

# CHARTER OF THE BOARD OF TRUSTEES

## Introduction

1. The State of Alaska, under AS 44.25.210, has established the Alaska Mental Health Trust Authority (“AMHTA”) to ensure an integrated comprehensive mental health program and administer the trust established under the Alaska Mental Health Enabling Act of 1956. AMHTA is governed by a Board of Trustees (“Board”) and the Board’s membership, duties and authority are defined in AS 44.25, and AS 37.14.
2. The Board of Trustees consists of seven members appointed by the governor and confirmed by the Legislature. Trustees are appointed based on their ability in financial management and investment, land management, or in services for the beneficiaries of the trust. The governor will consider a list of persons prepared by a panel as outlined in AS 44.25.210.
3. This document is intended to interpret and implement the statutory provisions that created the Board of Trustees.

## Role

4. The role of the Board is to advance the mission of AMHTA by working to:
  - (a) Provide for sound governance and fiduciary oversight and direction in achieving AMHTA’s mission;
  - (b) Assist with an integrated, comprehensive mental health program for the State of Alaska in partnership with Department of Health and the Department of Family and Community Services;
  - (c) Preserve and protect the trust corpus while maximizing income now and in the future;
  - (d) Manage AMHTA’s principal and assets;
  - (e) Invest income and use assets to fulfill AMHTA’s purpose; and
  - (f) Administer AMHTA assets and mental health trust income account.

## Authority

5. The Board of Trustees has authority to:
  - (a) Select, hire, supervise and provide direction and oversight of the chief executive officer (“CEO”);
  - (b) Retain independent counsel on behalf of AMHTA;
  - (c) Solicit and receive gifts, bequests, and contributions;
  - (d) Approve annual budgets and monitor budget performance;
  - (e) Establish management principles for AMHTA;
  - (f) Adopt and amend bylaws governing Board meetings, selection of officers, proceedings, and other aspects of Board procedure;
  - (g) Insure and indemnify and protect the Board, the Board members, agents, and AMHTA employees against financial loss and expense while acting within the course and scope of their appointments or employment; and
  - (h) Provide for approval of grants as outlined in 20 AAC 40.010 – 40.990.

## Duties and Responsibilities

### GOVERNANCE

6. The Board will carry out the following responsibilities with the assistance of the CEO, CFO, COO, TLO ED, staff and others as required by the Board.
7. The Board will establish charters setting out the duties and responsibilities of:
  - (a) board of trustees;
  - (b) chair, vice chair, and secretary;
  - (c) executive committee;

- (d) finance committee;
  - (e) audit and risk committee;
  - (f) resource management committee;
  - (g) program and planning committee; and
  - (h) Chief Executive Officer.
8. The Board will establish governance policies and procedures as necessary, including By-Laws, to effectively operate AMHTA. The Board will implement, with the assistance of the CEO and staff, a governance manual (“Governance Manual”) that will contain the Board’s By-Laws, Charters, and all other Board adopted policies and procedures.
  9. The Board will develop and approve the job description of the CEO.
  10. The Board will clearly define Board and CEO roles and accountabilities for carrying out functions required to meet the needs of beneficiaries.
  11. The Board will approve memorandum of agreements (“MOA” or MOAs”) with Department of Natural Resources, Alaska Permanent Fund Corporation, and advisory boards as defined in statute and the settlement agreement.
  12. The Board, with the assistance of the CEO and staff, will establish a Board development program to build skills of trustees. The Board Development Program will include policies that enhance trustee recruitment, retention, and training.

## BENEFICIARY IMPACT

13. AMHTA’s sole purpose is to manage its assets (financial, political, human, etc.) to make a positive difference in the lives of beneficiaries through an integrated, comprehensive mental health program for the state of Alaska. To that end, the Board will:
  - (a) Maintain awareness of the needs of beneficiaries;
  - (b) Invest in programs that effectively target beneficiary needs, current, future, and preventive; and

- (c) Measure the impact of investments to benefit beneficiaries.
14. The Board will define a mission to focus the organization and align stakeholders.
  15. The Board will define a clear set of guiding principles.

