



American Brain Foundation  
 Executive Committee  
 Monday, September 10, 2018  
 10:00 a.m. EST/ 9:00 a.m. CST/ 8:00 a.m. MST/ 7:00 a.m. PST  
  
 Call-in number: 866-740-1260  
 Access code: 9286317

**Members**

Kevin Goodno, Chair; John Mazziotta, MD; Gordon Smith, MD;  
Ralph Józefowicz, MD; Susan Schneider Williams

**Staff**

Jane Ransom, ED; Shelly Rucks, Tim Engel, CFO; Natalie Baumgartner

	<b>AGENDA ITEM</b>	<b>PRESENTED BY</b>
9:00 am CT	Call to Order	Kevin Goodno
9:05	Approve minutes from May 15, 2018 meeting	Kevin Goodno
9:10	Preview of financial reports for upcoming Board meeting <ul style="list-style-type: none"> <li>• July 2018 YTD Financial Report</li> <li>• Draft 2019 Budget</li> </ul>	Ralph Józefowicz & Tim Engel, CFO
9:25	AAN/ABF Planning Meeting of September 15	Kevin Goodno
9:35	ABF Board Agenda for September 16	Jane Ransom
9:45	Establishing LBD Fund of the ABF	Jane Ransom & Susan Schneider Williams
	Adjourn	
	Meeting Materials: <ul style="list-style-type: none"> <li>• Agenda</li> <li>• Minutes of May 15, 2018</li> <li>• July 2018 YTD Financial Report</li> <li>• 2019 Budget – First Draft</li> <li>• Agenda for AAN/ABF planning meeting of September 15, 2018</li> <li>• Board Agenda for September 16, 2018</li> <li>• Resolution to establish the Lewy Body Dementia Fund of the ABF</li> </ul>	



**American Brain Foundation  
Executive Committee Meeting  
May 15, 2018  
Held via Conference Call**

**In attendance:** Kevin Goodno, Chair; Ralph Jozefowicz, MD; A. Gordon Smith, MD; Susan Schneider Williams

**Staff:** Jane Ransom, Shelly Collins Rucks, Stephanie Olson

**Excused:** John Mazziotta, MD

The meeting was called to order at 9:03 a.m. CDT by Kevin Goodno.

The members approved the minutes of the February 14, 2017 meeting unanimously..

1. **Upcoming Meeting with AAN Leadership:** Kevin Goodno and Jane Ransom discussed the opportunity that the Foundation leadership has, on June 23rd, to meet with the top leadership of the AAN to discuss our future partnership. Committee members agreed that the focus of the meeting should be on the positive, which is our progress in meeting or exceeding the benchmarks that were set by the ABF and AAN boards in 2014 as a pre-condition for AAN operational support from 2015-2019.

We would like the meeting to be a sharing of perspectives on our future partnership, identifying points of agreement, as well as where we need further clarity or discussion. Executive Committee members agreed to this approach, and that we will not be making a specific ask of the AAN. Rather, we are attempting to open the door to a next phase in our development with exploration of what the partnership could look like. It will be important to share data on our progress.

2. **Board Call on May 24, 2018: Crowdfunding Strategy:** Jane Ransom discussed the research and analysis that staff has done to land on a crowdfunding strategy to guide us moving forward. The purpose of the call (which will not be a formal meeting of the Boards) will be for Board members to hear overall management decisions on marketing crowdfunding, and to allow for questions, suggestions, and other input from Board members which are not appropriate for a regular Board meeting.
3. **Agenda for Board of Directors Meeting of June 24, 2018:** The Committee discussed the June 24th Board of Directors meeting agenda which will focus upon the strategic crossroads that the Foundation is approaching. We are meeting or beating our benchmarks, but we are not yet self-sufficient and not yet a "household" name. Operational support from the AAN is running out. Questions to be addressed include: What will the next phase look like? What does this mean for our business strategy? How will we measure success? And what will be the Board's primary role?
4. **Adjourn at 9:45 am.**



Date: September 16, 2018

To: Members of the Board of Directors

From: Timothy Engel, CPA, Chief Financial Officer

CC: Jane Ransom, Executive Director

Subject: July 2018 YTD Financial Report

The enclosed materials present the financial performance of the American Brain Foundation (ABF) for seven months ending July 31, 2018.

### **Statement of Operations**

ABF realized \$3.1 M in revenue as of July 2018. This is 75% of budgeted revenue. Operating expenses are \$2.9M as of July 2018. Long-term investment earnings (non-operating revenue) is \$123K as of July 2018. The July YTD return was 1.3% compared to Policy Index of 1.5%.

