

OKLAHOMA VETERANS COMMISSION SPECIAL MEETING MINUTES

A special meeting of the Oklahoma Veterans Commission was held at the Vezev Veterans Complex, Oklahoma City, Oklahoma on **September 11, 2018 at 10:00 a.m.** Notice was given pursuant to O.S. Section 301 et seq. by submitting to the Secretary of State and by posting an agenda in the front door of the Commissions office building at least 24 hours prior to the meeting.

Members of the Commission and staff present were:

Mr. Tom Richey, Chairman, Paralyzed American Veterans, Yukon, Navy
Mr. Larry Van Schuyver, Vice Chairman, Military Order of Purple Heart, Edmond, Navy
Mr. Jon Arthur, Commissioner, Disabled American Veterans, Grove, Air Force
Mr. Pat Fite, Commissioner, Member at Large, Hobart, Army
Mr. Gaylord "Z" Thomas, Commissioner, Member at Large, Guthrie, Air Force
Mr. Gary Secor, Commissioner, Veterans of Foreign Wars, Lawton, Army
Mr. Lloyd Smithson, Commissioner, National Guard Association, Yukon, Air Force
Mr. Jerry Ball, Commissioner, the American Legion, Guthrie, Army
Mr. Paul Costilow, Commissioner, Member at Large, Yukon, Army
Mr. Douglas Elliott, Executive Director
Mr. Joel Kintsel, Deputy Director
Ms. Sarah Lane, ODVA Legal Counsel
Ms. Dorita Herd, Construction Programs Administrator
Mr. Warren Griffis, Human Resource Director
Ms. Tina Williams, Clinical Compliance Director
Ms. Shantha Varahan, Chief Financial Officer
Ms. Lisa White, Assistant Chief Financial Officer
Mr. Shawn Kirkland, Director of Homes, Ardmore Administrator
Ms. Jennifer Bloomfield, Education and Training Programs Administrator

Tuesday, September 11, 2018, 10:00AM

1. Call to Order.

The meeting was called to order at 10:00AM. by the Chairman, Commissioner Tom Richey.

2. Roll call.

The roll call was administered by the Chairman, Commissioner Tom Richey.

3. Invocation.

The invocation was led by the Chairman, Commissioner Tom Richey.

4. Pledge of Allegiance.

The Pledge of Allegiance was led by the Vice Chairman, Commissioner Larry Van Schuyver.

5. Moment of Silence

A moment of silence was held at the direction of the Chairman, Commissioner Tom Richey, in observance of the seventeen-year anniversary of the events of 9/11/01.

6. Introduction and Welcome to Visitors and Guests

The Chairman, Commissioner Tom Richey welcomed the visitors and guests to the meeting.

7. Scope and Purpose of Meeting

The Chairman, Commissioner Tom Richey explained the purpose of the Special Meeting was to discuss the audit that had triggered the reason for the Special Meeting. The Chairman reminded all present that he would be sticking strictly to the agenda.

8. Oklahoma Veterans Commission

(a) Discussion of and possible action regarding audit findings of commission access and meeting schedule.

1. Discussion of Veteran and Staff Access to Commissioners

The Chairman, Commissioner Tom Richey explained that the Commissioners were not scheduled, and were free to visit the Veterans Homes at any time. Commissioner Richey asked if any member of the Commission would like to discuss the Veteran and Staff access to Commissioners. Seeing none, the meeting progressed to the next item.

2. Discussion of Meeting Schedule and Location

The Chairman, Commissioner Tom Richey explained that the Commission in times past had met monthly and in various locations. He stated that there were advantages and disadvantages to this process. Commissioner Lloyd Smithson asked the Commission if an open meeting could be conducted monthly without reports from various Department Heads with an open agenda. General Counsel Sarah Lane explained that a meeting involving five or more Commissioners under the Open Meetings Act would need to present an agenda with particularities.

Discussion from the following Commissioners proceeded: Richey, Van Schuyver, Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow. Legal Counsel Sarah Lane responded to all questions from the Commissioners re: legal requirements via the Open Meetings Act.

Commissioner Jerry Ball ultimately made a motion to approve a schedule for eleven monthly meetings, four meetings quarterly to be held at the Central Office location in Oklahoma City, with the seven remaining meetings being held in the seven Veterans Homes respectively, leaving one month vacant.

Commissioner Gaylord Thomas and Commissioner Lloyd Smithson respectively seconded the motion and the vote is as follows:

Aye: Richey, Van Schuyver, Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow

Action: A schedule will be developed encompassing eleven monthly meetings a year; four to be held at the Central Office, seven to be held at the Veterans Homes respectively.

9. Oklahoma Department of Veterans Affairs

(a) Doug Elliott, Executive Director's Report with Possible Discussion on the Following:

1. ODVA Mission

- a. Expanded vision of Governor articulated in January 2015 in areas of Veteran initiatives for education, employment, mental health, claims and benefit, government partnerships, community and public events, and legislative initiatives.

