

LOUISIANA BOARD OF WHOLESALE DRUG DISTRIBUTORS

Board Meeting

MINUTES

September 17, 2013

AGENDA ITEM 1 - Call to Order

The meeting was called to order by Robert Broadus, Chairman, at approximately 9:40 am. The meeting was held in Baton Rouge, Louisiana at the Administrative Office of the Board located at 12091 Bricksome Avenue, Suite B, Baton Rouge, Louisiana.

AGENDA ITEM 2 - Roll Call

It was noted by Mr. Broadus that those members in attendance were Mr. Boardus, Michael Davis, Wayne Gremillion, Kenneth Dugas, Chad Gielen, and Jacob Dickson. Randall Brooks was absent; Mr. Brooks arrived and joined the meeting at approximately 10:35 am during discussion of agenda item 7.b. The Board members in attendance constituted a quorum. Also present from the Board's administrative office were John Liggio, Kimberly Barbier, and George Lovecchio. There were no guests in attendance.

AGENDA ITEM 3 - Call for Additional Agenda Items [*for discussion in Agenda Item 11*]

There were no additional agenda items presented.

AGENDA ITEM 4 - Approval of Meeting Minutes

The minutes of the June 25, 2013 Board meeting were presented. **Motion was made by Mr. Davis to dispense with full reading of the minutes and to accept and approve the minutes as presented, seconded by Mr. Gremillion, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks; RECUSED: None.**

AGENDA ITEM 5 - Financial Matters

a. Financial Statements

Mr. Liggio presented financial information for June 2013. Mr. Liggio presented a copy of the annual financial review report for fiscal year 2013, year end June 30, 2013 as conducted and compiled by the CPA contracted through the Louisiana Fiscal Office. General discussion was held whereby it was noted that no problems had been found. No formal action was taken on this matter. Mr. Liggio presented financial information for July and August 2013. General discussion was held regarding new license application processing and compounding. No formal action taken on these issues. Mr. Liggio informed the Board that he had spoken with representatives at the Board of Pharmacy regarding possible requirements for pharmacies/pharmacists to purchase from only licensed wholesale drug distributors and temperature monitoring. No formal action was taken on this matter. No formal action was taken on the financial statements.

b. Check Amount Limit Requiring Two Signatures

Mr. Liggio made note that in 2008 the Board approved a \$7,000 and above limit on checks written on the behalf of the Board that would require two signatures. Mr. Liggio noted that banks no longer track such requirements because banking processes are now mainly electronic, but the bank recommends that such requirements and limits should be set and tracked in-house. Mr. Liggio proposed the Board raise the check amount limit requiring two signatures to \$10,000 and above due to the rise in employee benefits costs pushing the current (2008) limit. **Motion was made by Mr. Dugas to approve a limit of \$10,000 and above for Board checks written to require two signatures, seconded by Mr. Davis, and passed by voice vote: FOR: Mr. Broadus, Mr. Davis, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks; RECUSED: None.**

c. Amendment to Funds Transfer Authorization Limit

Mr. Liggio made note that the Fund Transfer Authorization Resolution submitted by the Board to Whitney (Hancock) Bank in September 2011 authorizing Mr. Liggio to make wire transfers to pay the retirement contribution benefit each month was approved with a limit up to \$7,500. Due to the rise in employee benefit costs, Mr. Liggio proposed the Board increase/amend the limit to \$10,000. **Motion was made by Mr. Dugas to approve a limit of \$10,000 and to amend the Fund Transfer Authorization Resolution with Whitney Bank as such, seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks; RECUSED: None**

AGENDA ITEM 6 - Licensing Matters

a. New Licenses Issued

A list of approximately 68 new licenses as issued by the Board office on behalf of the Board since the June 25, 2013 Board meeting was available for review. General discussion was held. No formal action was taken on this matter.

AGENDA ITEM 7 - Old Business

a. Physical Therapists

Mr. Liggio presented a letter from the Louisiana Physical Therapy Board to the Louisiana Board of Medical Examiners regarding recent amendments that had been made to the Physical Therapy rules. General discussion was held. No formal action was taken on this matter.

b. Medical Food Distributors

Mr. Liggio presented a letter from the regulatory attorney in response to a second review of information regarding whether or not the Board has authority to require licensure of "Rx" labeled medical food wholesalers/distributors. The letter was reviewed and discussion was held.

Mr. Brooks arrived at the meeting at approximately 10:35 am and joined the meeting during discussion of agenda item 7.b.

Mr. Broadus and Mr. Brooks had no further information on this matter to present to the Board. No formal action was taken on this matter.

c. Proposed Rule Amendment - Lowest Unit of Measure (LAC 46:XCI.309)

This item was deferred from the June 25, 2013 Board meeting. General discussion was held. The Board deferred the issue to the next Board meeting.