	2018 YTD			2018	2017
	Actual	Budget	Variance	Budget	Actual
<b>Operating Revenue</b>	\$ 3,130	\$ 3,636	\$ (506)	\$ 4,189	\$ 2,968
Expenditures	2,914	3,224	311	4,188	2,946
<b>Net Increase</b>					
<b>(decrease) from operations</b>	216	412	(195)	1	22
Investment earnings	123		123		569
<b>Net increase(decrease)</b>	<u>\$ 340</u>	<u>\$ 412</u>	<u>\$ (72)</u>	<u>\$ 1</u>	<u>\$ 590</u>

### **Revenue**

Please note that the AANI general operating support grant has been moved from Grants and Gift revenue to Released from Restrictions to match the way it was originally budgeted. As a result, it is easier to see that as of July 31<sup>st</sup> ABF is behind in raising general support to hit their goal of \$1.3M. The Grant/Gift revenue has been forecasted down based on ABF development staff forecasted results for 2018 to a new goal of raising a total of \$716K by end of year.

Released from Restrictions revenue includes:

- \$1.5 M for grants
- \$201K for annual meeting awards
- \$113K for Crowdfunding projects
- \$112K from Commitment to Cures Sponsorships
- \$843K of operational support (includes the \$750K AANI grant)

### **Operating Expenses**

Expenses are \$311K under budget. Some of the major reasons for the net positive variance are:

- Salaries and benefits under by \$46K
  - a. Open staff positions in first half of 2018
  - b. Budget allocation and timing of payroll not in synch, this will be addressed in 2019
- General Office under by \$69K
  - a. printing and postage lower than planned
- Meeting travel under plan by \$90K
  - a. Staff travel running lower the planned
  - b. Event expenses under expected at AAN annual meeting
- Grants/Awards under by \$146K
  - a. Two grants not funded due to lack of applicants

It is worth noting that Professional Expenses are over budget by \$44K due to the KARE-11 television ad campaign, a portion of which is in-kind gift expense.

### **Statement of Financial Position**

The Foundation ended July 2018 with total assets of \$13.1M. Cash and investments total \$10.8M. Liabilities are \$2M, which includes grants payable of \$1.95M.

(in thousands)	31-Jul		
	2018	2017	Difference
Total Assets	\$ 13,135	\$ 10,851	\$ 2,284
Total Liabilities	2,041	598	1,443
Unrestricted Net Assets	3,780	3,455	325
Temporarily Restricted Net Assets	5,218	5,075	144
Permanently Restricted Net Assets	2,096	1,723	372
Total Liabilities and Net Assets	\$ 13,135	\$ 10,851	\$ 2,284

Provided in the following pages are the following:

July 2018 Statement of Financial Position  
July 2018 Operating Statement  
July 2018 Net Temporarily Restricted Asset Statement  
Draft 2019 Budget

**AMERICAN BRAIN FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF JULY 31ST**

	<u>2018</u>	<u>2017</u>	<u>Net Change</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	\$ 3,223,744	\$ 2,602,490	\$ 621,254
Grants and Gifts Receivable, Net	855,351	599,638	255,713
Accounts Receivable			
Other Assets	50,489	44,247	6,242
Total Current Assets	<u>4,129,584</u>	<u>3,246,375</u>	<u>883,209</u>
<b>FIXED ASSETS</b>			
Office Equipment	223,770	214,395	9,375
Less Accumulated Depreciation	(68,370)	(21,473)	(46,897)
Net Fixed Assets	<u>155,400.00</u>	<u>192,922</u>	<u>(37,522)</u>
<b>LONG TERM ASSETS</b>			
Investments	7,604,439	7,036,000	568,438
Grants and Gifts Receivable, Net	1,245,198	375,270	869,928
Total Long Term Assets	<u>8,849,637</u>	<u>7,411,270</u>	<u>1,438,366</u>
Total Assets	<u>\$ 13,134,621</u>	<u>\$ 10,850,567</u>	<u>\$ 2,284,053</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable	\$ 89,466	\$ 64,360	\$ 25,106
Grants Payable	1,847,000	142,500	1,704,500
Deferred Grants		196,667	(196,667)
Total Current Liabilities	<u>1,936,466</u>	<u>403,527</u>	<u>1,532,939</u>
<b>LONG TERM LIABILITIES</b>			
Grants Payable	<u>104,271</u>	<u>194,280</u>	<u>(90,009)</u>
<b>NET ASSETS</b>			
Unrestricted	3,780,025	3,454,951	325,074
Temporarily Restricted	5,218,191	5,074,608	143,583
Permanently Restricted	2,095,669	1,723,201	372,468
Total Net Assets	<u>11,093,885</u>	<u>10,252,760</u>	<u>841,125</u>
Total Liabilities and Net Assets	<u>\$ 13,134,622</u>	<u>\$ 10,850,567</u>	<u>\$ 2,284,054</u>