Doug Elliott, Executive Director summarized the January 26, 2015 request from Governor Mary Fallin. Discussion was made re: the cost of the special programs and the restrictions of funds as well as what they must be used for in varying categories. Budget decline was noted. Mission was to focus on Mental Health as a primary concern, as well as to multiply existing programs for the 350,000 Oklahoma Veterans currently residing in the state.

- b. Reported perception that services at Centers are being reduced to fund other initiatives.

Director Doug Elliott stated that to comply with the mission, the agency needed to work smarter with less. It became clear that efficiencies had to be found. The Executive Director summarized that the four projects most heavily criticized during the Special Audit re: reducing services were the following: Elimination of labs, Elimination of x-ray, Consolidation, and the use of the GALT Foundation. The Special Audit claimed that a reduction of patient care took place due to these projects. He concluded that the facts did not coincide with the criticisms, in fact much to the contrary. Director Elliott spoke to the number of deaths recorded in the seven Veterans Homes from FY 2016-FY 2018. He noted that 560 deaths took place in FY 2016 when the agency employed 18 Physicians and a decline in respective years of 548 in FY 2017, and 547 in FY 2018. Director Elliott stated that as of last year, there were 9 Doctors in the inventory. He stated that it was his opinion that it was in fact retention of well-trained direct care staff that garners success, not the luxuries of in house lab, x-ray, or a large number of Doctors. The Director stated that there has been a 35% decrease in turnover of State Employees since implementing the use of the GALT Foundation to supplement Patient Care Assistants across the seven Veterans Homes. The Director stated that the GALT Foundation was prevalent throughout the state, and the use of the foundation was "*A home run.*"

2. Talihina Veterans Center

- a. Political History Pre-Dates Final Legislation

Director Doug Elliott stated that he believed the Special Audit was politically motivated by Representative Brian Renegar. He believes the Special Audit was an attempt to prevent the relocation of the Veterans Home in Talihina.

- b. Financial Viability of Oklahoma Veterans Center, Talihina Division

Director Doug Elliott stated that the determination was made that the Veterans Home in Talihina should be relocated after their admissions were devastated by admission holds from the VA. Talihina admissions are primarily generated by referrals from the VA hospital in Muskogee, Oklahoma. The Director stated that admission predating the holds was 175. That number dropped to 100 as a result of the holds. The Director stated that the lack of admissions, as well as the subsequent lack of per diem is problematic from a financial standpoint. The state of Oklahoma subsidizes approx. 15 million for the operation of the seven Veterans Homes in the state of Oklahoma. The director stated that only two of the seven facilities are self-sustaining; the facilities located in Lawton and Norman respectively.

Talihina Veterans Center b. continued from page 3

The Director stated that the facility in Talihina will consume almost one third of that appropriation, at \$4,772,256.66. The Director stated that one of the biggest difficulties faced for the self-sustaining possibility of the Veterans Home in Talihina is the lack of referrals from neighboring facilities for admissions.

c. **Capital Projects: HVAC, Mold, Nurse Call System, Boiler**

Director Doug Elliott stated that the SNU where the mold is located is not life threatening, but needs to be remediated. The Director stated that OMES has determined that cleaning is not an option, and replacement is required. The boiler and the nurse call are operational, and are not a life safety concern at this time. The current Administrator at the Talihina Veterans Center, Sara Breshears, spoke with the Director Saturday, September 8th, and assured the Director that those systems are up and running. Dorita Herd, Construction Administrator will discuss this topic more in depth via her presentation.

d. **Employee Opinions**

Director Doug Elliott stated that though this relocation is wildly unpopular; it is the right thing to do. The Director went on to state that it was *“A sad state of affairs when the best we can do is offer an almost 100 year old former TB sanatorium with primary admissions not directed by the loved ones of the Veterans, but by referrals from the VA hospital. I have to echo the words of the Governor on this issue, we can do better.”*

e. **State Auditor Recommends Independent Evaluation of (delay) in Contradiction to Statutory Directive of Legislature**

Director Doug Elliott stated that an independent study has already been done which resulted in three admissions holds from the federal VA being placed on the Talihina Veterans Center. The Director stated that the legislation on this matter predates the recommendation by the auditor, and his opinion should not carry more weight than that of the Legislature of Oklahoma. The Director requested that the Commission stay the course and continue with the RFP process, and recommend relocation of the Talihina Veterans Center.

Commissioner Lloyd Smithson ultimately made a motion to continue the current process for the relocation of the Talihina Veterans Center to the best location possible. The Chairman, Commissioner Tom Richey asked the Commission if all understood the motion. Seeing none, the Chairman called for a second.

Commissioner Paul Costilow seconded the motion.

