



SANDHILLS CENTER

Board of Directors Meeting Minutes

February 14, 2023

Members Present:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Robert Mims | <input checked="" type="checkbox"/> Priscilla Little, Vice-Chairperson |
| <input checked="" type="checkbox"/> Karen Watford, Secretary | <input checked="" type="checkbox"/> Billy Louya |
| <input checked="" type="checkbox"/> Trish Baker | |
| <input checked="" type="checkbox"/> Alan Perdue | <input checked="" type="checkbox"/> Dr. Walter Salinger |
| <input checked="" type="checkbox"/> Dr. Alvin Keyes | <input checked="" type="checkbox"/> Dr. James Summey |
| <input checked="" type="checkbox"/> Matt Nicol | |
| <input checked="" type="checkbox"/> Harry Southerland, Chairperson | <input checked="" type="checkbox"/> Jackie McLean |
| <input checked="" type="checkbox"/> Kirk Smith | <input checked="" type="checkbox"/> Walter Ferguson |
| <input checked="" type="checkbox"/> Mary Hassell | |
| <input checked="" type="checkbox"/> Nick Picerno | <input checked="" type="checkbox"/> Matthew Rothbeind |
| <input checked="" type="checkbox"/> David Allen | <input checked="" type="checkbox"/> Ann Shaw |
| <input checked="" type="checkbox"/> Mike Ayers | |
| <input checked="" type="checkbox"/> Dr. Rick Watkins | <input type="checkbox"/> Dr. Tommy Jarrell |
| <input type="checkbox"/> Mark Richardson | <input type="checkbox"/> Keith Duncan |
| <input checked="" type="checkbox"/> Jan Herring | <input checked="" type="checkbox"/> Mark Morris |

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 checked="" type="checkbox"/> Bonita Porter | <input checked="" type="checkbox"/> Leonard Covington |
| <input checked="" type="checkbox"/> Patrick Sloan | <input checked="" type="checkbox"/> Richard Owen |
| <input checked="" type="checkbox"/> Christy Nichols | |

Guest: Ann Taylor, Management Consultant with Piedmont Triad Council of Governments
Lisa Jackson, DMH, LME/MCO System Performance Liaison

The Sandhills Center Board of Directors convened for a regular meeting on Tuesday, February 14, 2023. The meeting was held at the Randolph County Government Center, 725 McDowell Road, Asheboro, NC

Call to Order and Invocation

Chairperson Commissioner Harry Southerland called the meeting to order at 7:00 p.m. Dr. Alvin Keyes lead the Board members in a moment of silence.

Certification of Quorum

Commissioner Karen Watford, Secretary, certified a quorum.

Conflict of Interest

Chairperson Southerland 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. None noted.

Approval of Agenda

A motion was made by Walter Ferguson and seconded by Commissioner Priscilla Little to “approve the Agenda.” The motion carried unanimously.

Absent Board Members Justifications

Justifications for Board member absences:

- Dr. Tommy Jarrell – conflicting meeting.
- Commissioner Mark Richardson – previously arranged engagement.
- Keith Duncan – awaiting arrival of first grandchild.

A motion was made by Commissioner Alan Perdue and seconded by Commissioner Matt Nicol to “excuse the absences.” The motion carried unanimously.

Approval of Consent Agenda

A motion was made by Commissioner David Allen and seconded by Commissioner Priscilla Little to “approve the Consent Agenda.” The motion carried unanimously. The following was approved:

- 📅 January 10, 2023, Board of Directors Meeting Minutes
- 📅 Policy Revisions

Public Comments

None

New Business

➤ **Chief Executive Officer’s Report – Victoria Whitt, Chief Executive Officer**

Mrs. Whitt provided the following:

A. Market Rate & Employee Compensation Study

Mrs. Whitt stated that as discussed at the January Board meeting, Sandhills Center contracted with Ann Taylor, Management Consultant with Piedmont Triad Council of Governments, regarding the completion of an employee market rate/compensation study. The last Employee Market Rate and Compensation Study was performed and approved by the Board in January of 2019. At that time, the Sandhills Center Board and Human Resources Committee recommended to periodically evaluate the employee rate/pay structure.

As North Carolina Medicaid continues its transition into Managed Care, Sandhills will be in direct competition with other LME/MCOs transitioning into Tailored Plans, private Mental Health Managed Care entities operating as Standard Plans, as well as other public and private/commercial healthcare entities. In addition, workplace flexibilities and new employment options resulting from doing business in the COVID environment make it important to remain competitive in employee compensation, to attract and retain a qualified, trained, and competent workforce.

Mrs. Whitt noted that the Sandhills Center Reinvestment Plan and the Fund Balance Reservation, approved at the June 2022 Board Meeting, reserves funding for infrastructure development and expansion to support effective and efficient operations.

Mrs. Whitt introduced Ms. Taylor, who shared her study findings and recommendations.

Ms. Taylor presented a PowerPoint overview of the Compensation Study Market Findings.