## ASSET MANAGEMENT

16. In managing and investing AMHTA assets, the Board shall comply with AS 37.10.071, statutory and regulatory requirements and the Alaska Mental Health Enabling Act, P.L. 84-830, 70 Stat. 709 (1965).
17. The Board shall contract with the Alaska Permanent Fund Corporation (“APFC”) for management of the mental health trust fund [AS 37.14.009]. The Board will meet with APFC leadership on an annual basis to review results, forecasts, and issues that could affect future returns.
18. The Board will approve an asset management policy statement (“AMPS”), including the Board’s overall asset management philosophy, to provide effective management, investment, and growth of AMHTA assets.
19. In consultation with the chief financial officer, the Board will establish a framework or process for managing investment risks related to AMHTA assets.
20. The Board will approve the long term or strategic asset allocation for AMHTA.
21. The Board shall provide for the management of non-cash assets (Trust Land and Commercial Real Estate) through coordination with the Trust Land Office (“TLO”) or other advisors approved by the Board.
22. The Board will require the TLO to establish strategic plans for land stewardship, program related investment, and maximizing revenue from AMHTA’s land and resources, and establish criteria and goals for investments in income producing real estate.

## FINANCE, AUDIT AND RISK MANAGEMENT

23. The Board will provide appropriate financial and operational controls and procedures to safeguard assets, ensure adequate financial resources, and provide effective financial oversight and risk management.
24. The Board will require audits of the controls and procedures from time to time by an independent external auditor in order to demonstrate that the assets are properly accounted for, and that the investments are in accordance with applicable laws and regulations.
25. The Board will require the preparation of annual financial statements of AMHTA and that these statements are audited by an independent external auditor. It will approve the annual financial statements and audit report.

## OPERATIONS AND HUMAN RESOURCES

26. The Board will establish a Personnel Policy with the assistance of staff for the effective management of AMHTA.
27. The Board will employ a CEO, set performance targets in writing for the CEO at the beginning of each year, and review and evaluate in writing the CEO's performance in carrying out policies, procedures, and directions of the Board annually before the CEO's merit anniversary date. The CEO shall report to the Board on the progress of all assigned tasks on a regular basis.
28. The CEO serves at the pleasure of the Board and the Board may terminate the CEO with or without cause.
29. The Board will ensure that AMHTA establishes a strategic plan for the Trust.

## BRAND, COMMUNICATIONS AND OUTREACH

30. Working in conjunction with the CEO, the Board will develop a communications policy to guide how the Board and individual trustees should communicate with stakeholders including but not limited to:
  - (a) AMHTA staff;
  - (b) State departments and departments heads;

- (c) the Legislature;
  - (d) beneficiaries and beneficiary organizations;
  - (e) statutory advisory boards;
  - (f) service providers;
  - (g) prospective partners;
  - (h) municipal governments, native corporations, tribes;
  - (i) media;
  - (j) funding partners;
  - (k) other external parties; and
  - (l) the general public.
31. The Board, with the assistance of the CCO and staff, will develop a comprehensive communications plan.
32. The Board will require a comprehensive communications plan that addresses a policy for handling media requests and responding to published media or requests for interview or comment.

## MONITORING AND REPORTING

33. The Board, with the assistance of the CEO, TLO ED and staff, will develop a monitoring and reporting policy which sets out the Board's requirements regarding reports the Board will receive on a regular basis in order to meet its responsibility for the oversight of the AMHTA.
34. The Board will annually submit to the governor and the Legislative Budget and Audit Committee by September 15 a budget for the next fiscal year, as referenced in AS 44.25.270.

## BOARD MEETING PRACTICES

35. The Board will hold at least four regular Board meetings each fiscal year. Committees will meet as necessary to accomplish their responsibilities or

as required in the committee charters.

36. Special meetings of the Board may be held at such time and place as the chair may order; or upon the written request of any four trustees to the chair.
37. The Board will be supported by staff as the Board requires. The Board may invite other professionals to attend meetings and provide pertinent information as the Board deems necessary.
38. Reasonable public notice of Board and committee meetings shall be provided in accordance with AS 44.62.310. Meetings of the Board and its committees are subject to the Open Meetings Act, AS 44.62.310 and 44.62.312.
39. A quorum at all Board meetings shall consist of four Board members, AS 44.25.210(d). A quorum at committee meetings is a majority of committee members.
40. No member of the Board may designate a proxy.

## Review and Amendment of the Charter

41. The Executive Committee will review this charter at least once every three years and recommend any amendments to the Board for approval as necessary to ensure that the charter remains relevant and appropriate.
42. This charter may be amended at any meeting of the full Board.
43. The Board adopted this charter on October 27, 2017 and amended it on November 13, 2024 and the amendments have an effective date of January 1, 2025.