**American Brain Foundation**  
**Income Statement**  
**For the Seven Months Ending July 31, 2018**

	2018 Actuals	YTD 2018 Budget	Variance Favorable (Unfavorable)	2018 Forecast	2018 Budget	Variance Favorable (Unfavorable)	Final 2017 Actuals
<b>REVENUE</b>							
Grants & Gifts	\$ 278,356	\$ 807,410	\$ (529,054)	\$ 715,908	\$ 1,320,741	\$ (604,833)	\$ 634,322
Released from Restrictions	2,799,453	2,820,776	(21,323)	3,068,404	2,854,109	214,295	2,281,171
Interest Income	11,581	7,581	4,000	20,000	13,000	7,000	13,925
Other Revenue	40,576		40,576	40,576	750	39,826	38,190
Total Support and Revenue	<u>3,129,966</u>	<u>3,635,767</u>	<u>(505,801)</u>	<u>3,844,888</u>	<u>4,188,600</u>	<u>(343,712)</u>	<u>2,967,608</u>
<b>EXPENSES</b>							
Salaries & Benefits	450,048	496,498	46,450	878,852	884,980	6,128	770,237
General Office	38,434	107,090	68,656	115,685	175,264	59,579	101,627
Software	49,327	49,229	(98)	161,307	80,239	(81,068)	129,391
Professional	203,162	159,556	(43,606)	313,731	255,454	(58,277)	332,368
Meeting/Travel Related	143,893	234,090	90,197	263,282	351,538	88,256	193,192
Grants/Awards	1,815,442	1,961,778	146,336	1,816,093	2,070,109	254,016	1,088,212
Contingency							
Depreciation/Miscellaneous	26,901	25,081	(1,820)	42,996	42,996		31,707
Management Fee	186,410	190,911	4,501	327,276	327,276		299,356
Total Expenses	<u>2,913,617</u>	<u>3,224,233</u>	<u>310,616</u>	<u>3,919,222</u>	<u>4,187,856</u>	<u>268,634</u>	<u>2,946,090</u>
<b>Net Operating Increase(Decrease)</b>	216,349	411,534	(195,185)	(74,334)	744	(75,078)	21,518
Income(Loss)	<u>123,311</u>		<u>123,311</u>				<u>568,784</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<u>\$ 339,660</u>	<u>\$ 411,534</u>	<u>\$ (71,874)</u>	<u>\$ (74,334)</u>	<u>\$ 744</u>	<u>\$ (75,078)</u>	<u>\$ 590,302</u>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>							
Grants & Gifts	\$ 1,019,470						\$ 3,499,484
Investment Income	(23,303)						400,604
Net Assets Released from Restrictions	(2,049,453)						(2,281,171)
Beginning Balance	6,271,477						4,652,560
Ending Temporarily Restricted Net Assets	<u>\$ 5,218,191</u>						<u>\$ 6,271,477</u>
<b>PERMANENTLY RESTRICTED NET ASSETS</b>							
Grants & Gifts	\$ 365,858						\$ 10,230
Beginning Balance	1,729,811						1,719,581
Ending Permanently Restricted Net Assets	<u>\$ 2,095,669</u>						<u>\$ 1,729,811</u>