- The benefit of a compensation study is to determine if the current pay structure is appropriate or may need to be modified.
 - External Equity – to determine competitiveness with other employers for similar skilled workforce; and
 - Internal Equity – to ensure fairness in the application of pay for employees performing jobs requiring similar skills and abilities.
- Results
 - Report providing comparative ratio of pay – benchmark job classifications
 - A detailed allocation report – outlining options for implementation based on cost
 - Options to avoid compression
- The Piedmont Triad Prosperity Zone of North Carolina – jobseekers and job openings, from April 2006 – October 2021
- Ms. Taylor discussed the Primary Points of Comparison used.
- Starting Pay – How do we Compare?
- New Pay Grade Assignments – Comparison to Market
- Implementation Option Recommendations
 - Give Mrs. Whitt the authority to implement a 2% per grade change. This does not change the Pay Plan. This would bring employees closer to the 100% market rate.
 - Applied consistently – does not diminish the progression through the pay range that has been achieved by a consistent, comprehensive performance review process.

After discussions, a motion was made by Commissioner Kirk Smith and seconded by Walter Ferguson to “give Mrs. Whitt authority to implement a 2% per grade change.” Upon vote, Board members present approved the motion, with Trish Baker voting against. By majority vote, the motion carries.

It was noted that all classifications and positions were reviewed, except for the CEO position, which is not part of the study.

B. Richmond County Child Facility Based Crisis Center (FBC) Update

Mrs. Whitt provided an update on the Richmond County Child Facility Based Crisis Center (FBC)

- Mrs. Whitt stated that during the past few months, Sandhills has worked with the LS3P Architecture to review redesign options, relying upon the courtyard/playground design that is being successfully used at the Guilford Child FBC, which was also designed by LS3P.
- The new design seeks to address the following areas:
 - Courtyard fence (height and materials). Current fence is 6 feet high composed of residential fencing materials. New fence height would be 13 feet, 8 inches, composed of WireWall Security Mesh fencing panels.
 - Expansion of courtyard area by 650 additional square feet. This area is approximately 660 square feet larger than the Guilford Child FBC.
 - Surface area would be combination of grass, concrete and synthetic materials allowing for more recreational activity options.
 - Courtyard facing windows and access door would be replaced with security/safety windows.
- There have been discussions with Lomax Construction, the company that is currently building the Asheboro Office Building, and they submitted a bid proposal in the amount of \$210,000. This price excludes utility connections, 3rd party testing, removal and replacement of any soil, performance and payment bonds, and permits. (It should be noted that the cost to complete the Guilford Child FBC, in May of 2021, was approximately \$202,000.)
- Lomax indicates they can begin work immediately upon Board approval.
- LS3P Architecture has had preliminary discussions with NC DHSR Construction Section that indicates the changes to the courtyard should not affect their approval as long as the Life Safety Plan for path of egress compliance remains consistent with the previous design.
- Mrs. Whitt stated that given the \$210,000 projected construction cost, along with the above additional ancillary costs, it is recommended that the Board approve an amount for this project, not to exceed \$220,000.

Commissioner David Allen took the opportunity to discuss the delay of the Asheboro Office building project and stated that the recommendation, of the new design, was discussed in the Finance Committee. Commissioner Alan Perdue discussed the durability of the mech fencing panels.

After Board discussions, a motion was made by Commissioner David Allen and seconded by Commissioner Kirk Smith to “approve the recommended amount, not to exceed \$220,000, for the project.” The motion carried unanimously.

C. Construction/Building Projects Updates

Mrs. Whitt gave an update on the construction/building projects:

- 🌈 **Future Seven Lakes/West End Corporate Office Building – 1100 Seven Lakes Drive, West End, NC** – Mrs. Whitt gave an update on the Corporate Office Building in West End, reporting that Central Builders expects to receive a Certificate of Occupancy (CO) soon. A lot of work has been completed over the last 30 days, with a few items remaining.
- 🌈 **Asheboro Office Building** – Mrs. Whitt gave an update on the Office Building in Asheboro, reporting that Lomax Construction, Inc., the General Contractor, has experienced a few vendor delay issues:
 - HVAC (2) package units May delivery date. Awaiting update from Trane for delivery date.
 - Electrical MDP panel and internal operations. The vendor/supplier has contacted the contractor and indicated a delay with delivery pushed to May 24th. This panel serves as the main electrical box for the building. This delays the project due to not having power for finishes inside the building.

- One proposed solution was to expedite equipment from a different manufacturer. This was sent to the owner and design team for review. The proposed expedited equipment was reviewed by the owner, architect, and contractor, and was turned down because the vendor could not guarantee a timely delivery, even with an additional cost of \$19,273.

The construction schedule submitted by the GC has been updated and the owner occupancy date is July 11, 2023. The contract substantial completion, certificate of occupancy, and final inspections dates will happen in the last half of June.

D. NC DHHS/2023 NC General Assembly Updates

Mrs. Whitt gave the following updates:

NC DHHS Update





- Retirement of Deputy Secretary Dave Richard Announced – Mrs. Whitt noted that Deputy Secretary Dave Richard is set to retire February 28th. Jay Ludlam will step into the role of Deputy Secretary for NC Medicaid on March 1st.
- BH/IDD Tailored Plan Update – Mr. Ward provided a Tailored Plan update. He stated that the hospital systems are still hesitant to sign a contract. He reviewed the weekly scorecard.