Discussion from the following Commissioners proceeded: Ball, Secor, Smithson, Thomas, Fite

Commissioner Secor posed the question: *“How long does it take to get to the Hospital from the Talihina Center?”* The reply from Director Elliott was *“Over an hour.”* Commissioner Secor reminded the Commission that the nearby Nations Hospital could only stabilize the hypothetical Veteran, and then move them along to the nearest hospital, one hour away. Commissioner Secor stated to the Commission that *“No Veteran should have to wait an hour to get to the hospital.”*

The Chairman, Commissioner Tom Richey called for the vote and it is as follows:

Aye: Richey, Van Schuyver, Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow

Action: Continue the current process for the relocation of the Talihina Veterans Center to the best location possible.

The Chairman, Commissioner Tom Richey called for a short break. The break was called at 11:15AM. At 11:27AM the Chairman, Commissioner Tom Richey called the meeting back to order.

3. Operational Initiatives:

a. Point Click Care

Director Doug Elliott stated that a great deal of criticism re: PCC had come from Mr. Renegar. He continued that this program is costly, and is essentially electronic medical access records carrying the eMAR and eTAR. Tina Williams, ODVA Compliance Officer will speak more to that definition during her presentation. Director Elliott stipulated that the criticism is due to the fact that PCC is a software program for Nursing Homes. It was further explained that PCC is currently the software go to for 15,000 Nursing Homes in the nation. The Director admitted to the agency having challenges with the program, and went on to explain that OMES is also working as a second tier of oversight re: PCC. The Director stated that the PCC program is operational in all seven of the ODVA Veterans Homes, and he credited Casey Branscum, the Healthcare Informatics Programs Administrator assigned the task of implementation. It was further explained to the Commission that Mr. Branscum did not work in a position that would afford him access to any type of direct care with our Veteran Residents. His job function is to implement the technical aspect of PCC. Director Elliott stated again that the criticism is high re: PCC, however, he has yet to hear of an acceptable alternative, and felt that PCC was the best option in the before mentioned area.

Discussion from the following Commissioners proceeded: Fite

b. Medicare/Medicaid Funding

Director Doug Elliott stated that he did not want to overwhelm the Commission with charts on this aspect of his remarks. He stated that the information is quite complicated as is the process of becoming CMS certified. The Director spoke to the upcoming and expected increase of applications for residency from our nations peace time Veterans. Director Elliott reminded the Commission, that most peace time Veterans do not qualify for aide and attendance or a pension. In layman terms, the Director explained that means they do not have the income supplement available to them that is available to our nations war time Veterans. It was explained to the Commission that in the ODVA's best performing center, the current cost of care is over \$250/day. The Director stated that something needed to be done in preparation for that gap. He stated that the only alternative to moving the direction of CMS was to request and receive more funding from the Legislature. Director Elliott stated to the Commission that the Talihina location would be the first of the ODVA seven Veterans Homes to become CMS certified, and credited the current individual in the stated position at Talihina with prior CMS experience, stating that she had "*Shown great promise*". The Director explained to the Commission that CMS certification is by facility, so recertification will need to take place once the Talihina move has been completed. He further stipulated that the new location would be built to be CMS certified.

Discussion from the following Commissioners proceeded: Fite, Thomas, Secor

c. MDS Coordinators

Director Doug Elliott stated that wages in the above outlined area had in fact been decreased. The Director summarized to the Commission that there was a significant difference between a CMS and MDS Coordinator respectively, and while the majority of these positions were held by LPNs in the private sector, when review of ODVA staff was presented it was noted that the majority was with an RN level of education. The ease of the assignment was thought to be a significant factor.

Discussion from the following Commissioners proceeded: Richey

- d. **Administrative Overhead:** Deviation was roughly 5% at largest point cited. Director Doug Elliott stated that positions had indeed been added to the Central Office location, but in contrast positions had also been removed. He noted that Administrative overhead had only increased by 2.47%.
- e. **Relocation of Central Office to Vezey Veterans Complex**
Director Doug Elliott stated that the history on this topic predated his tenure. The Director stated that it was his understanding that the Senators wanted to prepare a bond to have Veterans Affairs and Mental Health move into the same location. The Director then explained to the Commission that MG Deering was advised by OMES Director Preston Doerflinger that a move to the current location would be taking place, and that they would be paying rent at said location rather than utilizing a bond. Director Elliott stated that the current cost in rent is 13k, and they have adequate space to house the transfer of SAA and the employees hired to implement the Veterans registry once the statement of work is completed.

4. **Cost Benefit Report of Contract Services:**

a. **GALT**

Director Doug Elliott stated that the negativity re: GALT employees was due to the assumption that they were “*Just contracted employees, they don’t know anything about Nursing Homes.*” Director Elliott stated to the Commission that these employees were from the same pool of options the ODVA would have had regardless of the existence of the GALT Foundation. The director stated that the only difference is that the GALT employees are paid at an increased rate vs State employees, where State employees are paid at a decreased rate but receive benefits. The Director estimated that the overall savings provided by the GALT Foundation was \$4.5 million. Warren Griffis, Human Resource Director would discuss this topic more in depth via his presentation.