**American Brain Foundation**  
**July 2018 Schedule of Temporarily and Permanent(Endowment) Assets**

	<u>Temporary</u>	<u>Permanent</u>	<u>Total</u>
<b>Awards</b>			
AAN Resident Fund	\$ 11,428	\$ -	\$ 11,428
Jon Stolk Award in Movement Disorders for Young Investigators	41,295	-	41,295
Potamkin Prize for Research in Pick's, Alzheimer's, and Related Diseases	-	-	-
Sheila Essey Award	-	-	-
Sports Neurology	5,000	-	5,000
	<b>57,723</b>	<b>-</b>	<b>57,723</b>
<b>Endowment Awards</b>			
Debasish and Chinu Mridha Spirit of Neurology Award	14,493	100,010	114,503
Alliance	1,769	26,021	27,790
Neuro Oncology Investigator Award	17,918	96,950	114,868
Neuro-Oncology Scientific Award	8,729	53,750	62,479
Calvin L. Calhoun, Sr., MD, Diversity Research	22,660	80,310	102,970
George C. Cotzias Lecture	58,412	45,375	103,787
Dreifuss-Penry Epilepsy Award	83,602	71,557	155,159
Norman Geschwind Prize in Behavioral Neurology	48,446	46,801	95,247
Association of Indian Neurologists in America (AINA) Lifetime Achievemen	26,583	50,000	76,583
Wayne A Hening Sleep Medicine Investigator Award	38,279	51,380	89,659
Kenneth M. Viste, Jr., MD Patient Advocate of the Year Award	47,156	73,128	120,284
Harold Wolff-John Graham Award: An Award for Headache/Facial Pain Re	51,818	50,000	101,818
Mitchell Max Neuropathic Pain	35,585	71,890	107,475
Movement Disorders Research Award	41,641	49,929	91,570
Neuro-Infectious Disease Research	12,384	34,855	47,239
Michael S. Pessin Stroke Leadership Prize	53,039	56,957	109,996
Bruce S. Schoenberg International Award in Neuroepidemiology	68,729	83,027	151,756
Sidney Carter Award in Child Neurology	88,188	101,206	189,394
Sleep Science Award	41,761	50,000	91,761
	<b>761,192</b>	<b>1,193,146</b>	<b>1,954,338</b>
<b>Research Funding</b>			
General Research Funding	27,158	-	27,158
ALS	-	-	-
Alzheimers/Dementia	4,545	-	4,545
Epilepsy	150	-	150
Headache	65,555	-	65,555
Lewy Body Dementia	515	-	515
MS	-	-	-
Parkinson/Movement	1,775	-	1,775
Stroke	-	-	-
	<b>99,698</b>	<b>-</b>	<b>99,698</b>
<b>CRTS/CRTF Funding</b>			
AANI	1,164,658	-	1,164,658
Afghan Research Fellow	1,000	-	1,000
McKnight Brain Research Foundation	1,320,000	-	1,320,000
CRTS/CRTF Funding	733,345	-	733,345
	<b>3,133,770</b>	<b>-</b>	<b>3,133,770</b>
<b>Crowd Funding</b>			
System Support	3,540	-	3,540
Gordon Smith	885	-	885
Adam Mecca	3,307	-	3,307
Charlene Ong	100	-	100
Kent Werner	12,395	-	12,395
Miguel Fiol	25	-	25
Eugene Scharf	2,600	-	2,600
Michelle Fullard	250	-	250
	<b>23,102</b>	<b>-</b>	<b>23,102</b>
<b>Endowment Research</b>			
Baumel-Eisner Alzheimers/Dementia Research Fund	33,567	60,000	93,567
Dee E. Silver Scholarship for Parkinson Disease Research	-	-	-
General Research	29,074	49,300	78,374
Multiple Sclerosis Research and Patient Care Training Fellowship	189,961	334,905	524,866
Raymond Adams Award	-	337,348	337,348
Susan S. Spencer Epilepsy Research	26,852	120,970	147,822
	<b>279,454</b>	<b>902,523</b>	<b>1,181,977</b>
<b>Donor Advised Funds</b>			
Martin Shenkman and Patti S. Klein, MD	165,791	-	165,791
Carter Virginia Copp Memorial	8,464	-	8,464
	<b>174,255</b>	<b>-</b>	<b>174,255</b>
<b>Public Education</b>			
Pain	17,711	-	17,711
Parkinsons	27,383	-	27,383
Stroke	95,492	-	95,492
Young Adult Stroke	45,547	-	45,547
	<b>186,133</b>	<b>-</b>	<b>186,133</b>
<b>Operational AANI Grant</b>			
	<b>502,862</b>	<b>-</b>	<b>502,862</b>
	<b>\$ 5,218,189</b>	<b>\$ 2,095,669</b>	<b>\$ 7,313,858</b>