AGENDA ITEM 8 - General Matters

a. Update - New Database Program - GL Suite

Mr. Lovecchio presented an update on the new database program the Board has authorized through GL Solutions; the new database went live on July 5, 2013; the three month stabilization period is going well and will end October 5, 2013. Mr. Lovecchio gave a report and presentation on the online license renewal with electronic fee payment project currently under works. The new online renewal is anticipated to be ready for the upcoming 2014 renewal period which starts October 1, 2013. No formal action was taken on this matter.

The Board recessed for a break at approximately 11:30 am after discussion of agenda item 8.a. The Board returned to regular session at approximately 11:45 am and returned to agenda item 9.a.

AGENDA ITEM 9 - Statutes and Rules

a. Rule Promulgation Update

Mr. Liggio presented an update of current rule promulgation for amendments to LAC 46:XCI. 301, 305, and 311 - Requirements, Qualification, and Recordkeeping. The rule amendments are anticipated to be published as final rule in October 2013. No formal action was taken on this matter.

Mr. Liggio went back to agenda item 8.a for further discussion regarding the new licensee database. No formal action was taken on the matter.

AGENDA ITEM 10 - Policies and Procedures

a. Inspection Travel Policy

Mr. Liggio presented a proposed policy for inspection travel. Discussion was held regarding the current requirements in the state general travel regulations which allows for only 99 miles per day to be paid to employees utilizing their own personal vehicles on state business and the use of state owned vehicles or rental of vehicles from state approved car rental vendors. After discussion of the issue, the Board concluded requiring the Board inspector to rent a car for use in performing his duties of inspection of in-state licensed facilities or for the Board to purchase a vehicle would not be practical for the Board; and a 99 mile cap would greatly hamper the efficiency of the

inspector's work performance. **Motion was made by Mr. Gielen to approve the policy for inspection travel authorizing inspector(s) for the Board to utilize his/her personal vehicle for the discharge of their inspection duties and reimbursement of actual mileage travelled by the inspector will be made at the rates per mile set within the state general travel regulations, seconded by Mr. Dickson, and passed by voice vote: FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.**

b. Two Signatures on Board Checks Policy

Mr. Liggio presented a proposed policy for the requirement of two signatures on Board checks. Information presented in agenda item 5.b was reiterated; general discussion held. **Motion was made by Mr. Dickson to approve the policy for requirement of two signatures on Board checks issued in amounts over a limit as set by the Board (currently \$10,000 as set by the Board in agenda item 5.b) and the enforcement of the two signature policy by the administrative office staff under financial review of the Board's Secretary /Treasurer, seconded by Mr. Gremillion, and passed by voice vote: FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.**

AGENDA ITEM 11 - Additional Agenda Items (*added per Agenda Item 3*)

There were no additional agenda items approved by the Board.

Mr. Liggio noted that the administrative office has an appreciation plaque for former Board member, Mr. Hersh Paul, whose term ended in April 2013. Mr. Dickson acknowledged that he would present Mr. Paul with the plaque and his name plate.

Mr. Liggio presented the issues of federal pedigree requirements and track and trace. Mr. Liggio will check with former Board member, Mr. Bill Crates, to see if there is anything new on these issues. Mr. Liggio will report any findings at the next Board meeting.

AGENDA ITEM 12 - Confirmation of Next Board Meeting Date

The next Board meeting is tentatively set for Thursday, December 12, 2013.

EXECUTIVE SESSION

Motion was made by Mr. Brooks to enter into executive session, seconded by Mr. Gremillion, and passed by voice vote: FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.

Motion was made by Mr. Dickson to end executive session and return to regular session, seconded by Mr. Dugas, and passed by voice vote: FOR: Mr.

Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.

Executive Session Items:

1. Staffing Issues

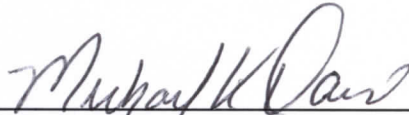
The Board discussed its need to develop and define a position of assistant executive director to be effective October 1, 2013; the position will be appointed in conjunction with the current position of senior inspector. The assistant executive director will be under the direction of the executive director with a starting salary of \$70,000 per year. **Motion was made by Mr. Gremillion to develop the conjunctive position of assistant executive director effective October 1, 2013 with a starting salary of \$70,000 per year, seconded by Mr. Gielen, and passed by voice vote: FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.**

AGENDA ITEM 13 - Adjournment

There being no further business before the Board, **motion was made by Mr. Dugas to adjourn the meeting, seconded by Mr. Dickson, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.**

The meeting adjourned at approximately 12:45 pm.

Approved and accepted by the full Board - Date: December 17, 2013



Mike Davis

Board Vice Chairman



John Liggio
Executive Director