



**Fall Board of Trustees Meeting
October 25, 2007
NCPC Executive Board Room**

Minutes

Attendance: Mr. Anthony Welters, Dr. Regina M. Benjamin, Dr. Lonnie R. Boaz III, Dr. H. Cleveland, Dr. Jordan J. Cohen (via Conference Call), Dr. Nerimiah L. Emmett, Ms. Joy Fitzgerald, Dr. Robert M. Franklin, Mrs. Sally Hambrecht, Mr. Eric Holder, Mr. W. Thomas Malone, Dr. Thomas J. Malone, The Honorable Judge Greg Mathis, Ms. Soyini A. Mattis, Dr. John Maupin, Jr., Mr. Phillip H. McCall, Jr., Dr. John W. Fowe, Mr. Felker W. Ward, Jr., Dr. Phil Wiltz, Jr.

Absent: Mr. Michael J. Calhoun, Mr. John H. Downs, Jr., Mr. Brian O. Jordan, Dr. H. King, Jr., Dr. Ruth B. Love, Dr. Sylvester McFae, The Hon. Calvin Smyre, Mr. James Wells III, Dr. Robert L. Wright.

Staff: William Alexander, Ms. Sally Davis, Dr. Martha Elks, Ms. Andrea Fox, Dr. Eve J. Higginham, Ms. Beverly Lowery, Mr. Eli Phillips, Ms. Valerie M. Pryor, Mr. Ricardo A. Rivers, Dr. Lawrence Sanders, Ms. Gloria S. Steele, Ms. Sandra Watson, Ms. Terri Winston, Mr. Harold Jordan, II.

Introduction

Mr. Welters opened the meeting at approximately 8:35 a.m., with a welcome and thanked everyone for attending the meeting. The invocation was given by Chaplain Ricardo A. Rivers followed with Roll Call by Ms. Gloria S. Steele.

Approval of Minutes

The minutes of the March 22, 2007 meeting were reviewed and unanimously approved as presented.

Report of the President

Dr. Franklin began his report by introducing the new members of the Board of Trustees as follows:

- Robert M. Franklin, President, Morehouse College
- William H. Cleveland, Private Practice Physician, Atlanta, GA
- Joy Fitzgerald, Senior Vice President, Atlanta Housing Authority
- Felker W. Ward, Jr., Managing Member, Pinnacle Investment Advisors, Inc.

He noted that conflict. Mr. W

ber I right, J... was absent from the meeting due to a scheduling conflict. Mr. W... the new Board members to the meeting

Dr. Maupin the students on Par the second time

nue l report by appl... including the 100% first time-ta... e pass rate of our... e U... cal Lic... nsure... Examination (USMLE). It was noted that this is... eho s... hool of Medic... ne's history this has been achieved

Dr. Maupin the management of President for A President for th has successfully Britt, who brings Resources Senior Information Tec President for Ac at Meharry Me replacement.

dec a... date on leadership changes and share l... r... He introduced Dr. William A. Alexander as the new Vice President for Strategic Management, and Ms. Sally Davis as the Vice President for International Advancement. He further reported that Dr. Alexander has successfully recruited Ms. Denise Britt, who brings 10 years of experience to the position having previously served as Human Resources Senior Director at Magna Insurance Company. Dr. Maupin stated that the research continues for a Compliance Officer, and Associate Vice President for Information Technology. He noted that Dr. Angela Franklin, Vice Dean and Associate Vice President for Academic Affairs, has resigned her position to accept a leadership position at Meharry Medical College and that Dean Higginbotham has launched a search for her replacement.

Governmental

Dr. Maupin the relations efforts Training program issue of even gr rule change that Maupin shared t and other nation

ted, n... eral government challenges noting that the... on res... of funding for the Title VI Health Professions Act reauthorization. He also discussed an a funding... Y 2006 level reauthorization. He also discussed an a funding... Centers for Medicare and Medicaid Services (CMS) proposed... Medicare funding for Graduate Medical Education (GME). Dr. Maupin shared that the State of Georgia Department of Health, AHC and other national organizations are working with the State of Georgia Department of Health, AHC to pass federal legislation that would block such action by CMS.