**American Brain Foundation  
Income Statement  
2019 Budget**

	2019 Budget	2018 Budget	Variance Favorable (Unfavorable)	2019 Budget	2018 Forecast	Variance Favorable (Unfavorable)
<b>REVENUE</b>						
Grants & Gifts	\$ 1,791,875	\$ 1,320,741	\$ 471,134	\$ 1,791,875	\$ 1,465,908	\$ 325,967
Released from Restrictions	2,927,425	2,854,109	73,316	2,927,425	2,318,404	609,021
Interest Income	20,000	13,000	7,000	20,000	20,000	
Other Revenue	1,300	750	550	1,300	40,576	(39,276)
Total Support and Revenue	<u>4,740,600</u>	<u>4,188,600</u>	<u>552,000</u>	<u>4,740,600</u>	<u>3,844,888</u>	<u>895,712</u>
<b>EXPENSES</b>						
Salaries & Benefits	982,585	884,980	(97,605)	982,585	878,852	(103,733)
General Office	139,800	175,264	35,464	139,800	115,685	(24,115)
Software	220,399	80,239	(140,160)	220,399	161,307	(59,092)
Professional	288,012	255,454	(32,558)	288,012	313,731	25,719
Meeting/Travel Related	367,191	351,538	(15,653)	367,191	263,282	(103,909)
Grants/Awards	2,757,000	2,070,109	(686,891)	2,757,000	1,816,093	(940,907)
Contingency						
Depreciation/Miscellaneous	46,116	42,996	(3,120)	46,116	42,996	(3,120)
Management Fee	344,528	327,276	(17,252)	344,528	327,276	(17,252)
Total Expenses	<u>5,145,631</u>	<u>4,187,856</u>	<u>(957,775)</u>	<u>5,145,631</u>	<u>3,919,222</u>	<u>(1,226,409)</u>
<b>Net Operating Increase(Decrease)</b>	(405,031)	744	(405,775)	(405,031)	(74,334)	(330,697)
Income(Loss)						
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<u>\$ (405,031)</u>	<u>\$ 744</u>	<u>\$ (405,775)</u>	<u>\$ (405,031)</u>	<u>\$ (74,334)</u>	<u>\$ (330,697)</u>



AAN/ABF PLANNING MEETING  
September 15, 2018, 2:30 p.m. – 6:00 p.m.  
201 Chicago Avenue, Minneapolis, MN

**PURPOSE**

Develop a mutually-beneficial partnership to which both AAN and ABF are committed and accountable.

**OBJECTIVES**

- Develop a plan that addresses critical issues
- Specific agreements for each critical issue
- Recommend commitments for action by both boards in February 2019

2:30 p.m.	<b>Welcome &amp; Introductions</b>	Sacco & Goodno
2:40	<b>Purpose &amp; Timeline of Planning Process</b> <ul style="list-style-type: none"><li>• Clarify where we are now</li><li>• Operating Assumptions: We expect,<ul style="list-style-type: none"><li>○ <i>To continue our partnership</i></li><li>○ <i>To define our financial relationship, e.g.,</i><ul style="list-style-type: none"><li>▪ <i>AAN support for ABF operations</i></li><li>▪ <i>ABF support for AAN research</i></li></ul></li><li>○ <i>To have a partnership that is deeper than a financial one</i></li></ul></li></ul>	Sacco & Goodno
2:50	<b>Where Have We Come From?</b> <ol style="list-style-type: none"><li>1. Historical Overview</li><li>2. Vision for the Foundation</li><li>3. AAN/ABF Commitments</li><li>4. Discussion</li></ol>	Sacco & Goodno
3:00	<b>Where Are We Now? (2015-Present)</b> <p>At the June 2018 meeting of the ABF Board, leaders of the AAN<sup>1</sup> created a SWOT analysis of AAN's relationship with the ABF; and leaders of the ABF<sup>2</sup> created a SWOT analysis of ABF's relationship with the AAN. What did we learn, and what issues are critical to address for future partnership?</p>	Rydell & Ransom

<sup>1</sup> Board members who created the AAN's SWOT analysis of our relationship were: Ralph Sacco, Cathy Rydell, Gordon Smith, Lisa Shulman, and Ralph Jozefowicz.

<sup>2</sup> Board members who created the ABF's SWOT of our relationship were: Kevin Goodno, Susan Williams, Ben Utecht, Berch Griggs, and Tim Engel.

	<ol style="list-style-type: none"> <li>1. AAN SWOT presentation (Rydell)</li> <li>2. ABF SWOT presentation (Ransom)</li> <li>3. <b>Discussion:</b> What are the top 2-4 critical issues to be resolved?</li> </ol>	
3:45	<b>TED Talk: The Way We Think About Charity is Dead Wrong</b>	Don Pallotta
4:00	<b>BREAK</b>	
4:15	<b>Where Are We Going?</b> <ol style="list-style-type: none"> <li>1. ABF <ol style="list-style-type: none"> <li>a. Incrementalism v. Qualitative Leap</li> <li>b. Self-Sufficiency: What it will take</li> </ol> </li> </ol>	Ransom & Rucks
4:45	<b>Plan Development</b>  <u>What are we responsible for delivering?</u> <ul style="list-style-type: none"> <li>• A partnership plan organized around critical issues identified at today's meeting</li> </ul> <u>Who should be involved?</u> <ul style="list-style-type: none"> <li>• Board member-led work groups from <ul style="list-style-type: none"> <li>○ Participants in this meeting</li> <li>○ Others, if needed</li> </ul> </li> <li>• Work groups to be determined by Board Chairs after today's meeting</li> </ul> <u>When?</u> <ul style="list-style-type: none"> <li>• February 2019</li> </ul> <u>Where?</u> <ul style="list-style-type: none"> <li>• For action at our respective board meetings in Miami</li> </ul> <u>Why?</u> <ul style="list-style-type: none"> <li>• Why are the issues we seek to resolve in this plan are critical?</li> </ul>	Sacco & Goodno
6:00	<b>Adjourn</b>	