2023 NC General Assembly Update


- The 2023 NC General Assembly convened on January 11, 2023, and has selected chamber leaders, House Speaker Tim Moore, and Senate leader Phil Berger, both of which announced their chambers' committee assignments.
- The legislature reconvened on January 25th to begin the two-year session in earnest.
- The Long Session brings a new budget biennium for the next two (2) fiscal years July 1, 2023, through June 30, 2025. Not only is there a new budget, but all bills will be newly introduced in the session regardless of whether they have been introduced in past legislative sessions.
- Below are Health Care topics that have been raised in various meetings as potential legislative and budget items.
 - Medicaid Expansion – Although there were comments made that the NC General Assembly may consider Medicaid Expansion last December, no action was taken. The two (2) bills that were introduced last spring by House and Senate leadership will have to be re-introduced to be active in the 2023 Long Session.
 - Crisis Services – Expand the 988-line services and crisis services.
 - Behavioral Health – expand community-based service options, including justice-involved populations.
 - Workforce – Pay rates for Direct Support Professional and other behavioral health staff, early childhood staff, peer specialists and individuals with lived experience.
 - Child Welfare – Focus on school-based services and more foster care treatment options.
 - Olmstead Plan – Increase Home and Community Based Services, community-based living options and supported employment.

➤ **Clinical Services & Operations Report – Anthony Ward, Deputy Director/Chief Operating Officer**

Mr. Ward took the opportunity to review the following:

-  **Medicaid Waiver Operations Report** – January 2023, noting that all benchmarks continue to be met.
-  **Medicaid Waiver Financial Operations Report** – January 2023, noting the financial measures that Sandhills is required to meet.
-  **January 2023 Quarterly Report** – highlights included the focus on stakeholder engagement, launch of a physical health newsletter, and extending the Covid-19 rate enhancements permanently.
-  **2022 Annual Report** – highlights included extending the enhanced reimbursement rates to providers permanently, earning high marks on the annual Provider Satisfaction Survey, the launch of a monthly *Health Matters* newsletter, community and stakeholder engagement, and recognizing and celebrating Crisis Intervention Team training partners at the state and internal levels.

Committee Reports

-  **Appointments** – Chairperson Southerland made the following appointments: Commissioner Nick Picerno and Mark Morris to the Finance Committee; and Dr. James Summey to the Compliance/Regulatory Committee.

📌 **Finance Committee Report** – Finance Committee Chairperson, Commissioner David Allen reported the Finance Committee met prior to tonight's Board of Directors Meeting. Committee Chairperson Allen reviewed the December 31, 2022, Consolidated Balance Sheet and Income Statement, the December 31, 2022, Quarterly Fiscal Monitoring Report, the Federal Income Tax 990, and discussed the Annual Independent Financial/Compliance Audit recommendation as follows:

- For year ending June 30, 2023, proposed audit amount is \$59,900.
- Proposed amount to perform the annual Federal Income Tax 990 is \$4,400.

On behalf of the Finance Committee, a recommendation was made by Committee Chairperson David Allen and seconded by Commissioner Robert Mims to "approve the Finance Report as presented, and to approve the recommendation to proceed with Cherry Bekaert for the June 30, 2023, audit cycle and the annual Federal Income Tax 990, as noted above." The motion carried unanimously.

📌 **Human Resources Committee Report** – In the absence of Human Resources Committee Chairperson Dr. Tommy Jarrell, Committee member Commissioner Kirk Smith, reported that the Human Resources Committee met prior to tonight's Board of Directors Meeting. He reported that the Committee discussed the Market Study Analysis that Mrs. Whitt and Ms. Taylor discussed earlier and the Committee was in agreement.

📌 **Client Rights Committee Report** – Client Rights Committee Chairperson, Walter Ferguson, reported that the Client Rights Committee met prior to tonight's Board of Directors Meeting. He noted that he was re-elected as Chairperson for 2023. Committee Chairperson Ferguson discussed the Quarterly Incidents & Grievances report given by Liz Hammond-Stebbins.

📌 **Consumer and Family Advisory Committee** – Consumer and Family Advisory Committee member, Mike Ayers, discussed the status report of October – December 2022.

📌 **Compliance/Regulatory Committee** – Committee did not meet.

Old Business

None

Comments

None

Board Materials

- 📌 Community Agencies Breakfast Meetings Agenda
- 📌 Quality Management Committee Executive Summary (October – December 2022)
- 📌 DMA Monthly Financial Report – December 2022
- 📌 Human Resources Report
- 📌 Newspaper Articles

Adjournment

A motion was made by Mike Ayers and seconded by Walter Ferguson to "Adjourn the meeting." The motion carried unanimously. The meeting adjourned 8:16 p.m.



Commissioner Harry Southerland
Chairperson, Board of Directors

Date

3-14-2023