Discussion from the following Commissioners proceeded: Smithson

b. **Laboratory**

Director Doug Elliott submitted to the Commission that FY16 saw lab/x-ray expenditures of \$2,313,195. The Director further explained that in FY17 the cost decreased to \$1,732,861 with the implementation of DLO. Figures were presented representing FY18 at \$1,373,342, with a projected expenditure for FY19 at \$823,792 and \$480,000 projected for FY20 respectively. The Director further explained to the Commission that the total savings from FY16-FY20 was projected to be \$1,833,194.57

c. **X-Ray**

Director Doug Elliott stated that the figures for x-ray were combined with the figures stated above.

Discussion from the following Commissioners proceeded: Richey, Fite, Thomas, Secor, Smithson, Ball

5. Accusations of Attempts to Frustrate Audit.

Director Doug Elliott stated that the cost analysis, as well as all other information presented to the Commission was readily available to the auditor, however he was not asked to produce or provide the information. The Director pointed to an email sent directly to the Administrators of the seven Veterans Homes from himself in which he gave the directive to *"Please be cooperative with the auditors and be painfully honest."* The Director went on to tell the Commission that re: the allegation that the consolidation of the finance department was an attempt to frustrate the Audit, which again was without merit. The idea to centralize was considered October 1, 2015, but could not be acted upon until adequate space could be provided. Shantha Varahan, ODVA Chief Financial Officer will discuss this in more detail during her presentation.

Discussion from the following Commissioners proceeded: Ball, Richey

6. Employee Surveys

Director Doug Elliott stated that he would attempt to control his emotion with regard to this area. He stated that he believed that asking former employees for opinions was difficult to address that *"Ghost"*. Director Elliott stipulated that it was difficult to address these issues as they were submitted anonymously, and did not present a specific time date or place. The Director further explained to the Commission that he was not guilty of *"Yelling and screaming"* at his staff. The Director stated that he asked for the results of the survey, to which the Auditor has not yet responded. Director Elliott reaffirmed that Legal Counsel did not request any identifying information. The Director acknowledged the presence of the Auditor, Mr. Jones who was sitting in the crowd at the back of the room and a brief Q/A period began between the Auditor and the members of the Commission. Mr. Jones elected to not come to the podium.

Discussion from the following Commissioners proceeded: Smithson, Richey, Van Schuyver, Arthur, Fite. The Commission requested clarification from General Counsel Sarah Lane as to the definition of evidence. Counsel Lane responded that evidence was *"The existence of the material or tangible fact to prove a fact; any substance that would prove the likelihood or unlikelihood of a fact."* Commissioner Fite went on to address the Commission and point out the absence of facts contained in the Special Audit, noting that there were several allegations, yet no facts to support the accusations.

7. Organizational Culture: Allegations of:

a. Fear and Intimidation

Director Doug Elliott stated that this topic had already been discussed within the meeting of the day. The Director further stated that he did not believe there was any merit to the allegation.

b. Employee Morale

Director Doug Elliott stated there is quite possibly low morale. The Director stated that employees do not like oversight as a rule, and it causes a level of anxiety. The Director admitted that some implemented changes have been *"Fast and furious."* Director Elliott stated that he would attempt to slow the process in areas that could be released at a slower pace, but that he could not guarantee that everything would fall into this category.

c. Communication

Director Doug Elliott stated that the one thing he was able to take away from this Special Audit was the communication style that was *"What we were used to."* Alluding to the military chain of command process. The Director stated that the current process was being addressed.

Discussion from the following Commissioners proceeded: Ball, Secor, Smithson, Richey

d. Snap Decisions

Director Doug Elliott stated that he did admit to making one “*Snap decision*” re: the GALT Foundation employees and removing their ability to become State employees after one year of successful and satisfactory employment. The Director stated that this took place outside of the audit, and took place at a time of critically low staffing from State employees. The Director stated to the Commission that it was out of an abundance of concern for the care to the Resident Veterans in the facilities that this decision was made, and after careful thought and review, the decision will be rescinded.

8. Introduction of New Positions:

a. Director of Homes: Shawn Kirkland

Director Doug Elliott stated that communication has improved since the appointment of Mr. Kirkland. The Director stated that this was not a creation of a new position, that the position had been previously held by a former employee. The Director stated that as to the rumor of Mr. Kirkland being promoted due to being “A golf buddy”, he assured the Commission that himself and Mr. Kirkland had never played golf together, as Mr. Kirkland was thought to be a more experienced player.

b. Statewide Facilities Superintendent: Randy Hall

Director Doug Elliott stated that it was the quick and efficient response of Randy Hall during the water shortage in Talihina that cemented in his mind that Mr. Hall was the best person for the job.