**American Brain Foundation Board of Directors Meeting**  
**September 16, 2018**  
**8:00 am CST**  
**American Academy of Neurology, 5<sup>th</sup> Floor**  
**201 Chicago Avenue, Minneapolis, MN**

<b>Directors</b>	Kevin Goodno, Chair; Susan Schneider Williams, Vice Chair; David Eagleman, PhD; James Essey, Dan Gasby; Robert Griggs, MD; James Grotta, MD; Shafali Jeste, MD; Ralph Józefowicz, MD; John Mazziotta, MD; Jeffrey Rosenfeld, MD; Catherine Rydell, CAE; Ralph Sacco, MD; Martin Shenkman, CPA; Lisa Shulman, MD; Joseph Sirven, MD; Gordon Smith, MD; Ben Utecht
<b>Guest</b>	David Dodick, MD; John Andrews, Daniel Zismer
<b>Staff</b>	Jane Ransom, Shelly Rucks, Tim Engel, CFO; Lindsey Taveren, Stephanie Olson, Natalie Baumgartner

**Notes:**

- Continental breakfast will begin at 7:30 a.m. outside AAN's 5th Floor Boardroom
- One session of Board member interviews (Ralph Józefowicz and Jane Ransom) will begin prior to the Board meeting at 7:45 a.m. in the Boardroom. Feel free to come in and listen.

	<b><i>AGENDA ITEM - *Indicates Board Action Needed</i></b>	<b><i>PRESENTED BY</i></b>
<i>8:00 a.m. CT</i>	<b>Board Chair Report</b>	Kevin Goodno, Board Chair
<i>8:10</i>	<b>Election of new Board member for 1st term ending 12/31/19*</b> <ul style="list-style-type: none"> <li>• David Dodick, MD</li> </ul> <b>Consent Agenda*</b> <ul style="list-style-type: none"> <li>• Minutes of 8/2/18 Board meeting</li> <li>• Operating Reserve Policy</li> <li>• Corporate Authorization (Signing Authority)</li> </ul>	Kevin Goodno
<i>8:20</i>	<b>Board member interviews</b>	Kevin Goodno & Ralph Sacco
<i>8:30</i>	<b>Finance</b> <ul style="list-style-type: none"> <li>• Year-end forecast</li> <li>• Draft 2019 budget</li> <li>• Investment report</li> </ul>	Ralph Józefowicz & Tim Engel, CFO
<i>8:50</i>	<b>Board member interviews</b>	David Dodick & Ben Utecht

<i>9:00</i>	<b>Board member interviews</b>	Lisa Shulman & Dan Gasby
<i>9:10</i>	<b>Scaling up for Success: Part II</b> <ul style="list-style-type: none"> <li>• Video</li> <li>• Review plan, budget, metrics</li> </ul>	Jane Ransom & Shelly Rucks
<i>10:00</i>	<b>Break</b>	
<i>10:15</i>	<b>Scaling up for Success: Part II</b> <ul style="list-style-type: none"> <li>• Board role</li> <li>• Decision</li> </ul>	Jane Ransom & Shelly Rucks
<i>10:50</i>	<b>Board member interviews</b>	Jim Grotta & Susan Schneider Williams
<i>11:00</i>	<b>ABF Values &amp; Culture</b>	Kestone Culture Group: Ben Utecht & Dan Zismer
<i>12:00</i>	<b>Board member interviews</b>	Jim Essey & Shafali Jeste
<i>12:15</i>	<b>Lunch</b>	
<i>1:00</i>	<b>Board member interviews – 2 people</b>	Gordon Smith & Marty Shenkman
<i>1:10</i>	<b>Governance Structure</b>	Kevin Goodno
<i>2:00</i>	<b>Board member interviews</b>	Cathy Rydell & Jeffrey Rosenfeld
<i>2:10</i>	<b>ABF Partnership Model</b>	Lisa Shulman & Jane Ransom
<i>2:50</i>	<b>Executive Session</b>	Kevin Goodno
<i>3:00</i>	<b>Adjourn</b>	



