



# SANDHILLS CENTER

## Board of Directors Meeting Minutes January 8, 2019

### **Members Present:**

- |   |  |
|---|--|
| <input type="checkbox"/> Ross Streater                            | <input checked="" type="checkbox"/> Priscilla Little             |
| <input checked="" type="checkbox"/> Kay Cashion, Vice-Chairperson | <input checked="" type="checkbox"/> Gart Evans                   |
| <input checked="" type="checkbox"/> Dixie Branch                  | <input type="checkbox"/> Carlos Townsend                         |
| <input type="checkbox"/> Joe Miller                               | <input checked="" type="checkbox"/> Bill Larrison                |
| <input checked="" type="checkbox"/> Harry Southerland             | <input checked="" type="checkbox"/> Shirley Hart                 |
| <input checked="" type="checkbox"/> Kirk Smith                    | <input type="checkbox"/> Walter Ferguson                         |
| <input type="checkbox"/> Anthony Copeland                         | <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 checked="" type="checkbox"/> Thad Ussery, Chairperson      | <input checked="" type="checkbox"/> Michele Weatherly, Secretary |
| <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 checked="" type="checkbox"/> Leonard Covington | <input checked="" type="checkbox"/> Patrick Sloan |
| <input checked="" type="checkbox"/> Kelly Patterson   |   |

**Guest:** Lisa Jackson, DMH, LME Technical Assistance Liaison  
Ann Taylor, Management Consultant with Piedmont Triad Council of Governments

### **Call to Order and Invocation**

The Sandhills Center Board of Directors met on Tuesday, January 8, 2019, at the Administrative Office at 1120 Seven Lakes Drive, West End, NC. Chairperson Thad Ussery called the meeting to order at 7:05 p.m. and gave the invocation.

### **Oath of Office**

Elected Officers for 2019 were administered the Oath of Office: Thad Ussery, Chairperson, Commissioner Kay Cashion, Vice-chairperson, and Michele Weatherly, Secretary.

Lee County representative Kirk Smith was welcomed and administered the Oath of Office.

### **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**

Michele Weatherly, Secretary, certified a quorum.

### **Approval of Agenda**

*A motion was made by Michele Weatherly and seconded by Carol Whitaker to "approve the agenda as presented". The motion passed unanimously.*

### **Absent Board Members Justifications**

Commissioner Ross Streater – County Commissioner's meeting – excused. *A motion was made by Commissioner David Allen and seconded by Commissioner Kay Cashion to "excuse the absence". The motion passed unanimously.*

Carlos Townsend – Attending a funeral – excused. *A motion was made by Commissioner David Allen and seconded by Commissioner Kay Cashion to "excuse the absence". The motion passed unanimously.*

Commissioner Joe Miller – Out of town – excused. *A motion was made by Commissioner David Allen and seconded by Commissioner Kay Cashion to “excuse the absence”. The motion passed unanimously.*

Walter Ferguson – Emergency meeting – excused. *A motion was made by Commissioner David Allen and seconded by Commissioner Kay Cashion to “excuse the absence”. The motion passed unanimously.*

Commissioner Anthony Copeland – Sick – excused. *A motion was made by Commissioner David Allen and seconded by Commissioner Kay Cashion to “excuse the absence”. The motion passed unanimously.*

### **Public Comments**

None

### **Consent Agenda**

*A motion was made by Commissioner Kay Cashion and seconded by Gart Evans to “approve the consent agenda”. The motion passed unanimously. The following were approved:*

- ▶ November 13, 2018 Board of Directors Meeting Minutes
- ▶ December 11, 2018 Board of Directors Meeting Minutes
- ▶ Policy Revisions
- ▶ QM Program Evaluation FY 17-18 Revised

### **New Business**

- ▶ **Chief Executive Officer's Report – Victoria Whitt, Chief Executive Officer**  
Mrs. Whitt welcomed everyone and provided the following:

#### **A. Employee Market Rate/Compensation Study**

The transformation of the NC Medicaid System over the next few years will result in a competitive health care management and delivery environment. It is important that Sandhills Center is competitive in employee compensation with other LME/MCOs and private/commercial Behavioral Health Managed Care entities. As Sandhills transitions into the new role of managing a Medicaid Tailored Plan and collaborating with new partners who will be managing the Medicaid Standard Plans, Sandhills must be able to attract and maintain a well-trained and qualified workforce.

Ms. Taylor presented a PowerPoint overview of the completed study, noting the process, goals, compensation methodology, analysis, recommendations, and costs.

The market survey data included comparative salary and position classification information from Alliance Behavioral Healthcare, Cardinal Innovations, Guilford County, and private managed care providers in North Carolina (aged data from a previous Mercer Salary Survey). Each individual salary was considered in comparison with the average market rate/mid-point of the pay scale. The goal was to assure equitable movement of individual salaries toward the market rate/mid-point.