Discussion from the following Commissioners proceeded: Secor, Thomas

9. Meeting with Attorney General’s Office

Director Doug Elliott stated that a meeting with the Attorney General took place on September 6th concerning what they planned to do in the future. He quoted the result. “*Based on the information they had reviewed in the audit there would be no criminal filings.*” The Director did ask the Attorney General’s office if they ordered the surveys conducted during the course of the Special Audit, and the response was that they did not, nor did they have anything to do with the follow up surveys.

Discussion from the following Commissioners proceeded: Richey, Van Schuyver, Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow

The Chairman, Commissioner Tom Richey called for a short break. The break was called at 12:50PM
At 1:00PM the Chairman, Commissioner Tom Richey called the meeting back to order.

(b) Dorita Herd, Construction Administrator, Report with Possible Discussion on the Following:

1. Capital Projects referred to as “cancelled.”

a. Lawton Roof

Ms. Herd stated that the Lawton roof project had not been canceled, but had been transferred to another vendor for completion. She further stated that many underlying issues were found at the time the original estimate was made. A quote was given for the repairs, and then an over \$200,000 increase was quoted due to the cost of materials. The decision was made to open the project for public bid. Ms. Herd provided documentation of the timeline via emails. The project is currently approximately 99% complete.

b. Talihina HVAC, Mold, Boiler & Nurse Call System

Ms. Herd stated that the process for obtaining funding for life safety issues is to attempt to gain traction via grants from the federal VA. She stated that a design firm had gone out to make recommendations. The grant application was submitted. The designer recommended that a test be performed for mold in the HVAC system. Mold was discovered, and a request was made for assistance in submitting another grant application. The application was withdrawn this year due to the decision to relocate the Talihina Veterans Center, as the funds would need to be repaid should the repairs be made and then the center relocated. The same decision was made re: the boiler system due to lack of funding. Emergency repairs were made to the system so as to return it to a functional status. Re: Nurse Call, Ms. Herd stated that the project has not been canceled. It is ongoing, and is bundled with the grant application for several other centers Nurse Call system replacement.

Discussion from the following Commissioners proceeded: Richey, Fite, Thomas, Secor, Smithson, Ball

Of Note: Upon creation of the minutes for this Special Meeting, it was noticed that an error had occurred in the original Agenda re: the multilevel list. The section in the Agenda for Mr. Warren Griffis, ODVA Human Resource Director previously marked (b) in the Agenda will be referenced as (b-2) to limit confusion throughout the remainder of the report.

(b-2) Mr. Warren Griffis, ODVA Human Resource Director Report with Possible Discussion on the Following:

1. Staffing, Turnover, and Salary Considerations
 - a. Mr. Griffis stated that the addition of GALT staff had decreased the turnover rate of the current State employees.
2. Restructuring of Fire and Safety
 - a. Mr. Griffis stated that the role was absorbed into the maintenance department to promote efficiency and eliminate redundancy.
3. Effectiveness of GALT and Conversion Option
 - a. Mr. Griffis stated that Elliott had already addressed this in his comments. He stated that there were three levels of CNAs, with the third level being reserved for State employees only. He stated that the restriction has prompted a greater number of the tier three PCAs
4. Favoritism & Bias
 - a. Mr. Griffis stated that he did not know how to address this, as in his findings this was not the case. He stated that if something in this category came to light, he would be happy to bring it to the attention of the Commission.
5. Raises
 - a. Mr. Griffis stated that he would be combining section 5 and 6 in his remarks. He stated that there are measures in place to incentivize the licensed staff to remain ODVA employees, rather than seeking out other venues that are able to offer a higher level of funds. He provided documentation to break down the information in more detail. He also stated that re: the allegation that no state employee had received a raise in “Twenty years”, pay was increased across the board by 5% by all staff who were on the books December 31st of the following year, and had a “Meet Standards” on their evaluations, as well as an additional 5% raise the following year. This was four years ago. He also reminded the Commission of the most recent increase to all state employees brought on by the Teacher strike of 2018.
6. Bonus programs
 - Peer Review Participation 2015 Meets Standards Skill Based Pay Incentive for RNs

PCA III / CMA Skill Based Pay Program were discussed in the previous section.

7. RIF & VOBO

a. Mr. Griffis stated that when he looked into this the first one occurred with the lab supervisor positions. He stated that in July 2016 there were 3 positions, June 17 there were 2, 11 business positions were present in Dec 17, 7 of those positions were absorbed into Central Office.

8. Advertising of Vacancies

a. Mr. Griffis stated that the advertising of vacancies is governed by OMES. All classified positions are listed per state statute. Unclassified positions are not required to be listed at the discretion of the Director.

(c) Proposed Executive Session Pursuant To Title 25 O.S. § Section 307 B (1) Discussion Regarding The Employment, Hiring, Appointment, Promotion, Demotion, Disciplining, or Resignation Of Any Individual Salaried Employee:

Smithson proposed a motion to adjourn to executive session. He then stated that he did not feel executive session was needed.

