



MINUTES
THRIVE UPSTATE
BOARD of DIRECTORS MEETING
JANUARY 26, 2017 - 4:30 PM
PATRICK CENTER ANNEX

Notice of the meeting was sent to all Board Members, The Greenville News, The Greenville Journal, WYFF-TV 4, Fox-TV 21, and the Clerk to Council, Greenville County. Notice and agenda were posted in the lobby of the Patrick Center Administration Building and the Patrick Center Annex and the Thrive Upstate Website prior to the meeting.

Members Present:	Bob Ariail, Chair Bryant Nixon, Vice Chair Clyde Baucom, Treasurer Cindy Baughan Jade Cox Peggy Farmer Paul Hamberis Alex McNair Bern Mebane	Members Absent:	None
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Staff Present:	John Cocciolone Julie Black Elise Hardin Charles Randall	Anne Arrington Sandy Brown Al Hill Martin Watson	Curtis Arrowood Craig Byrd Nicky Lanford Peggy White
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Call to Order: The Board of Directors meeting was called to order at 4:36 PM by Bob Ariail, Chair.

Approval of Consent Agenda: Mr. Cocciolone was asked to highlight the Consent Agenda items, and commented that med errors are a complex issue that is being examined by the Med Error Committee, which has been restarted. Last year, med errors were trending down but spiked, and are now trending down again. The Minutes of the Med Error Committee and med error reports will be shared with the Program Committee. Mr. Ariail asked the Program Committee to examine and present a preliminary report and recommendations to the Board. Mr. Cocciolone reported staff not receiving proper med training is a problem around the state but Thrive Upstate has a high compliance rate with med training.

The staff turnover rate was briefly discussed. **A Motion: To approve the Consent Agenda items.** Bern Mebane made the motion with a second by Peggy Farmer. The Consent Agenda was approved unanimously.

Executive Committee Report: Mr. Ariail requested the Board Agenda in future include an Executive Committee Report as the committee meets monthly, including months the Board does not meet. He

reported on two primary items from the Executive Committee—the budget / financial status and the foundation.

He reported cash decreased \$2 million from last year, and the organization may need to borrow against the line of credit in June. He complimented the work of the Finance Committee and staff and said the committee is instituting a budget process to address issues that have arisen and develop a contingency plan.

The development of a foundation has been extensively explored to encourage donations and protect them from government take-back. The Board will receive more information on the foundation at a date to be determined.

Finance Committee:

December 2016 Financial Report & Notes. Mr. Baucom, Finance Committee Chair, commented on the financial difficulties this year and attributed them to DDSN slow payments; increased payroll and associated benefits, largely due to the Southchase business startup; and contract revenues not developing as expected. A projection to the end of the year has been developed. Mr. Baucom commented the concern as a non-profit is not to make a profit but to cover expenses such as payroll, which is the largest expense. He reviewed the Balance Sheet and reported \$734,000 fewer assets from the prior year, largely due to two months with three payrolls, and slow receipt of DDSN payments.

He reviewed the Profit and Loss statement, which is a comparison actual revenue and expenditures to budget. He pointed out a negative variance of (\$54,000) in DDSN Revenue for the month of December and a (\$438,000) variance YTD in DDSN Revenue received compared to budget. Contract Revenue shows a negative variance to budget YTD of (\$775,000). Total Operating Revenue is (\$1.3 million) short of budget. He reported Expenditures were under budget with a YTD variance of \$779,000; the Net Revenue YTD negative variance was (\$569,000) compared to budget. Contributing factors were noted, such as slow DDSN payments, Contract Revenue under budget, and payroll issues.

On the Profit and Loss Comparison-All Months statement, Mr. Baucom reported a (\$317,000) loss YTD, which was lessened by managing expenses well.

He reported a Net Loss YTD compared to the previous year of (\$548,000) on the Month/Month and Year/Year Comparison statement.

The Cash Flow Projection statement was developed by Bill Kearney, Associate Finance Committee member, and the Finance staff to project the budget out through August 2017, and show Cash at the end of the period *with* and *without* Pending Receipts (DDSN payments). In August 2017, Cash *without* Pending Receipts is estimated to be \$422,000; Cash *with* Pending Receipts is projected to be \$1,429,664. Mr. Baucom assured the numbers will be watched very carefully every month. He cautioned about hiring and how much capital is spent. Mr. Ariail advised planning for delayed payments in the development of the new budget. He expressed appreciation to Mr. Baucom and the Finance Committee for their work, and Mr. Baucom thanked Al Hill and Peggy White for their assistance.

In the Executive Committee, Mr. Ariail requested Bryant Nixon restart the Facilities Committee to examine the Southchase businesses' operations and finances. Mr. Nixon requested the scope of the review to include all Contract Services businesses, which was agreed upon. Mr. Nixon reported the committee had met earlier this day.

Renewal of Bank Line of Credit. A copy of the line of credit agreement with South State Bank was provided to the Board in the information provided by email and by hard copy at the meeting. The terms were briefly reviewed by Mr. Cocciolone. **A Motion: To Renew the Line of Credit Agreement with South State Bank.** Clyde Baucom made the motion with a second by Bryant Nixon. The motion passed unanimously. Mr. Mebane reminded that drawing on the line of credit would require Board approval.