LEWY BODY DEMENTIA FUND  
OF THE AMERICAN BRAIN FOUNDATION

1. **GOAL.** Establishment of a Lewy Body Dementia Fund of the American Brain Foundation
2. **MOTION.** The ABF Board of Directors hereby authorizes and approves establishment of the Lewy Body Dementia Fund of the American Brain Foundation (hereinafter “LBDF”) whose purpose is funding research, education, advocacy, and service initiatives related to Lewy Body Dementia. The LBDF will be structured in alignment with the Foundation’s Gift Acceptance Policies, as delineated in item numbers 4-20 below.
3. **DISCUSSION.** As a result of its growing work in the area of Lewy Body Dementia, and of the public advocacy of one of our Board members, the ABF anticipates increasing opportunities to raise and grant funding for research and other initiatives related to the disease. Specifically, the ABF has:
  - Established three (3) new Clinical Research Training Scholarships in 2017
  - Designed a new \$5 Million research project award in Lewy Body Dementia diagnostics through a panel of experts convened by its Research Advisory Committee

Additionally, a member of the ABF Board of Directors, Susan Schneider Williams, is participating in a feature length documentary film on Lewy Body Dementia which will bring greater awareness to the disease.

The ABF needs a Named Fund—the Lewy Body Dementia Fund of the American Brain Foundation—through which donors can direct funding related to these and other LBD-related projects. For example, once established, the LBDF will be listed in the credits of the documentary film mentioned above as a place where people can make donations to help defeat LBD. As another example, donors to the ABF’s new \$5 M research project will be able to give their contributions into the LBDF.

4. **Donor Contributions.** Any individual or organization (each a “Donor”), at any time, with the consent of ABF, may make a charitable contribution to ABF designated to the Fund. Donor contributions will be absolute and irrevocable, and after making contributions Donors shall have no right, title or interest in the amounts transferred.
5. **Purpose of Fund.** Without limiting ABF’s authority over the Fund or ABF’s rights under this Agreement, the **purpose of distributions from the Fund shall be to annually fund research.** education, advocacy, and service initiatives related to Lewy Body Dementia. (the “Purpose”).
6. **Administration of Fund.** (a) ABF shall be the absolute and sole owner of all assets in the Fund and income derived from assets in the Fund; (b) the Fund shall be held and administered in accordance with ABF’s Articles of Incorporation, Bylaws, and other rules, regulations, and policies including,

without limitation, its grant guidelines and procedures, and investment policies, as the same may exist from time to time; (c) ABF will treat the Fund as a component part of ABF; and (d) this Agreement shall be operated in a manner consistent with the foregoing intention and to conform with the requirements of federal tax laws applicable to ABF.

7. **Appointment of Advisors.** The ABF will appoint a “**Chair Advisor**” (the “Chair”), with the ability to submit grant recommendations for the Fund to ABF. The Chair will also have the ability to appoint individual members (“Advisors”) of an **advisory committee** (the “Committee”), which will review applications submitted by potential grant-recipients for consideration to receive a recommendation from the Chair, to receive grants from the Fund. ABF will collaborate with the Chair on the oversight of the functions of the Committee. Any grants for research must be approved by the Foundation’s Research Advisory Committee.

The initial Chair Advisor will be:

Name: Susan Schneider Williams

Address: 454 Las Gallinas Avenue, Suite 180, San Rafael, CA 94903

Phone: (415) 302-2857

8. **Distributions and Advisor Recommendations.** Distributions from the net income or principal of the Fund shall be made at such times, in such amounts, in such ways, and for the Purpose as ABF shall determine, in its sole discretion; provided, however, that distributions from the Fund will always be used for the Purpose and reasonable related administrative costs.

The Chair Advisor, may submit advice or recommendations to ABF with respect to the distribution of income or principal of the Fund, including recommendations for research award recipients or grants to other organizations. ABF will give careful and thoughtful attention to all timely advice and recommendations; however, that such recommendations are advisory in nature, will not be binding upon ABF, and will not be the sole criteria used by ABF in determining whether and how to make distributions from the Fund. ABF’s Board of Directors retains the power to modify or eliminate any restriction, condition, or limitation on the distribution of income or principal of the Fund, if, in the sole judgement of such Board, such restriction, condition, or limitation becomes illegal, impracticable, or inconsistent with the charitable mission of ABF.

Before processing any grant, ABF reviews each recommendation to verify compliance with and ABF policies and IRS guidelines, including seeking clarification when there is a chance that the Chair or any Advisor may receive a personal benefit, and in order to ensure that recipient organizations are aligned with ABF’s charitable mission.