Commissioner Jon Arthur provided the second in agreement. The Chairman stated that the original motion was to adjourn to executive session, and if the Commission felt that executive session was not needed, the Commission was entitled to vote nay on the original motion. The vote is as follows:

Aye:

Nay: Van Schuyver, Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow

Abstain: Richey

Action: The Commission will not go into Executive Session at this time

(d) Tina Williams, ODVA Compliance Officer report with possible discussion on the following:

Ms. Williams stated that the Executive Director had covered many of the things that we on her agenda, but that she would continue and expand where necessary.

(1) Reported Decline in Level of Care

Ms. Williams stated that the Director had addressed this issue in his remarks. She stated that with regard to surveys, the number of deficiencies has actually decreased. She provided documentation to support the findings. Discussion was made re: the Sick Call policy procedure that is currently in place re: Physicians (Medical Directors) not personally attending to sick call, but rather mid-level staff addressing that particular concern. Ms. Williams also stated that after an internal audit from every center, it was discovered that no Resident was out of compliance with visits from medical providers.

(2) Allegations of Increased Resident Deaths

Ms. Williams stated that the Director had already addressed this in his remarks.

(3) Lab Services

a. Lab Draws and processing (regular and stat lab orders)

Ms. Williams stated that the Director had responded to this in his remarks.

b. Charges for Laboratory Services

Ms. Williams stated that the Director had responded to this in his remarks.

(4) Specialty Diets and Menu Standardization

Ms. Williams stated that there was a dietitian in Ardmore who was covering both Ardmore and Sulphur. Once she retired, an outside individual was brought in, and she called to ask for clarification on the need for the vast number of special diets. It was discovered that between the two locations, there were 59 special diets (44 at Sulphur). She stated that no dietary department would be able to maintain that number of special diets. Ms. Williams stated that we are not allowed to tell the Residents that they are not permitted to eat something. She stated that it was their right to eat what they want under the Residents Rights.

(5) EKG Machines and Crash Carts

Ms. Williams stated that there are two centers that no longer use them. She also stated that she had one facility where the former Administrator had instructed staff that they were to discontinue use of the machine, as well as the crash cart. She stated that issue was resolved with the hiring of the new Administrator of that location. She stated that there are medications typically kept on a crash cart that by state and federal regulation we are not permitted to have on our carts. She stated that she has instructed the centers to remove those items so that the carts can continue to be used within regulation.

(6) Other Outsourcing

Ms. Williams stated there was nothing additional pending that she was aware of.

(7) Availability of Medical Care

Ms. Williams stated that this had already been discussed.

(8) Additional Factors-CMS, Policy Changes, Poor Morale

Ms. Williams asked the Commission if they had any questions re: this section. Seeing none, she proceeded.

(9) Level of Care & Licensure

Ms. Williams stated that the seven Veterans Homes are licensed as a Nursing Facility, not as a Hospital.

(10) Impact on Administrator Obligation per Ethics Code

Ms. Williams stated that she was also a licensed Administrator, and that she did not permit any statements or orders that would place that in jeopardy. She further stated that she has never directed any of the facility Administrators do say or act upon statements that would put their license in jeopardy.

(11) Potential Impact on Federal Reimbursements

This was not addressed in Ms. Williams' statements.

(12) Initiative for Uniformity of Policies and Procedures

Ms. Williams stated that the company referred to in the Audit is "Med Pass". In May of 2015 these policies were sitting on the shelf, purchased by previous administration. Ms. Williams stated that she was given the directive to put the information out to the centers, and that is what she did.

(13) Authorization for Local Policies and Procedures

This was not addressed in Ms. Williams' statements. It would be addressed later in the meeting.

(14) Report of Staff to Resident Ratios

Ms. Williams stated to the Commission what the process was to ensure that the correct number of staff were present on any given shift and or day. Ms. Williams provided a copy of the policy re: staffing, as well as a copy of the Category worksheet, and the Acuity forms that are used to determine needed staff. Ms. Williams stated that if the centers follow policy and the function of the included forms, staffing should always be on par. A question was posed to Ms. Williams from the Director inquiring as to if us as an agency had ever been cited for a staffing deficiency to which she replied "No, sir."

Discussion from the following Commissioners proceeded: Fite, Richey, Secor, Smithson, Van Schuyver, Thomas

(e) Shantha Varahan, ODVA Chief Financial Officer report with possible discussion on the following:

(1) Finance Overview of Revenue and Budgeting for Operations

Ms. Varahan provided the Commission with an example of the Finance Overview for FY 18 to provide direction to the Commission as to how the budget is spread throughout the agency. She stated that 92% of the overall budget is allocated to the seven Veterans Homes.

