



MAT-SU HEALTH
FOUNDATION

MAT-SU HEALTH FOUNDATION
THE PICTURE OF HEALTH

ANNUAL **20
08** REPORT



MAT-SU HEALTH
FOUNDATION

MSHF BOARD OF DIRECTORS

Bill Allen
Linda Conover
Paul DuClos, Jr.
Linda Menard

Teri Namtvedt
Mary Olson
Deborah Prator
Andy Reimer

Cheryl Riggs
Mike Senta, MD
Stacie Stigar
Larry Tallman

Craig Thorn
Jack Williams
Jamie Barrett Wise



Back Row (left to right): Mary Olson, Cheryl Riggs, Mike Senta, MD, Andy Reimer, Linda Conover, Jack Williams, Stacie Stigar, Craig Thorn, Jamie Barrett Wise • **Front Row** (left to right): Linda Menard, Bill Allen, Teri Namtvedt - Recording Secretary, Deborah Prator - Chair, Larry Tallman - Vice-Chair • **Not Pictured:** Paul DuClos, Jr.

DIRECTORS REPRESENTING MSHF ON THE MAT-SU VALLEY MEDICAL CENTER LLC BOARD OF DIRECTORS



Nancy Campbell
Chair



Linda Menard



Deborah Prator



Mike Senta, MD
Vice Chair



Larry Tallman

20
08

ANNUAL REPORT

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DEAR MAT-SU COMMUNITY MEMBERS

December 1, 2008 marked the five year anniversary for the Mat-Su Health Foundation. Looking back over the last five years, numerous aspects of our organization have grown—from operations to granting and a more defined role in our governance of Mat-Su Regional Medical Center. Five years ago, the largely working MSHF Board of Directors had no staff, no defined mission, vision or strategic plan, and no defined committee structure and processes. While this board remained immersed in hospital governance and protected the community's interest in the transition from Valley Hospital to Mat-Su Regional Medical Center, it had to create the roadmap to improving our community's health.

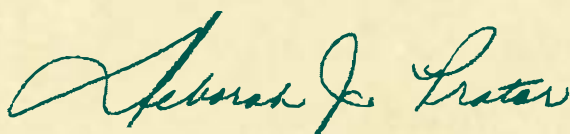
Flash forward five years, and MSHF has made rapid and substantial progress. It has continued to seat five directors to the Mat-Su Valley Medical Center board that governs Mat-Su Regional. In this capacity, it tracks charity care for the indigent and other community benefits provided by the hospital. Charity care as a percent of gross revenue has risen from 1.65% in 2003 to 3.45% in 2008 to meet the increased community need. The board also addressed some shortcomings in the way the distribution was calculated going all the way back to 2005. As a result, MSHF received a substantial revenue distribution in 2008, money that will be invested in improving the health and wellness of Mat-Su residents.

In 2003 and 2004, MSHF received no distributions from the hospital and made no grants to local nonprofits. In 2006, MSHF made its first grant to the Children's Place, our local child advocacy center. In 2007, we engaged in our first significant collaboration with other funders, including the Rasmuson Foundation, Robert Wood Johnson Foundation, Alaska State Hospital and Nursing Home Association and the University of Alaska Anchorage, to support the Alaska Partners in Nursing Project. The goal was to produce more rural "generalist" health nurses of Native heritage for the Mat-Su and Yukon-Kuskokwim regions of the state. After these grants, MSHF's giving took off, rising from \$307,637 in 2006 to more than \$1.9 million in 2008. A detailed account of MSHF's 2008 grant awards is provided on pages six and seven.

Lastly, over this five year span, the foundation gradually increased staffing as our infrastructure and asset base grew. In 2008, due to staff and other transitions, we welcomed three new staff members: Don Zoerb as Finance Director, Sharon Scott as Grants Manager, and Elizabeth Ripley as Executive Director. We're thrilled to have such competent and professional employees to handle the day-to-day operations. Already, they've brought tremendous value and focus to the board's efforts to help us improve the health of Mat-Su—no small task! The board is especially grateful to Linda Menard for serving as Interim Executive Director through the transition period.

