



Endowment for Equal Justice Board Meeting

Thursday February 15, 2018

Davis Wright Tremaine

MINUTES

Board Members present: Bruce Brooks, Ellen Dial, Kay Frank, John Hoerster (President), Mark Hutcheson, Nancy Isserlis, Michelle Moersfelder, Margaret Niles

Via phone: Rima Alaily, Mark Kamitomo, Dick Manning, Sal Mungia

Absent: Carolyn Cairns

Staff: Brendan Hennessey, Melinda Mann

Guest: Nolan Wood (Canterbury Consulting)

Welcome and Approval of Minutes:

It was moved and seconded that the Board's December 13, 2017 minutes be approved. Motion carried.

Q4 Investment Portfolio Review:

Nolan Wood of Canterbury Consulting provided the Board with a comprehensive report of the Endowment's fourth quarter portfolio performance. Mr. Wood noted the portfolio ended Q4 with a 3.5% return, and ended in the 35th percentile compared to organizations of similar size. Mr. Wood recognized emerging markets as top performers, and noted the diversified portfolio remains in a good position despite the market downturn in early 2018.

Committee Updates:

Board Support: Kay noted that due to his busy travel and work schedule, Gordon Wilcox has resigned from the Board and will now serve on the Advisory. Gordon, along with Jimmy Rogers, will participate in exit interviews facilitated by Kay in the coming weeks.

Kay reported that in response to the board evaluation, the Board Support Committee will focus on expanding the Board's size and diversity in 2018. The Committee selected four candidates for targeted outreach, including John Teutsch, Eleanor Hamburger, Kirsten Barron and Janet Boguch.

Mark Hutcheson reported that he will meet with Doug Shaeffer, General Counsel of Fred Hutchinson Cancer Research Center, to discuss his interest in legal aid and possibly board membership. And, Mark and Rima will have lunch with Ed Goines, General Counsel of the Seattle Seahawks, for a similar discussion.

Kay noted the next full board meeting in March will focus on board recruitment. In preparation, Michelle requested Board Members to begin brainstorming and sending the Committee names they think would be good additions to the Board.

Cy Pres: Kay reported that she, John Hoerster, John Goldmark, Caitlin Davis and Melinda met on February 13th to discuss cy pres strategy. She noted the LFW Board is doing significant outreach to judges, and has been allocated 90 minutes at a judicial conference in the fall to report on CR23 and cy pres related information. Kay told Board Members the Endowment will request that LFW assure that the presentation promotes and increases awareness of the Endowment.

Operations and Investment: Bruce reported that the Committee plans to work closely with Canterbury to focus on SRI/ESG and possible modification of the spending policy. He noted the goal is to present both issues to the Board at the September board meeting, although the Committee's timeline is variable.

Bruce guided the Board through the 2017 yearend financial statements. Board Members noted the "Fundraising Expenses" line item was underspent, and Bruce and Melinda explained this was due to the timing of Reach 20 events, many of which were pushed back to 2018.

Justice Society: Dick reported Kirsten Barron and Steven Brinn recently joined the Justice Society, and reported on two upcoming WSBA stewardship opportunities targeting senior lawyers and estate planning attorneys. He noted the Committee's goal is to increase membership to 100 by 2020, and encouraged Board Members to join and recruit two new members a year.

Reach 20 Update:

Mark Hutcheson reported the 2018 Goldmark Luncheon will have nearly 900 attendees, and thanked all Board Members who are sponsoring and hosting tables at the event. He noted each Board Member has met or will meet with John and Melinda to generate Reach 20 stewardship and outreach ideas. He encouraged all Board Members to make use of the budget for one on one coffees, lunches and other donor meetings to build relationships and raise the visibility of the Endowment.

Next, Melinda listed several stewardship and Reach 20 events to take place in the spring and summer, including Reach 20 cultivation events hosted by Board Members. Melinda noted Endowment Staff created profiles for each Board Member, and encouraged Board members to review their profiles and submit any changes to plan and track their Reach 20 activities.

President's Report:

Election of Officers: John reported that the incumbent officers were willing to stand for reelection. Upon motion and second, the following officers were elected:

President – John Hoerster

Vice President – Ellen Dial

Secretary – Carolyn Cairns

Treasurer – Bruce Brooks

Additionally, John reported on the new 2018 committee positions, noting the Communications Committee has been folded into the new Reach 20 Committee. John noted the new committee positions

and goals were subject to change in the coming months. Bruce made a motion to approve the attached statement of 2018 committees, committee members and chairs, and committee goals, Kay seconded, and the motion was unanimously approved.

Board Evaluation Results: John reported on the 2017 board evaluation results, noting the overall results were positive, and determined more time will be allocated at the next board meeting to further discuss the results. He noted the relationship between LFW and the Endowment will be an agenda item of the board retreat, although it will likely be discussed before as well.

The meeting adjourned at 1:45pm.