Community Engagement Committee:

Mr. Ariail introduced Bob Howard, who was approached by the Executive Committee to work with Craig Byrd and Mr. Cocciolone to increase fundraising efforts. A contract was provided to the Board for approval, and Mr. Ariail reviewed the contract terms. Mr. Howard spoke and said his ambition is to help Thrive Upstate get more involved with boards and foundations that can help the Thrive Upstate mission. **A Motion: To approve the contract with Bob Howard.** Bern Mebane made the motion with a second by Clyde Baucom. The motion passed unanimously.

Mr. Byrd provided the Board with two documents: a flyer on Cape-Ability, a fundraising walk planned for March 4; and a list of prominent Greenville citizens. He requested Board members to indicate those they knew personally or add names of prominent people. He thanked Jade Cox for her assistance with the graphic for the Cape-Ability walk.

Program Committee: The Program Committee provided dates for its meetings, some of which will be face-to-face and some by telephone. Names and bios of two associate members have been submitted for Board approval.

Annual Election of Officers: Mr. Baucom, chair of the Nominating Committee, conducted election of Board officers as provided in the Bylaws. For Chair, there were two candidates: the incumbent Chair, Bob Ariail, and Cindy Baughan. Ballots were distributed for election for the Chair position. Signed ballots were collected and tallied by Sandy Brown and verified by Mr. Baucom. Bob Ariail was elected with 6 votes, and Cindy Baughan received 3 votes.

There being no nominations or candidates for Vice Chair, the Chair called for a vote of acclamation to re-elect Bryant Nixon. The vote was unanimous. Mr. Nixon agreed to again serve as Vice Chair.

There were no nominations or candidates for Treasurer but Mr. Baucom agreed to serve another term if elected. The Chair called for vote of acclamation to re-elect Clyde Baucom as Treasurer. The vote was unanimous.

Annual Acceptance of The Conflict of Interest Statements: Mr. Cocciolone said the Board received in the packet a copy of the Conflict of Interest policy, which requires annual approval. One attachment to the policy is a form on which Board members can disclose a conflict of interest, and the second attachment is an acknowledgement form whereby Board members sign to acknowledge receipt and that they have read the policy entitled "Conflict of Interest" and agree to comply with its terms and conditions. **A Motion: To approve the Conflict of Interest policy.** Bern Mebane made the motion with a second by Peggy Farmer. The motion was unanimously approved. Signed Conflict of Interest forms were received from all Board members.

Acceptance/Rejection of Board Advisory Members: Mr. Ariail reviewed that Greenville County suggested Advisory Board members might be utilized in lieu of additional appointed Board members. An amendment was previously made to the Bylaws to establish Advisory Board members, and Board committees have obtained names of individuals willing to serve in this capacity. Advisory Board

members require Board approval, and bios of candidates for Advisory Board membership were submitted to the Board. The Advisory Board Members are non-voting, serve four-year terms, and serve at will.

Mr. Baucom, Finance Committee Chair, submitted the names and reviewed the qualifications of Bill Kearney and Alan Austin, both of whom he recommended for Board approval. **A Motion: To approve the nominations of Bill Kearney and Alan Austin as Advisory Board Members on the Finance Committee.** Clyde Baucom made the motion with a second by Peggy White. The motion was approved unanimously.

Ms. Farmer, Community Engagement Committee Chair, submitted the names and qualifications of Dr. John Vry, Holly Peterson, and Joe White as Advisory Board Members. **A Motion: To approve the nominations of Dr. John Vry, Holly Peterson, and Joe White as Advisory Board Members on the Community Engagement Committee.** Peggy Farmer made the motion with a second by Bern Mebane. The motion was unanimously approved.

Cindy Baughan, Program Committee Chair, submitted the names of Jean Ashmore and Linda Marlowe for Board approval, based on the bios submitted and conversations with those who know the candidates. **A Motion: To approve the nominations of Jean Ashmore and Linda Marlowe as Advisory Board Members of the Program Committee.** Cindy Baughan made the motion with a second by Peggy Farmer. The motion was approved unanimously.

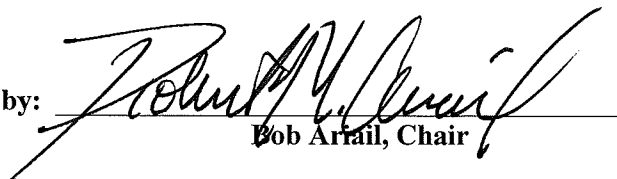
Approval of Board Policies (100-1 through 100-7): DDSN and CARF require annual approval of Board policies. The listed policies were provided to Board members by email prior to the Board Meeting for review. These policies were not revised except for the name change to Thrive Upstate. Mr. Nixon suggested Board policies be approved on the Consent Agenda in the future. **A Motion: To approve Board Policies 100-1 through 100-7 as presented.** Paul Hamberis made the motion with a second by Peggy Farmer. The motion was approved unanimously.

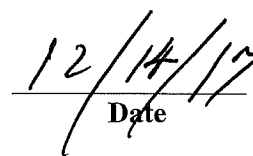
Other Business: No other business was discussed.

Public Comments: Elise Hardin inquired how Advisory Board Members would be notified, to which Mr. Cocciolone replied he would send a letter.

Adjournment: The meeting adjourned at 5:41 PM upon motion of Clyde Baucom and a second by Bern Mebane.

Respectfully submitted by Sandy Brown, Executive Assistant.

Approved by: 
Bob Arrail, Chair


Date