



# SANDHILLS CENTER

## Board of Directors Meeting Minutes

June 9, 2020

Via Telephone – 888-363-4734 – access code 6217146#

### Members Present:

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Ross Streater                 | <input type="checkbox"/> Priscilla Little, Secretary  |
| <input checked="" type="checkbox"/> Kay Cashion, Vice-Chairperson | <input checked="" type="checkbox"/> Gart Evans        |
| <input checked="" type="checkbox"/> Dr. Walter Salinger           | <input checked="" type="checkbox"/> Dr. Alvin Keyes   |
| <input checked="" type="checkbox"/> Howard Penny                  | <input checked="" type="checkbox"/> Tonya Gray        |
| <input checked="" type="checkbox"/> Harry Southerland             | <input checked="" type="checkbox"/> Shirley Hart      |
| <input checked="" type="checkbox"/> Kirk Smith                    | <input checked="" type="checkbox"/> Walter Ferguson   |
| <input checked="" type="checkbox"/> Dottie Robinson               | <input checked="" type="checkbox"/> Carol Whitaker    |
| <input checked="" type="checkbox"/> Otis Ritter                   | <input checked="" type="checkbox"/> Matthew Rothbeind |
| <input checked="" type="checkbox"/> David Allen                   | <input checked="" type="checkbox"/> Mazie Fleetwood   |
| <input checked="" type="checkbox"/> Leann Henkel                  | <input type="checkbox"/> Michele Weatherly            |
| <input checked="" type="checkbox"/> Thad Ussery, Chairperson      |   |
| <input checked="" type="checkbox"/> Jerry Earnhardt               |   |

### Staff Present:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Victoria Whitt | <input checked="" type="checkbox"/> Sherry Bynum |
| <input checked="" type="checkbox"/> Anthony Ward   | <input checked="" type="checkbox"/> Evelyn Quick |
| <input type="checkbox"/> Leonard Covington         | <input type="checkbox"/> Patrick Sloan           |
| <input type="checkbox"/> Kelly Patterson           |  |

**Guest:** Lisa Jackson, DMH, LME Technical Assistance Liaison

Due to the COVID-19 pandemic, the Sandhills Center Board of Directors meeting was held telephonically. A conference call line was opened for Board participation and discussion, also allowing for public participation.

### Call to Order and Invocation

Chairperson Thad Ussery called the meeting to order at 6:00 p.m. and gave the invocation.

### Roll Call

A roll call of attendance was taken. A total of 20 Board members were present: 19 voting and one (1) non-voting.

Mr. Ussery informed that Board that some of the voting tonight would be by general consent. If there are any objections, a motion, seconded and roll call will be taken.

### Conflict of Interest

Chairperson Ussery read the Conflict of Interest statement and asked if any Board member had a conflict of interest concerning agenda items the Board would address in the meeting that would require recusal. No conflicts were stated.

### Certification of Quorum

Sherry Bynum, Clerk to the Board of Directors, certified a quorum.

### Approval of Agenda

*The Agenda was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery.*

### Absent Board Members Justifications

Justifications for Board member absences:

- Michele Weatherly – Medical procedure. A motion was made by Mazie Fleetwood and seconded by Carol Whitaker to “excuse the absence as presented”. Voting yes – Commissioner Ross Streater, Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry

*Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery. The motion passed unanimously.*

- Not in attendance – unexcused: Priscilla Little

### **Public Comments**

None

### **Approval of Consent Agenda**

*The Consent Agenda was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery.*

The following were approved:

- May 12, 2020 Board of Directors Meeting Minutes
- Policy Revisions
- 2021 Holiday Schedule
- Quality Management Plan FY 20 – 21

### **New Business**

#### **> Chief Executive Officer's Report – Victoria Whitt, Chief Executive Officer**

Mrs. Whitt welcomed everyone and provided the following:

#### **A. FY 20 – 21 Continuation Budget – Public Hearing**

*At 6:08 p.m., Chairperson Ussery declared that tonight's Board of Directors meeting will serve as an open public hearing for discussion of the FY 20 – 21 Continuation Budget.*

For Board review and approval, Mrs. Whitt reviewed in detail the FY 20 – 21 Continuation Budget, which provides Sandhills Center with an interim operating budget for the 1<sup>st</sup> quarter of FY 20 – 21.