In 2008, you could say that we really shored up MSHF's own foundation strategically and operationally. Our highly experienced professional staff helped us refine our operational structure, revamp our policies and procedures, and most importantly, to define our organizational values. Once we were able to articulate what we valued, we were able to develop and launch the strategic plan to help us "move the needle on health," as Elizabeth is fond of saying. We're aiming to make a measurable difference in your health over the next five to 10 years.

I'm pleased to offer this year's annual report, an accounting of how far we've come and a challenge for where we're headed. Enjoy!



Deborah Prator
Chair, Mat-Su Health Foundation

1 A HEALTHY VISION

- ➔ **VISION:** A Community Where All Persons Have the Opportunity for a Healthy Life
- ➔ **MISSION:** To Improve the Health and Wellness of Alaskans Living in the Mat-Su
- ➔ **VALUES:** Prevention, Access, Wellness, Fairness, Leadership, Collaboration
- ➔ **DEFINITIONS:**

Health
Wellness
Wellbeing

Complete physical, mental and social well-being and not merely the absence of disease and infirmity
A healthy balance of the mind, body and spirit that results in an overall feeling of well-being
A good or satisfying condition of existence; a state characterized by health, happiness and prosperity



STRATEGIES FOR THE MAT-SU

In 2008, the MSHF charted a course for where the organization is headed by creating four large and gutsy goals. Every grant program, every initiative, every relationship, and even day-to-day operations at the foundation are being refined to ensure that all actions by board and staff lead to the accomplishment of the goals below.

- ➔ **STRATEGIC GOAL 1:** Reduce barriers to healthcare access.
- ➔ **STRATEGIC GOAL 2:** Make progress on Healthy Alaska goals.
- ➔ **STRATEGIC GOAL 3:** Increase the capacity of nonprofits operating in the Mat-Su Borough to address the issues of health and wellness.
- ➔ **STRATEGIC GOAL 4:** Increase collaborative relations with funders and stakeholders in Alaska and other states.

The staff has created measurable outcomes for each of the goals above. For Strategic Goal #2 above, the outcome is to meet the target percentage for selected indicators in the Healthy Alaska 2010 goals. One of the indicators is to increase the proportion of adolescents who engage in vigorous physical activity to 85%. Eventually, MSHF will create proactive initiatives to address specific indicators. In 2009, staff will work to establish a statistical benchmark of health in Mat-Su in order to measure the foundation's progress.

MSHF will direct a portion of its resources to helping local nonprofits function at a higher level—in terms of leadership, fundraising, marketing, and business operations—so that most funds raised are truly dedicated to the mission on the ground. Where possible, MSHF hopes to use its assets to leverage financial contributions by other foundations and even governmental institutions to benefit Mat-Su projects and health-related nonprofits.

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A HEALTHY PERSPECTIVE

2008 IN REVIEW

NEW BOARD DIRECTORS

At the 2008 Annual Meeting, the following board members were reelected to a second term on the MSHF Board: Bill Allen, Mary Olson, Stacie Stigar, and Jamie Barrett Wise. Linda Conover was seated for the first time to a three year term.



Linda Conover and her husband Dale have lived in Alaska 43 years, 30 years in the Valley. Linda holds a Master's Degree from University of Alaska, Anchorage and a Bachelor's Degree in Education from Western Washington. She has worked as a teacher, licensed insurance agent, office manager and school administrative secretary in the Mat-Su Valley. Linda previously owned an educational consulting company and is currently the owner of a web design business. Linda's board service is motivated by a desire to improve the quality of health among Mat-Su residents. She has a special interest in children's health, senior health and substance abuse.

NEW STAFF

With the exception of Vickie Reese, who has served as Executive Assistant for MSHF for over three years, three new staff joined MSHF in 2008: Elizabeth Ripley, Sharon Scott, and Don Zoerb.



Vickie Reese has worked diligently to keep things running smoothly for the MSHF Board of Directors and staff through its many transitions. Vickie's thorough knowledge of the bylaws and her vast organizational history help the foundation to navigate through the morass of deadlines pertaining to membership renewals, board election processes, scholarship applications and the Annual Meeting. She is a super-user of all Microsoft applications and her office management skills translate into superior electronic communication systems for the foundation. Vickie and her husband Rod live in Wasilla and look forward to visits from their son Jeremy and grandson Kaydin.