*After discussion of the analysis and recommendations made by Ms. Taylor, on behalf of the Human Resources Committee, a motion was made by Human Resources Committee Chairperson, Mazie Fleetwood, and seconded by Commissioner Harry Southerland to “approve the following recommendations:*

1. *Implement a new Pay Schedule with each pay grade having a 70% range from minimum to maximum, and a 5% difference between grades;*
2. *Create and begin use of a developmental tier-method to move employee salaries more toward market rates; and,*
3. *Focus compensation practices away from the current cost-of-living practice to a performance-based pay system.”*

*The motion passed unanimously.*

Commissioner Kay Cashion commended Ms. Taylor on her presentation and the quality of the work performed.

#### **B. Comprehensive Care Centers Update – Randolph and Richmond Counties**

▶ **Randolph Facility** – Mrs. Whitt gave the following update on the FBC project in Asheboro:

- The first floor is currently 99% complete. There are a few issues with the door finish.
- The basement and second floor is 95% complete.
- The work is currently within budget with approximately \$100,000 left in the Contingency Fund.

- Anticipated revised completion date is now the end of January with all work complete excluding the elevator. The elevator completion date is now anticipated for mid-February. Mrs. Whitt explained the issue with the elevator, noting that liquidated damages are being assessed.

➤ **Richmond Facility** – Mrs. Whitt gave the following update on the FBC project in Rockingham:

- The project was put out to bid in November and publicly opened on December 18<sup>th</sup>. Five competitive bids were received. The lowest bid was received from Hawks Builders, Inc., of Rockingham, NC, with a Total Base Bid with Allowances of \$5,292,049. Mrs. Whitt noted that this amount is over the \$5 million amount that was originally approved.

*After discussion, a motion was made by Bill Larrison and seconded by Commissioner Kay Cashion to “approve awarding the contract to Hawks Builders, Inc., of Rockingham, in the amount of \$5,292,049”. The motion passed unanimously.*

**C. Guilford County Updates**

➤ **Notice of Sale of 201 North Eugene St. Greensboro Property** –

Mrs. Whitt gave an update of the sale of the 201 North Eugene Street Greensboro Property that currently houses the Sandhills Center LME/MCO operations, consisting of approximately 130 staff, as well as the provider, Monarch, who delivers outpatient, medication management, and 24/7 crisis services.

Mrs. Whitt noted that at the time of the November 13, 2012 Merger Agreement, that Guilford County desired to sell the property. The Agreement stated that the County: “Would locate and provide alternative county property in similar condition with approximately the same square footage and with adequate parking for use by Sandhills Center under the same terms of the lease agreement. It is expressly agreed that any sale and/or relocation shall not cause any interruption of services provided by Sandhills Center to the citizens of Guilford County.”

On September 20, 2018, the Guilford County Board of Commissioners voted to sell the property to the City of Greensboro “conditioned upon the parties’ agreement to the terms of a lease by which the County would lease back much of the property for a satisfactory duration during which the 201 N. Eugene St. building’s operations would continue uninterrupted. Mrs. Whitt commented that everything is still on track and anticipated that the sale will be finalized during their January 2019 Meeting.

Mrs. Whitt commented that discussions are being finalized regarding the future location of the outpatient, medication management and 24/7 crisis services at the current site and are in the beginning stages of the discussion of the future plan for the relocation of the Sandhills Center LME/MCO staff and functions.

➤ **Planned Behavioral Health Service Expansion** –

Mrs. Whitt gave the following update:

- The Memorandum of Understanding (MOU) between Sandhills Center and Guilford County was reviewed and approved by the Guilford County Commissioners and signed by the Guilford County Manager on November 27, 2018.
- Following the qualifications Request for Proposals (RFP) for architect services, Sandhills Center has identified TFF Architects and Planners, LLP, to begin discussions regarding the provision of design and professional services for the proposed Child Facility Based Crisis (FBC) Center.
- TFF Architects and Planners, LLP, submitted a proposed contract/agreement to provide architect services and Mrs. Whitt made the following recommendation:
  - The approval of TFF Architects and Planners, LLP, at the following fee: 15,000 GSF building; \$371.43/SF; \$5,571,450 assumed construction budget; Fee – \$365,500 (6.56% of construction cost).

*After discussion, a motion was made by Commissioner Kay Cashion and seconded by Michele Weather to “move forward with TFF Architects and Planners, LLP, and at the fee proposed.” The motion passed unanimously.*

- Sandhills Center and Guilford County have selected Samet Corporation to begin discussions regarding the provision of construction, management and professional services for the

proposed Sandhills Center Child FBC Center and the Guilford County Adult FBC Center. Mrs. Whitt noted that the contract/agreement will be presented for review by the Sandhills Center Board of Directors at the February 2019 Meeting.