The proposed Continuation Budget totaled \$363,806,261. This represents an increase of 4.8% from the Operating Budget that was approved at the February meeting.

The proposed budget allocates County General Funding, \$11,461,000, to the support of the County Outpatient Units Contracts and other County Service Contracts. Mrs. Whitt noted that this may change as the Counties prepare their budgets and make decisions regarding funding.

Additional items addressed included the increase of the LGERS employer contribution rate from 8.95% to 10.15%, effective July 1, 2020.

Mrs. Whitt also noted that during the 1<sup>st</sup> quarter of FY 20 – 21, Sandhills will review all needs for capital expenditures, conduct a detailed review and analysis of actual expenditures and revenues, and receive the allocated State and Federal funds. Once the actual State fund allocations are received, the Operating Budget will be revised to reflect any changes.

The budget does include an allocation of \$15,916,815 from Fund Balance, which covers the operations and funding of the Facility Based Crisis centers in Randolph and Richmond Counties, cuts to the State Single Stream Funding, Reinvestment Funding, and an increase in Care Coordination treatment planning.

It was noted, that the Project Ordinances for the Facility Based Crisis Centers is outside of the Continuation Budget.

Chairperson Ussery commented that the budget has been posted on the Sandhills Center website for public comments and declared a public comment period that will run for 24 hours. He explained that a vote will not be taken tonight regarding the FY 20 – 21 Continuation Budget and that at the end of tonight's meeting, a recess will be called and the meeting will reconvene Friday, June 12<sup>th</sup>, at 1:00 p.m. to hear any public comments and to vote on the FY 20 – 21 Continuation Budget.

**B. FY 19 – 20 Final Operating Budget Amendments**

For Board review and approval, Mrs. Whitt reviewed in detail a set of the budget amendments to the Sandhills Center FY 19 – 20 Operating Budget.

The amendments increased the Center's Current Operating Budget by a total of \$16,039,429 from \$347.2 million to \$363.2 million.

*On behalf of the Finance Committee, a motion was made by Finance Committee Vice-Chairperson Commissioner David Allen and seconded by Commissioner Harry Southerland to "accept the FY 19 – 20 Final Budget Amendments as presented." Voting yes – Commissioner Ross Streater, Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery. The motion passed unanimously.*

**C. FY 20 – 21 Fund Balance Designation Resolution**

Mrs. Whitt presented and reviewed, for Board consideration, a Fund Balance Designation Resolution to reserve \$39,500,000 in Fund Balance. This will allow Sandhills to address future growth and expansion and maintain operations in the areas of FY 20 – 21 Community Reinvestment Plan, FY 21 State Single Stream Budget Reductions, and FY 21 Intergovernmental Transfer. Mrs. Whitt noted if approved, the resolution would be forwarded to the State.

*The Fund Balance Designation Resolution, of \$39,500,000, was approved by general consent and without objections. Voting yes – Commissioner Ross Streater, Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery.*

**D. Sandhills Center Response to COVID-19 Pandemic**

- 👉 **Employee Work Status** – Mrs. Whitt took the opportunity to update the Board members on the current work status for all employees. With the announcement of Phase II Plan of loosening restrictions, staff were provided the option to return to their assigned work locations, if they prefer, effective June 1<sup>st</sup>. Staff were directed to work with their supervisor to discuss their preferred work location.

For staff who choose to return to their Sandhills work location, they are required to take their temperature before leaving for work and if they should have a temperature, they are to remain at home and follow procedures that have been put in place. Additionally, for any staff member that returns to the office, it is highly encouraged to use all recommended social distancing precautions, wearing a face covering, washing hands and the use of hand sanitizer. All non-essential travel and meetings continue to be suspended.