Elizabeth accepted the Executive Director position in July. With 20 years of healthcare experience and 10 years of administrative and strategic planning responsibility, she has helped to focus the operations of the foundation on strategic goals and outcomes. Her previous employment with Mat-Su Regional Medical Center over the last 15 years helps her to navigate the complexities of the joint venture partnership and look out for the community's interest. Elizabeth and her husband Ed live in Wasilla with their children Emily and Noah.



Sharon Scott started as the MSHF Grants Manager in June. With a background in grant-writing and reviewing, Sharon has worked extensively with Native, government, educational, and nonprofit institutions. She has served as Chief Financial Officer for a tribal college, assistant superintendent of business for a public school district and executive director for a small rural healthcare foundation. Her critical analysis skills help her to evaluate prospective grantees and projects at an extremely detailed level to ensure that the dollars contributed by MSHF will have maximum impact for the targeted mission or population. Sharon and her husband Scotty live in Sutton with their nine year old daughter Monica.



Don Zoerb joined the Mat-Su Health Foundation in March as the Foundation's first Finance Director. Don has helped MSHF to hone its accounting policies and procedures, complete outstanding audits, and organize its investment portfolio. Previously, Don worked for a "Big Four" public accounting firm in Anchorage as an external auditor. Don's clients ranged from regional Native corporations and financial institutions to governments and non-profit organizations. Don also served four years in the United States Marine Corps. He lives in Wasilla with his wife Tamara and their five children: Donny, Tamara, Wesley, Savana, and Brennan.

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NEW GRANT GUIDELINES

The board and staff refined grant policies and procedures in 2008 to better align with strategy and the organizational values.

The grant programs were slightly redesigned to address targeted outcomes and streamlined to ensure that the best proposals and projects come to the forefront for consideration. Grantee workshops were held in December to orient prospective grantees to the new guidelines and processes.

➔ WHO IS FUNDED:

Prospective grantees must provide services or benefits to Mat-Su residents and be qualified Alaskan nonprofit 501(c)3 organizations classified as “not a private foundation” under section 509(a) of the IRS Code. The guidelines allow, in select cases, funding of health-related projects undertaken by religious, governmental, educational or tribal agencies seeking partners for health-related initiatives that impact the broader Mat-Su community and extend beyond the traditional purpose and functions of these organizations.

➔ WHO RECEIVES PRIORITY:

Priority is given to organizations and activities that empower people; employ creative responses to problems; address root causes rather than symptoms; build upon community strengths; and offer measurable improvements in health and wellness. The guidelines state that MSHF is particularly interested in supporting organizations that:

- Expand access to health and wellness care, especially for people from low-income and disadvantaged communities
- Demonstrate a commitment to diversity and inclusiveness in the targeting and delivery of services to reduce health disparities
- Foster communication, cooperation, and coordination among service providers
- Build programs and services that are sustainable
- Have a strong and engaged board, staff and/or volunteer leadership
- Have a board of directors reflecting Mat-Su representation

➔ WHAT IS FUNDED:

- Bricks and mortar—but only within the Mat-Su Borough
- Capacity building
- Capital projects, improvements and equipment
- Data collection and needs assessment
- Planning and seed money
- Program and operating costs
- Technical assistance

➔ WHAT RECEIVES PRIORITY:

Projects receive priority status that address the strategic goals to expand access to primary care, move Mat-Su toward achievement of Healthy Alaska 2010 goals or build the capacity of Mat-Su health-related nonprofits.

The MSHF offers Healthy Impact, Target Wellness, and school grant programs and scholarships in order to improve the health and wellness of Alaskans living in Mat-Su. The foundation awards Healthy Impact Grants, any request over \$5,000, twice a year, with grant rounds commencing April 15 and November 15. Target Wellness proposals under \$5,000 are welcomed throughout the year, and Target Wellness decisions and distributions are usually made within 30 days. Healthy Impact and Target Wellness awards must meet MSHF grant guidelines and demonstrate relevance to MSHF's Strategic Goals. For more information about any of the MSHF grant programs and to apply online, prospective grantees can go to www.matsuhealthfoundation.org.