(2) Alleged re-direction of funds to Central Office

Ms. Varahan stated that she adamantly disagreed with the statement made in the Audit re: this allegation. She stated that anything excess in the budget due to any cost saving measures are pooled together and re-budgeted in the centers budget for capital projects to improve the quality of life of the Veterans who reside there.

(3) Sources of Revenue

Ms. Varahan stated details for various sources of revenue including Senate Bill 1600 for FY 19, Class Funding 220, Class Funding 400, Class Funding 425, and Class Funding 405.

(4) Budgeting of Carryover Funds

Ms. Varahan stated that carryover funds are handled at the Central Office level. She stated that the typical transfer is from the agency revolving fund 220 to fund 205 in order to meet the 35% state match requirement of the grant awarded capital projects

(5) Budgets by Location

Ms. Varahan provided the Commission with a spreadsheet detailing the budgets by location for the seven Veterans Homes, Central Office, Capital Lease, IT, Claims and Benefits, Veterans Services, C & B Financial Aid, State Accrediting Agency, as well as the ODVA Commission.

(6) Cost per Bed

Ms. Varahan provided the Commission with a spreadsheet detailing the cost per bed calculation, using the Norman Veterans Center as an example.

(7) Central Office Travel Expenditures

Ms. Varahan stated that travel expenditures from and outside of Central office has decreased from FY15-FY18. In FY15 the agency spent \$33,184.90, FY16 saw \$11,571.50, FY17 saw \$5,648,01, and \$2,241.57 in FY18 respectively.

(8) Timeline for Business Office Centralization.

Ms. Varahan stated that the conversation began re: centralization in August of 2015, and they did not learn about the Audit until June 9, 2017.

(9) Financial Data Provided and Audit Main Point of Contact Availability

Ms. Varahan provided the Commission with a list of documentation that was provided. In re: the availability of the CFO due to the taking of extended leave, Ms. Varahan stated that there was no change re: the point of contact throughout the completion of the Audit. The CFO remained in control and with access to email communication, and responded when prompted with questions.

(f) Lisa White, ODVA Assistant Chief Financial Officer Report with possible discussion on the following:

(1) Internal Controls Addressed with Consolidation of Business Office

Ms. White stated that in the beginning there were in fact some issues, but they were quickly addressed and the situations improved. Ms. White stated some of the issues noticed in the early days after consolidation were the purchase of food and medical supplies, and the prompt payment of invoices.

(2) Resident Trust Funds

Ms. White stated that all resident trust fund accounts are reconciled on a monthly basis. She stated that because details of the allegation were not shared with the agency, they were not able to locate proof of the allegation.

(3) All Significant Internal Control

Ms. White provided a breakdown of the tier of internal control to the Commission.

(4) Conversion from Billing and Banking to Point Click Care

Ms. White stated that all trust fund accounts are reconciled on a monthly basis. Ending balance in PCC is the carryover balance for the following month.

(5) Independent Examination of Financial Controls

Ms. White stated that internal financial controls include separation of duties, access controls, physical audits, standardized documentation, periodic reconciliation, and approval authority. Ms. White provided documentation to the Commission to further break down these controls and their definitions.

(g) Sarah Lane, ODVA Legal Counsel report with possible discussion on the following:

(1) Hiring of Attorney

Ms. Lane reiterated the section of the Audit that confirmed the authority according to state Statute to obtain in house counsel and by virtue of that, her presence was noted.

(h) Proposed Executive Session Pursuant To Title 25 O.S. § Section 307 B Discussion

Regarding The confidential communications between a public body and its attorney concerning a pending investigation, claim, or action if the public body, with the advice of its attorney determines that disclosure will seriously impair the ability of the public body to process the claim or conduct a pending investigation, litigation, or proceeding in the public interest:

The Chairman, Commissioner Tom Richey stated to the Commission that he would entertain a motion for a five minute break.

Commissioner Lloyd Smithson proposed a motion to adjourn to executive session.

Commissioner Gaylord Thomas provided the second and the vote is as follows:

Aye: Van Schuyver, Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Action: The Commission will go into Executive Session at this time. The time is 3:00PM

The Commission notified the gallery via General Counsel Sarah Lane of the end of the executive session and the meeting was called back to order at 3:20PM.

The Chairman, Commissioner Tom Richey stated the need for a motion to return to open meeting from executive session.

Commissioner Pat Fite proposed a motion to return to open meeting.

Commissioner Gaylord Thomas provided the second and the vote is as follows:

Aye: Van Schuyver, Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Action: The Commission will go into Open Meeting at this time. The time is 3:25PM

(i) Proposed Executive Session Pursuant To Title 25 O.S. § Section 307 B (1) Discussion Regarding The Employment, Hiring, Appointment, Promotion, Demotion, Disciplining, or Resignation Of Any Individual Salaried Employee:

Commissioner Lloyd Smithson proposed a motion to adjourn to executive session.