9. **Minimum Balance; Dormancy Rule.** The LBDF will become active once an Initial Contribution of \$5,000 is made. A minimum balance may be required in order to make grant recommendations for the Fund and that after three (3) years of inactivity (i.e., no grant recommendations), the LBDF may be closed

and the balance transferred to the ABF Fund (the “Dormancy Rule”). The transfer to the ABF Fund as a result of the Dormancy Rule is irrevocable, and it is the sole responsibility of the Chair to ensure sufficient activity to prevent the transfer as a result of the Dormancy Rule.

Once an Initial Contribution is made, the Chair may begin making grant recommendations. However, the LBDF must maintain a minimum balance of \$1,000 in order to continue making grant recommendations (the “Minimum Balance”). In the event that the LBDF drops below the Minimum Balance, it will be subject to the Dormancy Rule described above.

10. **Timing and Number of Grants.** Grants must be recommended at least thirty (30) days prior to the desired Grant Distribution Day in order to be processed and made timely. The Chair may recommend a maximum of ten (10) grants to be made in any quarter. ABF will review recommendations and respond within a reasonable time with any questions.
11. **Name and Recognition.** The name of the Fund is “The Lewy Body Dementia Fund of the American Brain Foundation”, which name has been deemed acceptable by ABF. Donors to the LBDF will be recognized in the ABF annual report and other publications in a manner reasonably requested by the Chair or LBDF donors. Donors may also be recognized in connection with specific grants, depending on prior agreement and naming opportunities with the ABF. ABF reserves the right to reject the particular manner of recognition requested in any instance and will contact the Chair in the event ABF disagrees with the manner of recognition requested to discuss reasonable alternatives. Any public recognition of the Fund shall be made without reference or categorization by the amount of donations to the Fund.
12. **Publicity.** ABF agrees to reasonably cooperate in publicly promoting requests for applications by the Committee, provided that the Chair provides ABF with timely and sufficient information regarding the request for the Application process. Any public announcements regarding grants made from the Fund or regarding requests for the Applications will be made in collaboration between ABF and the Chair.
13. **Term and Termination.** The Fund begins and may accept donations on the date this resolution is approved by the Board of Directors.
14. **Administrative Fees and Costs.** ABF charges fees, as outlined in its Gift Acceptance Policies to help cover the cost required to maintain LBDF operations, including:
  - Administrative fees which are deducted annually from ABF funds to help cover expenses such as grant making, recordkeeping, annual audits, tax filing, quarterly statements, and other legal and fiscal responsibilities. Fees are currently equal to the greater of 1% of the LBDF balance per year or \$250 per year.
  - Investment-related fees and expense deducted from ABF’s investment funds, which may or may not include any ABF oversight expenses or investment management fees, third-party investment advisor charges, mutual fund fees and expenses, consulting fees, custodial charges and/or trading costs.

15. **Investment Management.** To enhance efficiency and reduce the cost of operations, contributions to the LBDF are pooled with donations from other sources for investment management and administration purposes. Investments will be made at ABF's sole discretion. Donors should be mindful that investment markets are subject to volatility and possibly significant performance fluctuations. All investments are subject to market risk, including the possible loss of principal. Past performance is no guarantee of future results.
16. **Reporting.** ABF will prepare an accounting of the use of the Fund and a brief financial report annually for the Chair. In addition, ABF will require as a condition of its Fellowship grants interim and final research progress and financial reports from recipients, and ABF will provide the Chair with copies of such reports for informational purposes only, which the Chair will share with the Committee.
17. **Research Products.** The parties understand that recipients of grants from the LBDF may develop inventions, products, publications, processes, know-how, formulae, and the like, from the research funded by such grants, whether or not capable of protection under copyright, trade secret or patent protections (the "Research Products"). The Committee, Donors, and ABF will have no rights in or to the Research Products that are conceived or reduced to practice in the performance of grants from the LBDF, regardless of whether the invention is patented or copyrighted. To the extent reasonably practicable, ABF shall cause print and scientific publications and presentations generated as a result of a grant from the LBDF to acknowledge the support of LBDF donors. When possible, a copy of any such material shall be sent to the Chair for pre-approval.
18. **Representations and Warranties.** ABF represents that it has received a determination letter from the Internal Revenue Service to the effect that it is an organization described in Section 501(c)(3) of the Code and is not a private foundation. To the best knowledge of the officers and directors of ABF, this determination is in full force and effect and is not being reconsidered by the Internal Revenue Service with a view toward revocation. Except as stated in the preceding two sentences, ABF makes no representation or warranty concerning ABF's present or future tax status or the tax treatment of contributions to ABF.
19. **Amendment.** This Agreement may be amended only by a vote of the ABF Board of Directors.
20. **Governing Law.** This agreement will be governed and construed in accordance with the laws of Minnesota. Sole venue and jurisdiction for any proceedings under this agreement will be in Hennepin County, Minnesota.