- 👉 **Employee COVID-19 Testing** – Mrs. Whitt shared the current statistics of employees COVID-19 testing and the process that Sandhills has in place.
- 👉 **Access and Continuity of Behavioral Health Services** – Sandhills Center reviews each of the behavioral health service flexibilities along with NC DHHS to make recommendations on the timing of each modification ending or recommendations on which adjustments should continue beyond the current pandemic. NC DHHS can make the decision on the timing of some of the announced flexibilities while federal reviewers must approve others.
- 👉 **Provider Network COVID-19 Outbreak Status** – Mrs. Whitt noted that NC DHHS maintains a listing of COVID-19 Ongoing Outbreaks in Congregate Living Settings and Sandhills continues to review the list routinely.

**E. Comprehensive/Facility Based Crisis (FBC) Centers Update**

- 👉 **Randolph County Update** – Mrs. Whitt reported that Daymark is actively recruiting for the positions available at the facility. Jerry Earnhardt gave an update on the hiring process.

Mrs. Whitt reported that she is currently working with the General Contractor, the Architect, and legal counsel on final punch list items. This will move toward discussions related to closeout and determination of liquidated damages.

- **Richmond County Update** – Mrs. Whitt reported that final items for completion include installation of fire shutters/detectors and testing of the fire alarms systems, and fire inspections. The Certificate of Occupancy is expected to be issued, following these testing. Liquidated damages assessment will be a part of the settlement process with the General Contractor.

**Guilford County Update** – Mrs. Whitt reported that monthly construction meetings continue with Construction Manager at Risk, Samet Corporation, and TFF Architects. The project plan has been reviewed as well as progress to date. The project remains on schedule, with a completion date of mid-February 2021.

**F. Robert Porcher Way, Greensboro Property Renovations**

Mrs. Whitt reported that the initial construction meeting has been held with the General Contractor. A projected date of completion is February 15, 2021.

**G. Sandhills Center/Guilford County Agreement for Purchase/Sale of Real Property and Waiver of Certain Requirements of the Merger Agreement**

Mrs. Whitt gave an update on the agreement between Sandhills Center and Guilford County, whereby Guilford County conveys the title to the property for the Greensboro Child FBC center, in exchange for Sandhills Center releasing Guilford County from the provision in the October 4, 2012, Merger Agreement requiring Guilford County to provide property for Sandhills Center's administrative functions and employees. Both parties have signed the agreement.

The Sandhills Center attorneys are completing their preliminary work with the Guilford County attorneys and will be moving to the final closing period.

**H. NC General Assembly Updates**

Mrs. Whitt gave an update of the happenings of the NC General Assembly. She noted that the Senate introduced SB808, a stand-alone bill to appropriate the funding needed to implement Medicaid Transformation. The House prefers that Medicaid Transformation funding be included in a broader budget package and not pursued on a stand-alone basis. The bill calls for the implementation of the commercial plans, Standard Plans to begin January 2021. Tailored Plans would transition in a year after the Standard Plans are up and running. NC DHHS does not see this as a realistic date given the COVID-19 pandemic.

**I. Sandhills Center Board of Directors Compensation**

Mrs. Whitt reviewed the sections of the Sandhills Center By-laws, under Article IV. Section 7, which addresses Board Compensation and references N.C.G.S. 122C-120, which allows Board members to receive a per diem in addition to travel.

She explained that Sandhills Center currently reimburses Board members for their travel costs associated with official Board duties, including attendance at Board meetings, attendance at conferences and events that are directly related to carrying out the official duties of the Board. However, at this time, Board members do not receive a per diem amount for attendance at Board meetings. A review of other LME/MCOs indicates that the majority of those entities do provide a per diem payment for Board Meeting attendance, ranging from \$35 - \$50 per meeting, along with travel expenses.

During discussions, it was clarified that each Board Member is free to determine for him/herself if they choose to request the per diem/per meeting reimbursement. Any Board member that chooses to receive the per diem reimbursement will be required to complete a W-9 tax form, which can result in the Board member receiving a 1099-Misc. at the end of the year to be filed with their income taxes. The amount will be \$50 per meeting.

