring methodology. Mr. Gray replied that the Committee used the Bucklin in Variant Method of Evaluation. He went on to explain how this method is fairer to applicants than the use of averages and medians.

Mr. Colangelo inquired about the ECHN application. Ms. Fontaine explained that this applicant is in the process of securing an EasyLease with the Authority for robotic surgical equipment and their application was for add-on equipment for that robotic system. This was not something that the IRG believed was critical to that project. Mr. Colangelo inquired about the total amount of the EasyLease application. Mr. Gray responded it was approximately \$1.5 million.

Mr. Colangelo inquired if the Grant Committee Members desired to discuss the Staff-recommended applicants individually, or those applications that were not recommended, or both. In addition, Ms. Rubin inquired if under the Staff recommendations, every applicant would receive 100% of their requested amount. Ms. Fontaine responded that there has only been one prior instance that the Grant Committee awarded less than was requested. Mr. Colangelo added that there also have been instances where there were two or three applicants after the cutoff that had a definite need. It was the consensus of the Committee that there was no need to discuss each application but if there were any questions, they should be raised at this time.

There being none, Mr. Colangelo moved to accept the Staff-proposed Client Grant Awards as recommended. 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 John Mengacci Bryan Pollard Barbara Rubin Sarah Sanders Dori Taylor Sullivan	None	None

### **Community Foundation Nominations for the Open Grant Program**

Ms. Rubin requested that the Committee discuss how the foundations provide nominations to CHEFA. Who do they accept applications from, and who do they discourage from submitting applications. She stated that she had encouraged an organization to apply and they were turned away at one of the Foundations and told that they could not even file a preliminary application. Ms. Rubin expressed that this happens to be for an inner city school support program that she felt would have been considered by the Grant Committee. She stated that this program impacts thousands of children in the city of Hartford. Ms. Rubin inquired if the Committee has any control over the foundation’s selection process.

Dr. Sullivan suggested revisiting the idea of placing some expectations on the foundations as to the process they are using in making decisions about who they send forward. Ms. Fontaine explained that the difficulty is in how the Authority has the Open Grant Program set up. The Authority has to decide whether they want to see all the applications that are submitted, or do we want the community foundation to determine what their greatest need is in the irrespective community. Currently, the community foundations are given that discretion. Dr. Sullivan suggested the Committee not change the process, but to add some rationale and request evidence for what the community foundations are doing, and why they are doing it so that the Committee can respond to the concerns that Ms. Rubin expressed.

Ms. Rubin expressed that she does not want to force any application, but to know that something has not even been allowed competing to be brought to the Committee for consideration is disturbing. Mr. Gray stated that the local community foundations will assess what the greatest need is in the community. Mr. Gray suggested the community foundations send us a summary of all applications. Ms. Rubin reiterated that in this particular case, the nonprofit was not given an opportunity to make an application. Mr. Gray stated that the Authority meets with the Connecticut Council of Philanthropy and the community foundations, and this issue has been raised in the past.

Ms. Fontaine stated, in the defense of community foundations, some of them are literally one or two person organizations, and they do not necessarily have the resources themselves to track a significant amount of telephone calls. Ms. Rubin stated that this is

not the case with this particular foundation. Mr. Colangelo suggested writing to the foundations stating that the Grant Committee requests they make every effort to accommodate the applicants.

Mr. Gray stated that in Fairfield, there are two community foundations that have merged. They have made a request to the Authority, since they are covering a population of 900,000 to be allowed to submit four applications instead of two. He added he did not think that this was appropriate, and referred to an instance when there was a merged foundation in Northeastern Connecticut that was much smaller. Ms. Rubin inquired if there are other community foundations representing as many as 900,000 people. Mr. Gray responded affirmatively. Ms. Rubin suggested that the Grant Committee might request so many applications per thousand persons served to be fair to all community foundations.

Mr. Colangelo inquired as to the name of the two mergers in Fairfield County. Ms. Fontaine indicated that they are the Greater Bridgeport Area Foundation and the Fairfield County Community Foundation. Ms. Fontaine added that the Connecticut Council for Philanthropy stated that there will be more of these mergers happening over the next few years.

