

MEETING AGENDA

Meeting: Executive Committee
Date: October 3, 2016
Time: 1:00 PM
Location: Trust Authority Building, 3745 Community Park Loop, Anchorage
Teleconference: (866)-469-3239 / Attendee Number: 685 35 154 #
Trustees: Russ Webb (Chair), Mary Jane Michael (Vice Chair),
Larry Norene (Secretary / Treasurer)

Monday, October 3, 2016

Page No.

1:00 pm	Call to order (Russ Webb, Chair) Announcements Approve agenda Approve Minutes <ul style="list-style-type: none">December 15, 2015	4
1:10 pm	Review RFLOIs <ul style="list-style-type: none">Organizational Assessment	7
3:00 pm	Adjourn	

Future Meeting Dates

Full Board of Trustee / Planning / Resource Management / Finance 2016 / 2017 / 2018

(Updated – September 9, 2016)

Planning Committee Dates:

- October 26, **2016** (Wed)
- **January 5, 2017** (Thu)
- **April 13, 2017** (Thu)
- **August 1-2, 2017** (Tue, Wed)
- **October 17, 2017** (Tue)
- **January 4, 2018** (Thu)
- **April 12, 2018** (Thu)
- **Jul 31- Aug 1, 2018** (Tue, Wed)
- **October 17, 2018** (Wed)

Resource Management Committee Dates:

- October 26, **2016** (Wed)
- **January 5, 2017** (Thu)
- **April 13, 2017** (Thu)
- **August 3, 2017** (Thu)
- **October 17, 2017** (Tue)
- **January 4, 2018** (Thu)
- **April 12, 2018** (Thu)
- **Aug 2, 2018** (Thu)
- **October 17, 2018** (Wed)

Finance Committee Dates:

- October 26, **2016** (Wed)
- **January 5, 2017** (Thu)
- **April 13, 2017** (Thu)
- **August 3, 2017** (Thu)
- **October 17, 2017** (Tue)
- **January 4, 2018** (Thu)
- **April 12, 2018** (Thu)
- **August 2, 2018** (Thu)
- **October 17, 2018** (Wed)

Future Meeting Dates

Full Board of Trustee / Planning / Resource Management / Finance
2016 / 2017 / 2018

(Updated – September 9, 2016)

Full Board of Trustee Meeting Dates:

- November 17, **2016** (Thu) – Anchorage – TAB

- **January 25-26, 2017** (Wed, Thu) – JUNEAU
- **May 4, 2017** (Thu) – TBD
- **September 6-7, 2017** (Wed, Thu) – Anchorage – TAB
- **November 16, 2017** (Thu) – Anchorage – TAB

- **January 24-25, 2018** (Wed, Thu) – JUNEAU
- **May 9, 2018** (Wed) – TBD
- **September 5-6, 2018** (Wed, Thu) – Anchorage – TAB
- **November 15, 2018** (Thu) – Anchorage – TAB

ALASKA MENTAL HEALTH TRUST AUTHORITY
EXECUTIVE COMMITTEE MEETING

December 15, 2015
11:17 a.m.

Taken at:

Alaska Mental Health Trust Authority
3745 Community Park Loop, Suite 120
Anchorage, Alaska 99508

OFFICIAL MINUTES

Trustees present:

Mary Jane Michael (via Speakerphone)
Paula Easley
Larry Norene
Carlton Smith

Trust staff present:

Steve Williams
Jeff Jessee
Miri Smith-Coolidge
Kevin Buckland
Carrie Predeger (via Speakerphone)
Carley Lawrence
Amanda Lofgren
Mike Baldwin

Trust Land Office:

John Morrison
Sarah Morrison

Others participating:

Bikky Shrestha.

PROCEEDINGS

TRUSTEE MICHAEL calls the meeting to order and calls the roll. She states that there is a quorum. She asks for any announcements. There being none, she asks for approval of the agenda.

TRUSTEE NORENE makes a motion to approve the agenda.

TRUSTEE EASLEY seconds.

There being no objection, the motion is approved.

TRUSTEE MICHAEL moves to the presentation on the FY2015 audit and recognizes Kevin Buckland.

MR. BUCKLAND introduces Bikky Shrestha from BDO, who will continue.