He then spoke b the following: D million for Wes million for Ca Department of relating to Card

l... n M... l... eral app... ations earmark requests for 2009 which included... ing and Urban Development, Community Revitalization - \$3... ment Project (CPI property); Department of Commerce - \$3... arch and Technology Infrastructure Improvements; and... million for establishment of National Rabbit Resource Center.

He ended his di reporting that th arrangement with

... by... ling an overview of the State Operating Grant/Federal Match. Office continues to express support for this pass-through arrangement with the Hospital.

Grady Memorial Hospital

Dr. Maupin provided an overview of the challenges Grady Hospital faces. He noted that at the request of the Fulton County Board of Health, the Atlanta Chamber of Commerce established the Greater Grady Task Force of which he is a member to provide an independent assessment of the hospital's financial condition and to make recommendations for restructuring its operations and securing additional funding. Dr. Maupin and Dean Higginbotham responded to several questions from board members. Dr. Maupin ended this section of his report by stating that while major issues remain, progress is being made albeit slow. He noted that the most positive aspect of all of this is that a broad cross section of the community has now come together to "love Grady" and that this includes elected officials, business leaders and community representatives and the need to ensure the hospital's continuing operation.

Strategic Planning

Dr. Maupin reported that the strategic planning effort is moving into its final phase. He shared the complexities of operating a business with the challenges of operating with modest resources. He further discussed the importance of understanding the business model of community-based medical schools.

Dr. Maupin presented the latest vision statement, a revised set of core values, and the strategic priorities for the Board's approval. Following some discussion the board unanimously approved each of the aforementioned items.

Compliance Training

Harold Jordan, MSN, General Counsel, presented a compliance video as part of the Board's annual training requirement. Each Trustee in attendance was given a Conflict of Interest Policy form to complete and sign as well.

Legal Issues

Dr. Maupin provided an update on the whistleblower case. He noted that we have developed a strong clinical compliance program, and stated that the recruitment process is underway for a Corporate Compliance Officer. He also reported that the firm DeLoitt & Touche has been engaged to provide the school's internal audit function and to assist with compliance, and risk management activities. The Board will receive the results of our enterprise risk assessment at the next meeting.

Committee Reports

Finance/Investment Facilities

Dr. John Rowe began his report by welcoming Ms. Fitzgerald and Mr. Ward to the committee. At the request of the chairman, Mr. Eli Phillips, Vice President for Finance, reported on the FY

08 budget and performance of the endowment. He reported on the \$63 million endowment and more significant performance is needed. It was stated that the committee recommended Merrill Lynch as the consultant firm to manage the School's endowment was unanimously approved.

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Mr. Phillips discussed a 10-year history of endowment market values for the Board's perusal. Dr. Lowe commented on the report by stating that Finance management has already addressed and implemented a number of the report's recommendations.

consultant firm to manage the School's endowment was unanimously approved. Mr. Phillips discussed a 10-year history of endowment market values for the Board's perusal. Dr. Lowe commented on the report by stating that Finance management has already addressed and implemented a number of the report's recommendations.

Audit and Compliance

Mr. Thomas reported that external auditors Ernst & Young presented a report to the committee. He stated that there was concern about Grady Hospital's debt owed to MSM and processes for handling the problem.

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Health Services

Dr. Cleveland requested Dr. Lawrence Sanders, Associate Dean for Clinical Affairs, give the report. Dr. Sanders began his report by reporting that there was a gap between revenue and expenses that have been substituted to balance the budget. He reported that two sites have been refurbished and there is more efficient use of space at the two sites. Dr. Sanders reported that the DX system has been upgraded and a new Executive Director has been hired. He also stated that MSM has entered into an agreement with Children's Hospital of Atlanta (CHOA).

Dr. Sanders, Associate Dean for Clinical Affairs, give the report by stating there was a gap between revenue and expenses that have been substituted to balance the budget. He noted that medical work at a savings of approximately \$200,000 per year. Dr. Sanders reported that the DX system has been upgraded and a new Executive Director are moving to a net collection rate. He noted that MSM has entered into an agreement with Children's Hospital of Atlanta (CHOA).

It was recommended that the MSM Board of Trustees Health Services Committee convene its next meeting at the Warehouse Medical Associates (MMA) at the 75 Piedmont Avenue office location.