*The \$50 per diem/per meeting reimbursement was approved by general consent and without objections. Voting yes – Commissioner Ross Streater, Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery.*

- **Clinical Services & Operations Report – Anthony Ward, Chief Operating Officer/Deputy Director**  
Mr. Ward reviewed the following, noting that his reports cover the months of March and April. The results does begin to show changes as a result of COVID-19.
  - Medicaid Waiver Operations Report – May 2020, noting that all benchmarks continue to be met.
  - Medicaid Waiver Financial Operations Report – May 2020, noting the financial measures that Sandhills is required to meet.
- **July Board Meeting** – *The decision to not have a Board meeting in July was approved by general consent and without objection. Voting yes – Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery.*

### **Committee Reports**

- **Finance Committee Report** – Committee Vice-Chairperson Commissioner David Allen reported the Finance Committee met telephonically on Friday, June 5, 2020, and reviewed the Finance Report in detail. Commissioner Allen presented and reviewed the Finance Agenda with the Board of Directors. He noted that the items in blue are the regular agenda items and the items in red are changes due to COVID-19.

Also reviewed in the Finance Report:

- A summary of the Consolidated Balance Sheet and Income Statement, which reflects services through April 30, 2020
- Revenue and Rent Contracts for FY 20 – 21
- Capital Project Ordinance for FY 20 – 21 for Sandhills Center for FY 20 – 21 Capital Allocation

*On behalf of the Finance Committee, a motion was made by Commissioner David Allen and seconded by Commissioner Harry Southerland to “approve the Finance Agenda as presented.” Voting yes – Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery. The motion passed unanimously.*

- **Client Rights Report** – Did not met.
- **Human Resources Committee Report** – Did not met.
- **Corporate Compliance & Internal Audit Committee** – Did not met.

### **Closed Session**

*To go into Closed Session under N.C. Gen. Stat. 143-318.11(a)(1) to discuss confidential information covered under N.C. Gen. Stat. 122C-126.1, was approved by general consent and without objection. Voting yes – Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery. The Closed Session began at 7:05 p.m.*

Sandhills Center Staff staff in attendance: Chief Executive Officer Victoria Whitt, Chief Operating Officer/Deputy Director Anthony Ward, Chief Legal Officer/Corporate Compliance Officer Evelyn Quick, and Clerk to the Board/Executive Assistant Sherry Bynum.

*To reconvene Open Session was approved by general consent and without objection. Voting yes – Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery. Open session reconvened at 7:25 p.m.*

*A motion was made by Commissioner Harry Southerland and seconded by Gart Evans “to accept the purchase offer of \$340,000, for the Sandhills Center property located at 116 Lawrence Street, Rockingham, NC.” Voting yes – Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery. The motion passed unanimously.*

**Old Business**

None

**Comments**

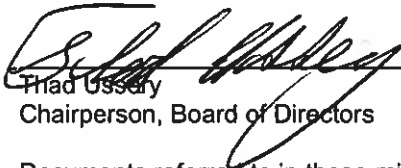
None

**Board Materials**

- Community Agency Breakfast Meeting Agenda
- DMA Monthly Financial Report – April 2020
- Personnel Report
- Newspaper Articles

**Recess**

Chairperson Ussery declared the meeting recessed until Friday, June 12<sup>th</sup>, at 1:00 p.m. Approval to recess the meeting was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Commissioner Kay Cashion, Gart Evans, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Tonya Gray, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Matthew Rothbeind, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery. The meeting went into recess at 7:30 p.m.

  
Thad Ussery  
Chairperson, Board of Directors

8-11-20  
Date

Documents referred to in these minutes may be obtained by contacting Sherry Bynum at [sherryb@sandhillscenter.org](mailto:sherryb@sandhillscenter.org) or 910-673-9111.

Submitted by: Sherry Bynum, Clerk to the Board of Directors/Executive Assistant to CEO