MR. SHRESTHA states that he is the senior manager at BDO. He continues that there are two items in the packets: one of them is the audit wrap-up document; and the other is the draft of the financial statement. He begins with the audit wrap-up document, stating that professional standards require the communication regarding matters that are thought to be relevant and significant in the Trust's responsibility in overseeing the financial statements. He continues that the audit was conducted in accordance with auditing standards generally accepted in the United States, and under standards applicable under government audit standards. He points out that the objective of the audit is to obtain reasonable but not absolute assurance. He states that they are going to issue an unmodified opinion, which is a clean opinion. He adds that management cooperation was excellent throughout the process. He states that there was a delay in the financials this year because of the implementations of GASB 68 for pension, which is accounting for pension which resulted in a significant estimate to the financial statements. He continues that the liability estimate is based on actuarial and actual contribution data provided to the Trust by the Department of Retirement here in the State. He goes through explaining the audit wrap-up document page by page. He states that the representation letter that management is going to sign is that last thing to do on the audit. He moves on to the financial statements, explaining as he goes through them: The first paragraph reports on the financial statements; the second talks about management responsibility for the financial statements; the third describes the responsibility of the auditors, which is to express an opinion on the statements based on the audit. He then goes through the actual financials, explaining as he moves through them. He continues that next are the notes to the financial statement that are required by generally accepted accounting principles. He adds that this requires a summary of significant accounting policies and more information on some of the items in the financial statements. He states that the notes are pretty lengthy and the reason for that is there are a lot of investment-related disclosures that are included. He brings attention to several of them. He moves on to the report on internal control over financial reporting which was done in accordance with government auditing standards. He states that there was nothing found that had to be reported to the Trust. He concludes his report.

MR. BUCKLAND thanks him and asks for any questions from the trustees.

TRUSTEE SMITH states that in the management's discussion the Trust is defined as a component unit of the State of Alaska. He asks about that history.

MR. BUCKLAND replies that the Trust has always been a component unit of the State of Alaska. He explains that the Trust is governed by a separate board appointed by the Governor. For tax purposes the same employee identification number is used and the Trust is considered part of the State. He expresses appreciation to Mr. Shrestha and his staff for their hard work on the audit, and also recognizes the TLO staff and all that were significantly involved in doing all the work to prepare for the audit.

MR. JESSEE asks if the Executive Committee needs to take any action at this time to accept the audit.

MR. BUCKLAND replies that it was not done and believes that it is not necessary.

TRUSTEE MICHAEL asks for a motion to adjourn.

TRUSTEE NORENE makes a motion to adjourn the meeting.

TRUSTEE SMITH seconds.

There being no objection, the meeting is adjourned.

(Executive Committee meeting adjourned at 11:52 a.m.)

Alaska Mental Health Trust Authority Request for Letters of Interest

The Alaska Mental Health Trust Authority (the Trust) is seeking Letters of Interest from independent qualified parties capable and interested in reviewing and assessing the Trust's current organizational mission, structure, operational functions, performance and responsibilities and make recommendations that will enhance the organizational operations for current and future needs.

The Trust Background

The Alaska Mental Health Trust Enabling Act was passed by Congress in 1956 as a mechanism for the Territory of Alaska to have a source of income to fund the mental health program in Alaska as responsibility transferred from the Federal government. One million acres of federal land were granted to the State of Alaska with the Legislature identified as Trustee to the endowment. Alaska however did not maintain a separate accounting of revenue produced on Trust lands versus other state lands. Additionally a considerable amount of Trust lands were conveyed to private individuals and municipalities.

A class action lawsuit (Weiss v. State) was initiated in 1982 after individuals in need of mental health services were unable to obtain the services in Alaska. The plaintiffs alleged the State breached their trust duties by failing to account for Trust revenues, using revenue from Trust lands for other purposes and designating mental health trust lands for other purposes than what their trust duties required. The lawsuit was eventually settled in 1994 and resulted in creation of the Trust directed by a board consisting of seven trustees. The lawsuit settlement resulted in the Alaska Mental Health Trust Authority (the Trust) being reconstituted with approximately 1,000,000 acres of land (original and replacement lands) as well as \$200 million in cash in recognition that replacement lands were of lower value than the land originally selected for The Trust.

The Trust's beneficiaries include Alaskans who experience:

- People with mental illness
- People with developmental disabilities
- People with chronic alcoholism and other substance related disorders
- People with Alzheimer's disease and related dementia, including people who have experienced a traumatic brain injury resulting in a permanent disabling condition.

The Trust is overseen by a seven-member board of trustees. Trustees are appointed by the governor and must be confirmed by the Legislature. The Trust operates much like a private foundation, using its resources to implement change and improvement in Alaska's mental health continuum of care. To accomplish this, the Trust funds nonprofits, state agencies, projects and activities that promote long-term system change, including capacity building,

demonstration projects, funding partnerships, and other activities that will improve the lives and circumstances of Trust beneficiaries.

