

**West Virginia Advocates, Inc.
Regular Meeting of the Board of Directors
Charleston Office, Charleston, WV**

March 16, 2010, 5:00 p.m.

Members Present: Sam Benson, Terry Dilcher, Robert Hardesty, Ted Johnson and Cathy Reed

Members by Telephone: None

Members Absent: Clifton Clark (excused), Paula Mieczkowski (unexcused), Carla Walker (excused) and JoEllen Zacks (excused)

Guests: Phil Reed

Staff Present: Clarice Hausch (by phone) and Barbara Criner

Mr. Johnson called the meeting to order and asked for any additions or deletions to the agenda. Ms. Hausch noted that the executive session should be removed. Mr. Johnson stated that after the Executive Director's Report, a resignation and potential conflict would be discussed.

Motion: Ms. Reed moved that the January 19, 2010, minutes be approved as presented. Seconded by Mr. Hardesty. Motion carried; none opposed; no abstentions.

Program Director's Report

Ms. Hausch stated that Ms. Simiryan was out of the office and asked if there were any questions concerning her program report. Both Ms. Reed and Mr. Hardesty stated that they like the detailed information presented and the report layout. There were no questions.

Executive Committee

Mr. Johnson noted there was nothing to report.

Finance Committee

Mr. Johnson noted that the auditors had presented the draft audit report at a joint Finance/Audit Committee meeting. He noted there were two findings in the audit. One finding involved a liability that had not been recorded for a non-routine accounting transaction. The second finding was carried over from last year and involved a process for the review of general journal entries. The auditors noted this process has been in place since September 2009. Before the final audit is prepared, management will need to send a response to the findings to the auditors.

Mr. Johnson stated that the auditors had discussed the PEIA WV Retiree Health Benefits Trust ("Trust") Plan. PEIA has been billing government/non-government agencies for the OPEB (Other Post Employment Benefits) coverage. Auditing rules now require these amounts to be recorded as a liability. The auditors had recommended that we opt out of this plan as we do not have the funds to participate.

Motion: Ms. Reed moved that WVA opt out of the WV Retiree Health Benefits Trust ("Trust") Plan. Seconded by Mr. Dilcher. Discussion followed. Mr. Hardesty asked whether we should mirror the benefits that the state provides or do we know we can't afford to do so. Ms. Hausch stated that we cannot afford and corporate counsel had also advised us that as WVA has its own retirement plan, we can opt of the Trust Plan. ***Motion carried; none opposed; no abstentions.***

Mr. Johnson noted that the Finance Committee had seen the television ad and heard the radio ads. The Committee approved these expenses which were over \$5,000. Mr. Hardesty noted that he felt the agency phone number should be at the end of the ads rather than the middle.

Mr. Johnson read the draft management response to the audit findings.

Motion: Ms. Reed moved that the draft management response to the audit findings be approved as presented. Seconded by Mr. Benson. Motion carried; none opposed; no abstentions.

Motion: Ms. Reed moved that the FY 08-09 Audited Financial Statements be approved as presented. Seconded by Mr. Benson. Discussion followed. Mr. Johnson reported that the auditors had stated that WVA staff was very helpful during the audit process. He thanked both staff and auditors for the work done and noted that the agency is in good financial shape. ***Motion carried; none opposed; no abstentions.***

Mr. Johnson reported that the Finance Committee had reviewed the financials for February 2010 and noted no problems.

Motion: Ms. Reed moved that the February 2010 financials be approved as presented. Seconded by Mr. Benson. Motion carried; none opposed; no abstentions.

Mr. Johnson reported that several policy changes and been submitted to the Executive Committee for their review.

Motion: Mr. Hardesty moved that the following addition to the Group Health Benefits Policy be approved: West Virginia Advocates does not offer or contribute toward the cost of health benefits for retirees. Group health benefits are for benefit of active employees only. Seconded by Mr. Benson. Discussion followed. Ms. Hausch noted that his change was recommended by corporate counsel and relates to WVA opting out of the WV Retiree Health Benefits Trust. ***Motion carried; none opposed; no abstentions.***

Motion: Mr. Hardesty moved that the Equipment Policy be changed to increase the threshold of capital purchases from \$1,000 to \$3,000 for any single fixed asset item. Seconded by Ms. Reed. Discussion followed. Ms. Hausch stated that this matter had been discussed with John Galloway of Gibbons & Kawash, CPAs. Mr. Galloway felt that with the size of our agency the threshold should be set at \$3,000. ***Motion carried; none opposed; no abstentions.***

Motion: Ms. Reed moved that the following addition to the Classification and Categories of Employment Policy for exempt employees be approved: Timesheets must be submitted by 4:30 PM on the first business day after the 15th and the last day of the month. Seconded by Mr. Dilcher. Discussion followed. Ms. Hausch noted that this is not a new policy as we have been doing for years but it had not been included in the policy. Mr. Hardesty asked if we should add "in the event of absence, employee is to submit timesheet immediately upon return". *Both Ms. Reed and Mr. Dilcher were in agreement with the addition of "in the event of absence, employee is to submit timesheet immediately upon return" to the motion. Motion carried; none opposed; no abstentions.* Ms. Reed requested that the typing error in the original policy be corrected.