- To have the facilities within close proximity, Sandhills Center and Guilford County have worked together to locate and identify suitable property. For this joint project, Guilford County has signed a Letter of Intent to purchase 5.63 acres of land from Starlite Development Corporation/Maple One Partners LLC at Maple Professional Park, Third Street, Greensboro N.C. at the price of \$255,000 per acre. The parties are currently in a due diligence period with the expectation that this will be discussed at the February 7<sup>th</sup> Guilford County Commissioners Meeting. Mrs. Whitt commented that if the purchase moves forward, it is recommended that Sandhills Center enter into discussions with Guilford County, to purchase a parcel of this property, suitable for the location of the Child FBC Center.

*After discussion, a motion was made by Commissioner Kirk Smith and seconded by Dixie Branch to "purchase a parcel of the property, suitable for the location of the Child FBC Center, from Guilford County, as recommended." The motion passed unanimously*

#### **D. Annual Independent Financial/Compliance Audit**

Mrs. Whitt informed the Board that it is time to consider whether Sandhills Center should bid out the performance of the annual Independent Financial/Compliance Audit. It is recommended to release a bid packet for these professional services and report recommendation of the best qualified firm to the Board for approval at the February or March Board Meeting.

*A motion was made by Commissioner Kay Cashion and seconded by Commissioner David Allen to "release a bid packet for selection of a firm to perform the annual Independent Financial/Compliance Audit and to bring the recommendations to the February or March Board Meeting." The motion carried unanimously.*

#### **E. Annual Declarations**

The State requires that Board members do not engage in any activities that could be construed as a conflict of interest to participate on the Sandhills Center Board of Directors and to ensure the protection of individually identifiable health information. Mrs. Whitt asked the Board members to review and complete the forms.

#### **F. Staff Longevity Awards**

Mrs. Whitt presented the staff longevity awards list that will be recognized at the January staff meetings.

#### **G. NC DHHS Medicaid Transformation Summary**

Mrs. Whitt reviewed the timeline for Standard and Tailored Plans.

Mrs. Whitt took the opportunity to introduce Finance Director Kelly Patterson. Mrs. Patterson provided background/work history information.

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

Mr. Ward reviewed the following:

- Medicaid Waiver Operations Report – December 2018, noting that all benchmarks continue to be met.
- Medicaid Waiver Financial Operations Report – December 2018, noting the financial measures that Sandhills is required to meet.

#### **Committee Reports**

- **Finance Committee Report** – Finance Committee Chairperson Gart Evans reported the Finance Committee met prior to tonight's Board of Directors Meeting and reviewed the Finance Report in detail. Chairperson Evans presented and reviewed the Finance Agenda with the Board of Directors. A summary of the Consolidated Balance Sheet and Income Statement was reviewed and reflects services through November 30, 2018.

Also noted in the Finance Report:

- BB&T Resolution and Agreement for Deposit Account: Adding the names of Finance Director Kelly Patterson and Chief Business Officer Patrick Sloan to the Sandhills Center bank account, along with Chief Executive Officer Victoria Whitt and Sandhills Center Board of Director Chairperson Thad Ussery.

*On behalf of the Finance Committee, a motion was made by Finance Committee Chairperson Gart Evans and seconded by Commissioner Kay Cashion to "approve the Finance Agenda as presented, which also includes adding the Finance Director and Chief Business Officer names to the bank account". The motion passed unanimously.*

- **Human Resources Committee Report** – Human Resources Committee Chairperson Mazie Fleetwood noted that the annual CEO evaluation packets will be distributed at the February Board Meeting. Evaluations will be due back by March. The Human Resources Committee will compile a preliminary report and present the report to the full Board of Directors, and Mrs. Whitt, at the April Board Meeting.
- **Corporate Compliance & Internal Audit Committee** – Did not meet.
- **Client Rights Committee Report** – Did not meet.

#### Old Business

None

#### Comments


Chairperson Ussery presented Dixie Branch a gift as a token of appreciation for her services to the Sandhills Center Board. Mrs. Branch thanked the Board for the opportunity to serve the community.

#### Board Materials

- Community Agencies Breakfast Meetings Agenda
- Board Attendance Roster 2018
- DMA Monthly Financial Report – November 2018
- Personnel Report
- Newspaper Articles

#### Adjournment

*A motion was made by Commissioner Harry Southerland and seconded by Michele Weatherly to "adjourn the meeting". The motion passed unanimously. The meeting adjourned at 8:21 p.m.*

  
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Thad Ussery  
Chairperson, Board of Directors

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2-12-19  
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