Commissioner Gary Secor provided the second and the vote is as follows:

Aye: Van Schuyver, Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Action: The Commission will go into Executive Session at this time. The time is 3:27PM

The Commission notified the gallery of the end of the executive session and the meeting was called back to order at 4:40PM

The Chairman, Tom Richey announced to the Commission and gallery that Commissioner Van Schuyver would be excused for the remainder of the meeting to attend a prior commitment.

Commissioner Lloyd Smithson proposed a motion to return to open meeting.

Commissioner Gary Secor provided the second and the vote is as follows:

Aye: Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Absent: Van Schuyver

Action: The Commission will go into Open Meeting at this time. The time is 4:43PM

(j) DISCUSSION AND POSSIBLE ACTION REGARDING THE EXECUTIVE SESSION.
(1) DISCUSSION OF PERFORMANCE REVIEW OF EXECUTIVE DIRECTOR

Commissioner Lloyd Smithson proposed a motion to note.

Commissioner Gaylord Thomas provided the second and the vote is as follows:

Aye: Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Absent: Van Schuyver

a. **Action** to note

(2) DISCUSSION OF EMPLOYMENT OF EXECUTIVE DIRECTOR

Commissioner Lloyd Smithson proposed a motion to note.

Commissioner Gary Secor provided the second and the vote is as follows:

Aye: Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Absent: Van Schuyver

a. **Action** to note

(10) DISCUSSION AND POSSIBLE ACTION REGARDING AUDIT RECOMMENDATIONS

- (1) The Commission should evaluate and address the negative control environment and communication breakdown in the most efficient and positive manner possible. The Commission should also recognize its authority and responsibility in appointing the director, as outlined in 72 O.S. § 63.3.

Commissioner Jon Arthur proposed a motion to note.

Commissioner Gary Secor provided the second and the vote is as follows:

Aye: Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Absent: Van Schuyver

a. **Action** to note

- (2) Management should establish a system of clear communication that relays information from the bottom of the organization to the top and vice versa.

Commissioner Lloyd Smithson proposed a motion to note.

Commissioner Gary Secor provided the second and the vote is as follows:

Aye: Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Absent: Van Schuyver

a. **Action** to note

- (3) The Commission should seek an independent evaluation of cost effectiveness and impacts to services prior to relocating any Veterans center.

Commissioner Pat Fite proposed a motion to postpone indefinitely

Commissioner Gary Secor provided the second and the vote is as follows:

Aye: Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Absent: Van Schuyver

a. **Action** to postpone indefinitely

- (4) Management should ensure policies and procedures are standardized or customized to the extent that best ensures the agency meets its mission and complies with appropriate requirements. Staff should receive adequate review time and training when policy changes occur.

Commissioner Jon Arthur proposed a motion to postpone to Audit meeting.

Commissioner Lloyd Smithson provided the second and the vote is as follows:

Aye: Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Absent: Van Schuyver

- a. **Action** to postpone to Audit meeting

(5) Management should ensure appropriate cost-benefit analyses are performed prior to outsourcing key services or making other significant operational changes.

Commissioner Jon Arthur proposed a motion to postpone until Audit meeting

Commissioner Paul Costilow provided the second and the vote is as follows:

Aye: Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Absent: Van Schuyver

- a. **Action** to postpone to Audit meeting

(6) Management should pursue an independent examination of current financial controls and other significant operational areas as outlined at the end of this report, as well as any other areas that have undergone substantial changes.

Commissioner Pat Fite proposed a motion to postpone indefinitely

Commissioner Jon Arthur provided the second and the vote is as follows:

Aye: Arthur, Fite, Thomas, Secor, Smithson, Ball, Costilow, Richey

Absent: Van Schuyver

- a. **Action** to postpone indefinitely

11. NEW BUSINESS.

Pursuant to 25 O.S. § 311, "New Business" shall mean any matter not known about or which could not have been reasonably foreseen prior to the time of posting (twenty-four hours prior to the meeting).

12. SUBMISSION AND DISCUSSION OF POSSIBLE AGENDA ITEMS BY THE OKLAHOMA VETERANS COMMISSION FOR THE NEXT SCHEDULED MEETING.

13. DISCUSSION AND POSSIBLE ACTION REGARDING THE NEXT REGULARLY SCHEDULED MEETING DATE.

September 24, 2018
Monday, 10:00 AM

September 25, 2018
Tuesday, 8:00 AM

Vezey Veterans Complex
Conference Room
2132 NE 36th Street

Oklahoma City, OK 73111

14. ADJOURNMENT

Commissioner Smithson made a motion to adjourn.

The Chairman, Tom Richey called the adjournment at 4:55PM

This meeting has been transcribed from an audio recorded source September 12th-September 19th, 2018 by ODVA Staff Member JGB. Transcription **not** noted to be in quotation is not and should not be interpreted as verbatim dialog and is provided merely as a summary of and interpretation of events.