Ms. Hausch noted that the policy for non-exempt employee would also need to be changed to reflect this addition.

Motion: Ms. Hardesty moved that the following addition to the Classification and Categories of Employment Policy for non-exempt employees be approved: in the event of absence, employee is to submit timesheet immediately upon return. Seconded by Mr. Benson. Motion carried; none opposed; no abstentions.

Motion: Ms. Benson moved that the following addition to the Employee Performance Evaluations Policy be approved: The supervisor must review the evaluation with the Executive Director prior to discussion with the employee. Seconded by Ms. Reed. Discussion followed. Ms. Hausch explained the evaluation process. *Motion carried; none opposed; no abstentions.*

PAIMI Advisory Council

Ms. Reed reported that the Council last met in January. The Council had moved that WVA would investigate implementation of the Brady Gun Law to determine if the Supreme Court's definition of probable cause or final commitment violates HIPAA law. Mr. Johnson requested that Ms. Hausch have a staff attorney review this legislation. Ms. Reed will report back to the PAIMI Council.

Quality Assurance Committee

Ms. Reed noted that she had been unable to reach Ms. Akers to discuss the surveys. She stated there were two unsatisfactory surveys and asked Ms. Hausch for additional information. Ms. Hausch stated that these surveys were from two consumers in jail. She stated that sometimes inmates want things from jail which we cannot get them.

Mr. Benson requested that the form be reviewed for TBI comments. Ms. Hausch gave a brief summary of the satisfaction survey process.

Executive Director's Report

Ms. Hausch reported that as a result of the collaboration between agencies, a scam targeted at the elderly and persons with disabilities residing in a HUD housing unit had been prevented. Mental Health Consumers Association (MHCA) had received information stating that these residents may be eligible for a refund from federal stimulus money. MHCA forwarded this information to Ms. Hausch who then contacted the Secretary of State's Office and the Governor's

Office. The Governor's Office in turn contacted the Attorney General's Office who was able to prevent the scam.

Ms. Hausch reported that the next edition of the Advocare should be arriving next week and we are currently finishing the annual report.

Unfinished Business

None

New Business

Mr. Johnson reported that Jamie Bailey had submitted a notice of resignation from the Board.

Motion: Ms. Reed moved that Mr. Bailey's resignation be accepted. Seconded by Mr. Hardesty. Motion carried; none opposed; no abstentions.

Mr. Johnson requested that Ms. Hausch prepare a letter of acceptance of the resignation and suggest that if circumstances change, for him to please reapply.

A discussion then followed concerning a possible conflict of interest. Mr. Johnson stated that he had returned to work for DHHR and is making the announcement today for full disclosure. He reported that his primary task will be substance abuse for which WVA does not provide services. He will also participate in the leadership meetings. In these meetings, he will be privy to information that may create a conflict. He asked the other members for their input.

Ms. Hausch responded that she felt comfortable that Mr. Johnson would inform the Board when there is a conflict.

Mr. Hardesty asked if the employer was part of DHHR. He noted that he personally felt comfortable with Mr. Johnson remaining on the Board. But, he noted that Mr. Johnson would be working for an agency of which we are adversaries. If a conflict would ever be raised by either the public or DHHR, this would have to be dealt with by the Board.

Ms. Reed stated that Board members absent from today's meeting would need to be made aware of this matter. Mr. Hardesty suggested that Mr. Johnson could give a brief analysis at the next Board meeting. Ms. Hausch stated that since we are at times in litigation with DHHR, the judge may perceive this as a conflict of interest. She suggested that Beth Walker, corporate counsel be contacted. Both Mr. Hardesty and Mr. Benson agreed. Mr. Hardesty stated that a summary of the matter from Ms. Walker be presented to all members at the next Board meeting.

Ms. Reed asked if this situation would also affect Mr. Johnson's role as Chairman of the PAIMI Advisory Council. Ms. Hausch stated that this should also be discussed with corporate counsel. Mr. Johnson stated that he will contact Ms. Walker.

Mr. Benson volunteered to serve on both the Finance Committee and the Quality Assurance Committee. Ms. Hausch will contact Mr. Benson to provide Board training.

Mr. Hardesty requested that we install a door bell on the front door in the lobby area. He noted there may be occasions when a visitor comes to this entrance and an employee might not be at

the front desk. Mr. Benson agreed that a door bell should be installed. Ms. Hausch will have a bell installed.

Ms. Reed requested that the Board listing be updated along with committee assignments.

No further business appearing, the meeting adjourned at 7:20 p.m.

Transcribed by Barbara Criner