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2008 HEALTHY IMPACT GRANTS

GRANTEE

Alaska Attachment & Bonding
Big Brother Big Sisters of Alaska
Boys & Girls Club of Southcentral Alaska
Chugiak Children's Services (CCS)
Denali Arts Council
Foraker Group
Links-Mat-Su Parent Resource Center
Mabel T. Caverly Senior Center Inc.
Mat-Su Community Transit (MASCOT)
Mat-Su RC&D
Mat-Su Services For Children & Adults, Inc.
Mat-Su Valley Interfaith Hospitality Network
Mat-Valley Community Charities, Inc.
Mid-Valley Seniors, Inc.
North America Outdoor Institute
North America Outdoor Institute
Palmer Economic Development Authority
Palmer Economic Development Authority
Palmer Economic Development Authority
Palmer Lion's Club, Inc.
Palmer Senior Citizen Center, Inc.
Palmer Senior Citizen Center, Inc.
Palmer Skateboard Association
Talkeetna Community Council
Talkeetna Community Radio
Talkeetna Community Radio
The Children's Place
United Way of Matanuska Susitna Borough
Valley Community For Recycling Solutions
Valley Performing Arts
Volunteers of America Alaska, Inc.
Wasilla Youth Baseball

PROJECT

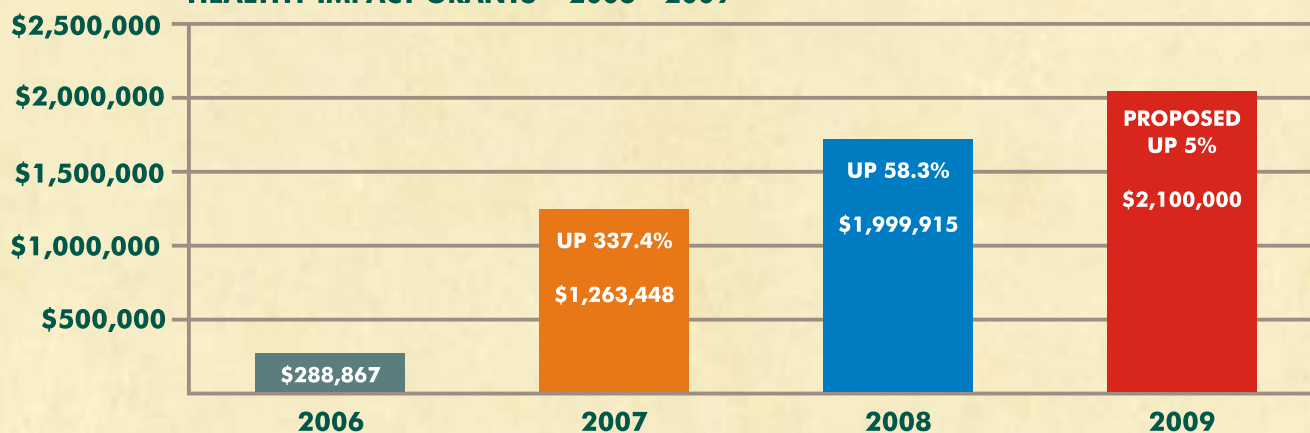
Sustainability Marketing
Program Growth & Sustainability
Triple Play
Playground Renovations
Program Expansion at Sheldon Hanger
Grantee Partnership Project
Outreach Project
Dental, Eye, Hearing Aid, Prescription Assistance
10th Anniversary Expansion of Service
Southwest Wasilla Trail
Car Seat Safety
Interfaith Hospitality Network
Hidden Treasures - Donation Bin & Pickup Truck
Community Garden Project
Winter Safety Awareness
Be Wilderness Smart
Veggies in Motion
Veggies in Motion at the Friday Fling
Palmer Trails & Parks
AK Blind Child Discovery Eye Screening
Helping Elders Living Alone (HELP)
Senior Center
Skateboard Park
Community Playground
Talkeetna Summer Concert Series
KTNA Facility Purchase Project
Child Mental Health Therapy
Capacity Building For Community Impact
Recycling Center's Education Classroom
Youth Summer Camp
Bring The Kids Home Expansion Project
John Deere Tractor

AMOUNT

\$10,000
\$40,000
\$5,000
\$200,000
\$15,000
\$70,750
\$10,000
\$12,600
\$190,000
\$140,500
\$16,000
\$27,000
\$51,559
\$20,000
\$25,000
\$50,000
\$35,500
\$15,000
\$50,000
\$6,884
\$161,000
\$300,000
\$50,000
\$45,000
\$8,000
\$27,000
\$27,600
\$108,000
\$50,000
\$10,000
\$202,672
\$19,850