The Trust employs the expertise of several organizations to manage its assets. The Alaska Permanent Fund Corporation and the Department of Revenue Treasury Division manage cash assets. The Trust Land Office is a unit within the Department of Natural Resources that is contracted exclusively by the Trust to manage its approximately one million acres of land and other non-cash assets to generate income. Revenue-generating uses of Trust land include land leasing and sales; commercial timber sales; mineral exploration and production; coal, oil and gas exploration and development; and sand, gravel and rock sales. In addition to revenue generation, the TLO is charged with managing Trust lands prudently, efficiently and with accountability to the Trust and its beneficiaries. The TLO carries out its stewardship role by managing and protecting the inherent value of the Trust's real property portfolio for today's development opportunities and into perpetuity.

The Alaska Mental Health Trust Authority operates in accordance with the statutes as approved by the Alaska Legislature and the regulations and bylaws as approved by the Trust. For more information and links to these, go to <http://mhtrust.org/about/governance/statutes/>

For additional background visit, mhtrust.org and mhtrustland.org.

Project Background

The Trust recently celebrated 20 years as an organization; many of the processes, statutes, and regulations have been in place since its inception. Like all organizations that have a desire to grow and evolve, it is prudent to get an outside perspective to identify opportunities to maximize effectiveness and efficiencies and understand its strengths, weaknesses and potential opportunities.

The purpose of this RFLOI is to help the Trust gain an understanding of:

- level of interest of potential bidders;
- potential project cost for use in budgeting;
- an estimated duration required to complete the review; and
- any additional items or scope that we may not have considered.

Scope of Work and Project Deliverables

The work completed should include a comprehensive review of the settlement, statutes, regulations, bylaws, memorandums of agreement, and other processes that govern the Trust, which includes the board of trustees, the Trust Authority Office, and the Trust Land Office. It should also include an analysis of the Trust's function, structure, performance, mission, operations and responsibilities.

The review shall be conducted using recognized methods for evaluation operational performance. The review shall not include either a financial or budget audit, and the use of audit standards to complete the review is not required, although such standards may be used at the discretion of the contractor. Issues that arise during the course of the review that, in the contractor's opinion, should be subject to audit shall be included in the report as a recommendation, along with sufficient detail to describe the issue and justification for the recommendation.

While conducting this review, the review team should take into consideration Alaska's unique geographic and cultural environment and be sensitive to how those factors influence the Trust's organization structure and administration.

To the extent that is practical and applicable, the review is to include comparison on nationally-recognized best practices for the organization and administration of a foundation with the practices currently used by the Trust. The contractor should include any recommendations of areas in which a best practice can be adopted by the Trust to improve its effectiveness or efficiency.

As applicable, recommendations should also address the impact on the quantity and quality of services provided, any necessary changes to statutes or regulations in order to enact a change, and impact on other service categories.

The analysis and report should address the following objectives:

- Evaluate the Trust's mission and vision.
- Evaluate the board of trustees' structure, efficiency and effectiveness.
- Evaluate the Trust's and the TLO's initiative, goals, and objectives.
- Conduct a detailed examination of the current organizational structure and functions.
 - Identify its strengths, weaknesses and opportunities.
 - Recommend any changes to the existing organizational model that would improve efficiency and effectiveness of service delivery and administration.
 - Recommend any changes to the existing organizational management practices.
 - Identify existing organizational priorities and provide any recommendations for streamlining procedures and processes.
- Identify the formal and informal rules, values, customs and principles that guide organizational behavior.
- Review the key decision-making, communication and control relationships.
- Assess internal and external organizational collaboration and communication, and provide any recommendations for increasing effectiveness and fostering productive working relationships with internal and external stakeholders.
- Evaluate whether the current organizational and administrative structure of the Trust is conducive to or inhibits the Trust's ability to best serve its beneficiaries.

- Identify all current strategic plans and planning efforts and provide recommendations.
- Identify current performance measures and provide recommendations based on foundation standards.

Any recommendations must include:

- rationale for the revision;
- expected timeline of the recommended changes and their implementations;
- any expected associated costs;
- direct and indirect impacts to beneficiaries, stakeholders and staff;
- which organizational practices are necessary to reinforce the organizational intent; and
- expected outcome of the recommendation.

Desired Qualifications

A minimum of five (5) years' experience engaged in the business or organizational development, learning, behavior, strategic planning, systems thinking, and/or related fields.

Content expertise in executive coaching, leadership development/training, strategic planning, and related processes.

Expertise working with public agencies and/or foundations and their leadership.

Responses

Letters of Interest from qualified parties should include a brief statement of qualifications and experience, comments on the project parameters and goals, an estimated general timeline, and an expected budget range. Please keep responses to 30 pages or less.

Responses must be received electronically on or before *****DATE***TIME***** Alaska prevailing time at the attention of:

Valette Keller
Administrative Manager
valette.keller@alaska.gov
907.269.6039

This Request for Letters of Interest does not constitute a solicitation and provides no guarantee that the Trust will proceed with a formal solicitation and/or contract award based on responses. The Trust is not responsible for any costs associated with the preparation of responses.