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Governance and Bylaws

It was stated that this committee would report during Executive Session.

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Personnel, Compensation and Administration

Mr. Philip McFarland reported that the committee reviewed the organizational chart and vacancies with the Human Resources department. He noted that training and development measures had been implemented. Dr. William Alexander, Vice President for Administration and Strategic Management, was asked to give the remainder of the report. He addressed the challenges with Information Technology, noting that a search is underway for an Associate Vice President. He

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noted that the Employee
relocated to the Harris Bui

Dr. Alexander further rep
Study have been impleme
reported that the school wa

Academic Policy Faculty

Dr. Regina Benjamin repo
committee on issues of con
the students is to bring uni
about the shortage of avail

Dr. Benjamin presented the

A motion to appoint six (6)
adjunct faculty appointments
October 2007 was unanimous

Dr. John Rowe was applau
donation will be split eq
Leadership Institute (SHLI)
the funds dedicated to acac
grants for educational inno

Dr. Benjamin stated that t
reported that the research
successful in receiving R01

Development, Public Affa

At the request of Ms. Ham
Advancement and Marketin
the Office of Institutional A
communications and comm
web site has moved from
communication to stream
excellence to MSM custom
MSM web site and revision

Ms. Davis reported that \$2
has been raised to date. S
update regarding the stee gi
Fund. Ms. Davis conclu
outsourced as a fund raiser

ss Program is growing and stated the Fitness Center will be

that the staff salary recommendations from the compensation
3% merit pool was established based on performance. He also
beginning stages of developing a new Facilities Master Plan.

Student Affairs

Ms. Soyini Matti Student Trustee, provided an update to the
MSM students. Specifically, she stated that the focus of
between all disciplines. She also noted that students are concerned
scholarships.

ing motion for approval:

ty appointments, seventeen (17) faculty promotions, five (5)
(unitary), and no change in series for the period through
proved.

his \$2 million donation to the School. It was noted that the
in support of academic programs and the Satcher Health
Martha Elks, Associate Dean for Medical Education, stated that
programs will be used for faculty fellowships, competition seed
and educational seminars in Medical Education.

program received a full seven year accreditation. She also
ry Council will design an incentive plan for faculty who are

Alumni Affairs, Community Relations

Chairwoman, Ms. Ally Davis, Vice President for Institutional
Communications, provided an overview on the re-organization of
ment (OIA), which now includes development, marketing and
lations functions. He also noted that the management of the
ision of Information Technology Services to marketing and
rkflow, maximize resources and provide consistency and
s. Davis reported that OIA has outsourced the redesign of the
MSM brand.

of the annual fund (unrestricted donation) target of \$750,000
reported that the Executive Committee requested a periodic
noted that 84% of the Board has contributed to the Annual
report by stating the Alumni Golf Tournament will be
participate a much greater level of participation this year. She

reviewed the Financial Assistance. Completed to establish a clear line for future tracking of performance results. The Board and will provide data to the Board that an audit of government accounting and recognition of performance results.

Government Affairs

Ms. Terri Winick, Executive Director, Government Affairs, thanked the Board and Human Services Initiatives. She discussed the use of when communicating with Congress.

Other Comments

Dr. Regina Bernheim, Senior Vice President of the University of Maryland, reported on her work with the Maryland Medical Association. She mentioned a \$25,000 grant to a medical student, in a meeting with Mr. Michael Kane, Senior Vice President of the University of Maryland. She mentioned help with the cleanup of her clinic. It was noted that she has agreed to annual contributions to a MPH student.

Mr. Walters noted that MSM does not participate in United Way and other potential source of funding.

Executive Session

The Board went into Executive Session at approximately 12:45 p.m. to consider the Board's report and other matters.

The following resolution was approved during Executive Session:

A resolution by Mr. Holler to have certain revisions to the Bylaws that were approved at the Board meeting on October 24, 2000, was unanimously approved.

Mr. Jordan discussed several pending lawsuits against MSM, with primary responsibility to resolve the litigation.

The meeting was adjourned at 1:30 p.m.

Respectfully submitted,

Philip G. Wiltz, M.D.
Secretary