TOTAL AWARDS: \$1,999,915

HEALTHY IMPACT GRANTS • 2006 - 2009



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2008 TARGET WELLNESS GRANTS

ORGANIZATION

Alaska Family Services
Alaska Family Services
American Red Cross
Chickaloon Traditional Council
Food Pantry of Wasilla
Friends of the Palmer Public Library
Knik Tribal Council
Knik Tribal Council
Mat-Su Council for Family & Community ED
Mat-Su RC&D
Mat-Su Sea Hawkiers
Mat-Valley Community Charities Agency
Mid-Valley Seniors
Palmer Amateur Hockey Assoc.
Palmer Hockey Booster
Palmer Junior Middle School PTO
Palmer Little League
Talkeetna Community Council
The Alaska Primary Care Association
The Cancer Project
United Way of Mat-Su
Wasilla Area Seniors
Willow Area Community Organization
Willow Area Seniors

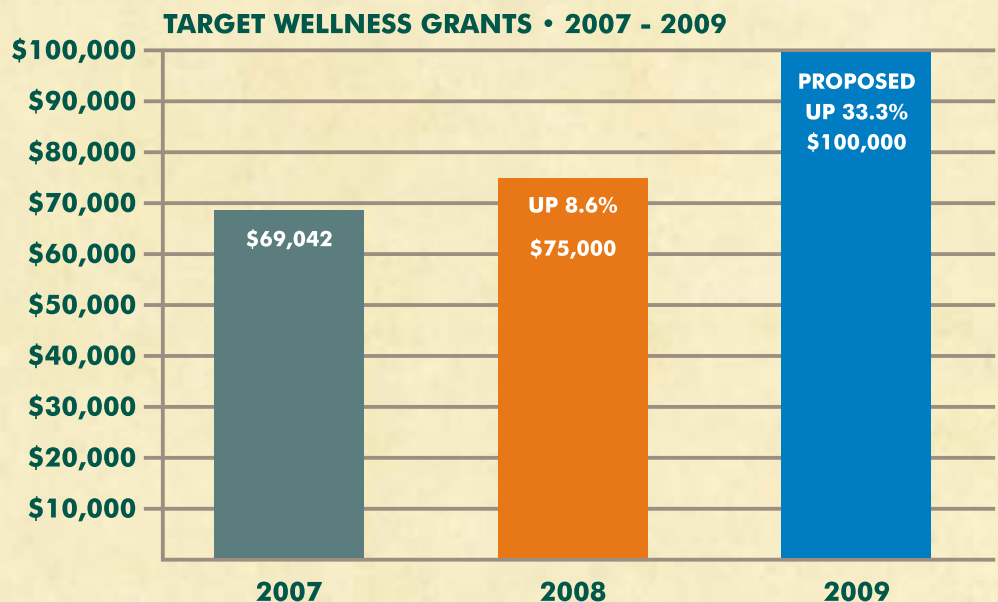
PROJECT

Celebration of Families
Dorothy Saxton Shelter
Program Support For Mat-Su Valley
Elder Lunch Program Expansion
Food Pantry
Bouncy Baby Lap Sit
Food Bank Program
Food Bank Program
Exercise Equipment
Christmas Friendship Dinner
Mat-Su Sports Dome Conceptual Drawing
Treasure Loft Marketing Mail-Out
Field of Dreams Community Garden
One Goal-Equipment For Players
Beginner Adult Hockey Project
CoMotion Dance Project
Youth Baseball Program
Community Playground Project
Health Coverage Expo
Food For Life Cooking Classes
Ice Crystals Production
Health Fair
Willow Race Series
Community Health Fair & 5K Run/Walk

AMOUNT

\$5,000
\$2,500
\$2,500
\$2,500
\$327
\$5,000
\$2,500
\$4,000
\$5,000
\$2,110
\$2,500
\$4,363
\$5,000
\$5,000
\$2,000
\$1,000
\$5,000
\$5,000
\$1,600
\$650
\$500
\$950
\$5,000

TOTAL AWARDS: \$75,000



HEALTHY SCHOOLS & STUDENTS

School grants up to \$1,000 annually per school are available for programs that promote health, safety, nutrition and fitness for Mat-Su children. In 2008, the MSHF awarded \$18,681 in funding to the 30 Valley schools that applied.

