



**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. William H. Cleveland, Dr. Jordan J. Cohen (via Conference Call), Dr. Nerimiah L. Emmett, Dr. Joy Fitzgerald, Dr. Robert M. Franklin, Mrs. Sally Hambrecht, Mr. Eric Holder, Mr. W. Thomas J. Malone, The Honorable Judge Greg Mathis, Ms. Soyini A. Mattis, Mr. John P. Maupin, Jr., Mr. Phillip H. McCall, Jr., Dr. John W. Fowe, Mr. Felker W. Ward, Jr., Mr. Phillip 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. Evham, Ms. Beverly Lowery, Mr. Eli Phillips, Ms. Valerie M. Pryor, Mr. Ricardo Rivera, Mr. Lawrence Sanders, Ms. Gloria S. Steele, Ms. Sandra Watson, Ms. Terri Winston, Mr. Jordan, II.

Introduction

Mr. Welters opened the meeting at approximately 8:35 a.m., with a welcome and thank you for attending the meeting. The invocation was given by Chaplain Ricardo A. Rivera 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.

Report of the President

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

- 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.

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Memorial Hospital

in providing a review of the challenges Grady Hospital. He noted that at the
the Fulton County Hospital Authority, the Atlanta Chamber of Commerce established
for Grady Task Force of which he is a member to provide an independent assessment
hospital's financial condition and to make recommendations for remaining operations.
ing its governance and securing additional funding. E. Maubin and Dean
ham responded to several questions from board members. Mr. Maubin ended this
This report while major issues remain progress is being made albeit slow. He
of the most sensitive subject of all of this is that broad cross section of the community
come together to "save Grady" and that that everyone, including elected officials,
leaders and community representatives understand the need to ensure the hospital's
operational

Planning

Mr. Maubin reported that the strategic planning effort is moving into its final phase. He shared
complexities of business operations coupled with the challenges of modest resources. He
discussed the importance of understanding the business model of community-based
schools.

Mr. Maubin presented the latest vision statement, a revised set of core values, and the strategic
plan for the Board of Hospital. Following some discussion the board unanimously approved
the aforementioned items.

Compliance Training

Mr. Maubin, 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
file complete and to go as well.

Legal Issues

Mr. Maubin provided an update on the whistleblower case. He noted that we have developed a
statistical compliance program, and stated that the recruitment process is underway for a
Compliance Office. He also reported that the firm DeLoit & 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.

Reports

Investment Facilities

Debra Lowe began her report by welcoming Ms. Fitzgerald and Mr. Ward to the committee.
Arlene West of the Atlanta 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 turning 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 stating that there was a gap between revenue and expenses that have been substituted to balance the budget. He noted that medical offices have been consolidated from four to two sites. He reported that the 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 are moving to a net collection rate. He noted that MSM has entered into an agreement to provide medical services for Children's Hospital of Atlanta (CHOA).

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It was recommended that the MSM Board of Trustees Health Services Committee convene its next meeting at 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 position is underway for an Associate Vice President. He

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 position is underway for an Associate Vice President. He

noted that the Employee Relocation Program is growing and stated the Fitness Center will be relocated to the Harris Building.

Dr. Alexander further reported that the study have been implemented at the school was 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.

Academic Policy Faculty Affairs

Dr. Regina Benjamin reported on issues of concern to the students is to bring uniformity of availability about the shortage of available.

Ms. Soyni 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 about scholarships.

Dr. Benjamin presented the following motion for approval:

A motion to approve six (6) adjunct faculty appointments (university appointments, and no change in series for the period through October 2007 was unanimously approved.

Seventeen (17) faculty promotions, five (5) through

Dr. John Rowe was applauded for his \$2 million donation to the School. It was noted that the support of academic programs and the Martha E. Barks, Associate Dean for Medical Education, Stated that the funds dedicated to academic programs will be used for faculty fellowships, competition seed grants for educational innovation and educational seminars in Medical Education.

Dr. Benjamin stated that the program received a full seven year accreditation. She also reported that the research program will design an incentive plan for faculty who are successful in receiving R01.

Development, Public Affairs, Community Relations

At the request of Ms. Hamman, Chairman, Ms. Ally Davis, Vice President for Institutional Advancement and Communications, provided an overview on the re-organization of the Office of Institutional Advancement (OIA), which now includes development, marketing and communications functions. She also noted that the management of the web site has moved from a traditional communication to a Technology Services to marketing and communication to streamline resources and provide consistency and excellence to MSM customers. Ms. Davis reported that OIA has outsourced the redesign of the MSM web site and television revision.

Ms. Davis reported that \$2 million (unrestricted donation) target has been raised to date. She reported that the Executive Committee requested a periodic update regarding the fund. Ms. Davis concluded that 84% of the Board has contributed to the Annual Fund. Ms. Davis concluded that the Alumni Golf Tournament will be outsourced as a fund raiser and participate in 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 for the legislative support regarding health and human services initiatives. She discussed upcoming points to be used when communicating with Congress.

Other Comments

Dr. Regina Bernick, President of Health Inc., set up a meeting with two students to discuss a medical student, in a report to Mr. Michael Kane, Senior Vice President, regarding a \$25,000 grant to help with the cleanup of her client. It was agreed to announce the grant at Convocation and has agreed to announce 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 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 by the Board at the meeting on October 24, 2007, was unanimously approved.

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

The meeting being no further business to discuss, the meeting was adjourned at 1:30 p.m.

Respectfully submitted,

Philip G. Wiltz, M.D.
Secretary