Mr. Gray suggested taking a look at the population of the communities and increases the number of applications, but he is not sure he would have sufficient staff to process the applications. Ms. Fontaine stated when CHEFA initiated the Open Grant Program, three applications were permitted per community foundation. Mr. Colangelo stated there is an immediate concern with the two merged foundations. Ms. Fontaine stated that for the most part, the community foundations have determined their applicants. The Open Grant Program deadline is March 14 for receipt of applications at CHEFA. Mr. Colangelo suggested that the Grant Committee allow the merged Fairfield County Community Foundation to submit four applications this time. He asked the Staff to bring an equitable solution to the Grant Committee for the nomination of applications. The Committee concurred with Mr. Colangelo's suggestion.

Ms. Rubin expressed to the Grant Committee that this does not address her concern with the foundations. Mr. Gray suggested having a conversation with the foundations again on their processes, i.e., how many applications they receive, and how many applications they turn away.

Mr. Mengacci inquired if the Authority reimbursed the community foundations for their costs associated in this process with CHEFA. Mr. Gray responded that we do not. Mr. Colangelo agreed with Ms. Rubin that the problem she has encountered with clients being turned away with certain foundations has not been addressed. He added that it is up to Staff to come up with a plan to address this problem. Mr. Gray reiterated that this one time the Authority would allow the Fairfield County Foundation to submit four applications and Staff will come back to the Committee with some methodology based on population. Mr. Gray pointed out that the Middlesex County Community Foundation does a wonderful job with submissions to CHEFA. He added that the nominated

applications stay exactly within CHEFA's guidelines. There is no mystery around the applications and there are usually fairly few questions posed by Staff. Mr. Mengacci indicated that customer service within the foundations is a concern. He asked if the Authority could issue a RFP, according to its guidelines, and request the costs associated with the program. Ms. Rubin estimated the cost to be \$100,000 based on the amount of hours. Mr. Gray stated that doing a RFP could be evaluated, but he believes that this is not a widespread problem amongst all foundations but any identified foundation should be addressed. Ms. Fontaine added in many cases, the community foundation tries to save the small nonprofits that they already know they will not be selecting from putting in a lot of staff time and effort into an application for a CHEFA grant. This is based on their own criteria as to what their critical needs are in their service area.

Mr. Gray expressed the need to address each foundation and inquire as to what their criteria is for accepting or rejecting applicants. The Authority needs to take a look at how the criteria align with CHEFA's intent and make some decisions from there. Dr. Sullivan added that there does need to be periodic feedback so that the Committee can say with some confidence that our goals for these programs are congruent with how the foundations are approaching them. The Committee agreed to these suggestions.

### **Other Business**

Mr. Gray acknowledged Ms. Fontaine, Ms. Collins, and Ms. Smyth for all the work they put into the grants process. Mr. Gray added that Staff has done some phenomenal things with this program. In the area of at-risk pediatric dentistry, the Authority has made a difference in the lives of thousands of children. The number one cause of children's school absences in the city of Hartford is due to impaired dental health.

Mr. Gray visited the Estuary Council of Seniors and was amazed at the difference our grant has made to that organization.

Mr. Gray stated that another item of business is to update the Committee on the Nursing Center. Mr. Gray pointed out that there is a profound need for this Center in Connecticut. He added that the reason that Staff is not further along in this process is because of the volume of work in the Authority and the auction rate instability. Mr. Gray has had contact with many people on this Nursing Center issue and it has been widely supported. Some of the recommendations that resulted from the Governor's Task Force on Hospitals are in absolute harmony with some of the things we want to do. Mr. Gray was happy to see the two nursing applications that the Grant Committee could fund out of the Targeted Investment Fund because both are fairly compelling.

Mr. Colangelo acknowledged the Grant Committee and Staff for doing an excellent job.

Mr. Colangelo asked if there were any other business. There being none, he requested a motion to adjourn the meeting. Ms. Rubin seconded the 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

Sarah Sanders

Dori Taylor Sullivan

The meeting adjourned at 12:55 p.m.

Respectfully submitted,

Patrick A. Colangelo, Committee Chair