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MSHF believes that an investment in the education of Mat-Su residents will help to build the healthcare workforce of the future and an engaged citizenship with a higher capacity to address the health-related challenges impacting Mat-Su and Alaska. MSHF scholarships are intended to help defray the cost of higher education and encourage Mat-Su residents to complete a degree or certificate program that emphasizes health and/or wellness. The MSHF board members and staff congratulate the following students for their academic prowess and commitment to a career in healthcare:

2008 MSHF SCHOLARSHIPS

RECIPIENT	COLLEGE ATTENDING	AMOUNT
Stephenita Adokedak	University of Alaska Mat-Su	\$2,500
Teri Lynn Carr	University of Alaska Anchorage	\$3,000
Adrian Furman	Vanderbilt School of Medicine	\$2,500
Michelle Kanosh	University of Alaska Anchorage	\$3,000
Mariah Kincaid	Colorado State University	\$5,000
Alexis Krell	University of Washington	\$10,000
Michelle Lachance	University of Alaska Mat-Su	\$2,500
Erika Logan	Alaska Pacific University	\$5,000
Breanna Mahoney	University of Alaska Anchorage	\$3,000
Carl Moffat	University of Alaska Anchorage	\$2,500
Everest Moore	University of Mary	\$5,000
Caitlin Pendergrast	University of Alaska Southeast	\$3,000
Colin Reisterer	Massachusetts Institute of Technology	\$3,000
Melia Renfer	University of Alaska Anchorage	\$5,000
Kelly Sawyer	University of Alaska Anchorage	\$3,000
Michelle Scott-Webber	University of Alaska Anchorage	\$3,000
Carmel Sergio	University of Alaska Anchorage	\$10,000



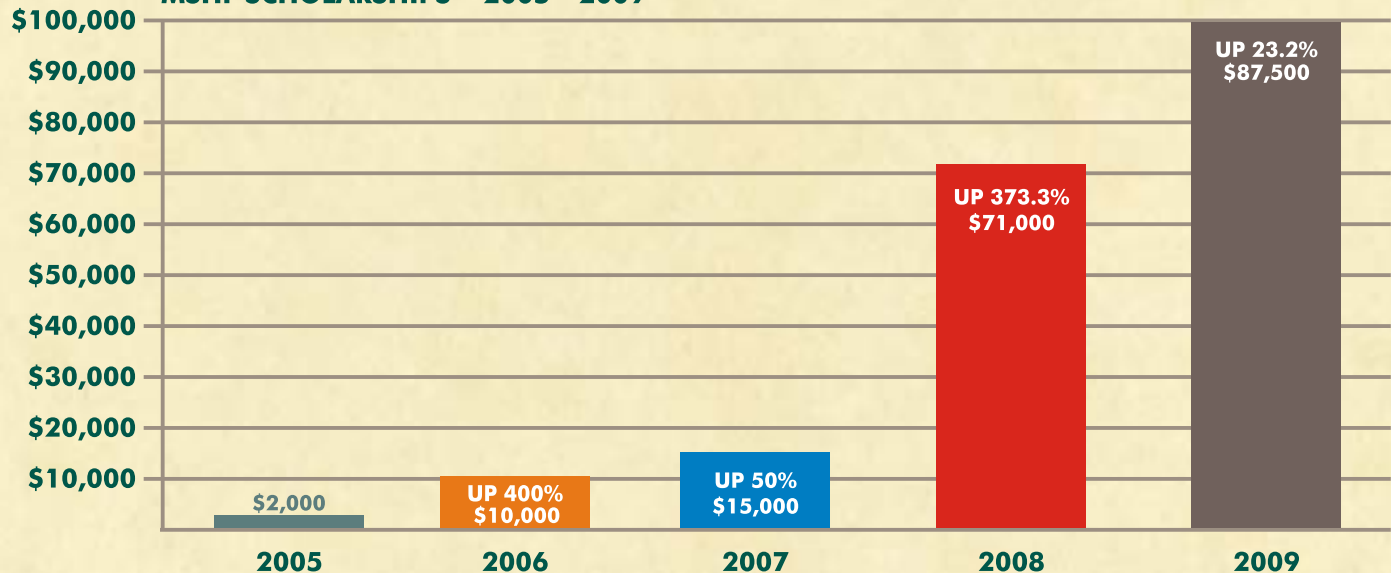
Linda Menard congratulating Alexis Krell



Linda Menard congratulating Carmel Sergio

TOTAL AWARDS: \$71,000

MSHF SCHOLARSHIPS • 2005 - 2009



THE PICTURE OF HEALTH



7 COMMUNITY BENEFIT QUANTIFIED

Mat-Su Health Foundation is the official business name of Valley Hospital Association, Inc., which shares ownership in Mat-Su Regional Medical Center. The MSHF board members and representatives actively participate in the governance of Mat-Su's community hospital and protect the community's interest in this important asset through board oversight by:

- 1 Seating 50% of the Mat-Su Valley Medical Center Board of Directors, which governs hospital operations.
- 2 Evaluating the manager of the hospital on an annual basis.
- 3 Enforcing the Operating Agreement with Community Health Systems (CHS) to ensure adequate community benefit.

Nancy Campbell, Linda Menard, Deborah Prator, Dr. Mike Senta and Larry Tallman represent the MSHF interest on this joint venture board. When they evaluated the 2007 and 2008 performance of CHS in managing the hospital, they looked at safety and quality of services, staff and physicians; competitive pricing and business efficiency; medical staff recruitment success; financial viability and recordkeeping; performance of the CEO; and strategic plans for quality improvement, physician recruitment and needed services. In addition, they track indigent care issues to ensure access and charity care as a percent of gross revenues. Since the partnership was founded in 2003, charity care levels have increased steadily. The graph below reflects the hospital's indigent care levels over the last decade.



THE PICTURE OF HEALTH





HEALTHY BOTTOM LINE

The full MSHF board, which has representation from financial, investment and accounting professions, carefully monitors the MSHF finances and investments to ensure optimal stewardship of resources. It approves the financials quarterly and the investment policy annually. In this changing macroeconomic environment, the board is frequently examining cash flow and investments to provide maximum benefit to grantees in the present and to our community for years to come.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2008

ASSETS

CASH AND INVESTMENTS	\$62,713,881
FIXED ASSETS AND OTHER ASSETS	479,857
ASSET LIMITED AS TO USE: BY TRUSTEE, FOR BOND DEBT SERVICE	10,590,095

TOTAL ASSETS	\$73,783,833
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LIABILITIES AND NET ASSETS

ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$128,751
GRANTS PAYABLE	1,470,632
BOND DEBT PAYABLE	9,921,337

TOTAL LIABILITIES	\$11,520,720
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UNRESTRICTED NET ASSETS	\$62,263,113
TEMPORARILY RESTRICTED NET ASSETS	0

TOTAL LIABILITIES AND NET ASSETS	\$73,783,833
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STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

YEAR ENDED DECEMBER 31, 2008

SUPPORT AND REVENUE

INVESTMENT INCOME, NET OF EXPENSES	\$6,751,822
DUES AND CONTRIBUTION INCOME	5,455
NET ASSETS RELEASED FROM RESTRICTIONS	201,116

TOTAL SUPPORT AND REVENUE	6,958,393
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GRANTS AND EXPENSES

GRANT AWARDS	1,916,554
GENERAL AND ADMINISTRATIVE EXPENSES	922,832
OTHER NON-OPERATING LOSSES	579,827
TOTAL GRANTS AND EXPENSES	3,419,213
CHANGE IN UNRESTRICTED NET ASSETS	\$3,539,180

DECREASE IN TEMPORARILY RESTRICTED NET ASSETS	(234,841)
CHANGE IN NET ASSETS	\$3,304,339

NET ASSETS, BEGINNING OF YEAR	\$58,958,774
NET ASSETS, END OF YEAR	\$62,263,113

The amounts above are from the foundation's Fiscal Year 2008 unaudited financial statements.



MAT-SU HEALTH
FOUNDATION

www.matsuhealthfoundation.org

950 E. Bogard Rd., Suite 218 • Wasilla, AK 99654

Phone: 907.352.2863 Fax: 907.352.2865