

# LOUISIANA BOARD OF WHOLESALE DRUG DISTRIBUTORS

Board Meeting

MINUTES

August 19, 2014

## AGENDA ITEM 1 - Call to Order

The meeting was called to order by Robert Broadus, Chairman, at approximately 9:35 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 and Introduction of Guests

It was noted by Mr. Broadus that those members in attendance were Mr. Broadus, Michael Davis, Randall Brooks, Wayne Gremillion, Kenneth Dugas, Chad Gielen, and Jacob Dickson. The Board members in attendance constituted a quorum. Also present from the Board's administrative office were John Liggi, George Lovechchio, and Kimberly Barbier. There were no guests in attendance.

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

1. Board of Pharmacy Rule for Compounding.
2. Provisional Licensure

**Motion was made by Mr. Dugas to add items as noted to the agenda for discussion later in the meeting during agenda item 11, 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 4 - Approval of Meeting Minutes

The minutes of the May 27, 2014 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. 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 5 - Disciplinary and Enforcement Actions

### a. Disciplinary Actions

#### i. Docket 2014003- Wholesalers Group, Inc., Bayamon, Puerto Rico, LA license 7790

Mr. Gremillion presented a summary of the case and presented an executed consent agreement. **Motion was made by Mr. Brooks to accept and approve the executed consent agreement as presented and payment of the fine and administrative fee as assessed for disciplinary docket 2014003, seconded by Mr. Dugas, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Dugas, Mr. Gielen,**

**and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: Mr. Gremillion.**

AGENDA ITEM 6 - Personnel Issues

a. Executive Director

i. Retirement- Current Executive Director

Mr. Broadus made reminder that Mr. Liggio would be retiring from state service as the Board's Executive Director effective August 28, 2014. The Board members thanked Mr. Liggio for his service and noted his presence would be greatly missed. No formal action was taken on this matter.

ii. New Executive Director Search

Mr. Broadus made note that at the May 27, 2014 board meeting it was decided that the Board would postpone the search for a new executive director until the first of 2015. No formal action was taken on this matter.

iii. Interim Executive Director Appointment

General discussion was held regarding appointment of an interim executive director upon retirement of Mr. Liggio. Mr. Broadus proposed appointing Mr. George Lovecchio, the board's current Senior Inspector/ Assistant Executive Director, to the position of Interim Executive Director. The interim executive director position will commence on September 1, 2014 for a term of six (6) months or until the position of Executive Director is permanently filled; duties and responsibilities of the interim executive director shall be as set in the Board's policy for duties of the Executive Director position; and Mr. Lovecchio shall receive no additional salary compensation for the position of interim executive director. Mr. Lovecchio accepted the appointment offer as interim executive director. **Motion was made by Mr. Gremillion to appoint Mr. George Lovecchio, Senior Inspector/Assistant Executive Director as interim executive director under the conditions described, 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 7 - Financial Matters

a. Financial Statements

Mr. Lovecchio presented financial information for May and June 2014 of the previous fiscal year 2014, and July 2014 of the current fiscal year 2015. General discussion was held and general questions from the Board members were answered. The Board requested the staff check with the bank in regards to interest rates for certificates of deposit.

Mr. Gielen inquired after the public records request that the Board office had recently received. Mr. Liggio gave a summary of the requested information and of how

the request was responded to. General discussion was held. No formal action was taken on the matter.

b. Credit Cards

i. Authorized Agent & Program Manager

General discussion was held regarding requirements for credit card issuance. **Motion was made by Mr. Dugas to appoint Mr. Randall Brooks, Board Secretary/Treasurer, as Agent representing the Board with authority to execute, sign, and deliver any and all documents, contracts, agreements, or necessary forms in matters related to the bank issue-Board liable credit card program; and to designate Ms. Kimberly Barbier, Executive Assistant as the Program Manager to administer the bank issue-Board liable credit card program based on the Board's policies and procedures as approved at the May 27, 2014 board meeting and the card holder agreement for terms of use of credit cards as issued by Whitney Bank, 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.**

ii. Bank Agreement

Further discussion was held with regards to requirements for credit card issuance. **Motion was made by Mr. Gielen to enter into an agreement with Whitney/Hancock Bank (bank) to open a business credit card account for issuance of credit card(s) to appropriate Board employee(s) for use by the authorized employee(s) as directed in the Board's policies and procedures for the Board Liability Credit Card Program approved at the May 27, 2014 board meeting and the card holder agreement governing terms of use of business charge cards by public employee cardholders as issued by Whitney Bank, 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.**

c. Banking Matters

i. Signature Authority

General discussion was held regarding authority to sign Board checks. **Motion was made by Mr. Dugas to designated Mr. Randall Brooks, Secretary/Treasurer, Mr. Robert "Bob" Broadus, Chairman, and Mr. George Lovecchio, incoming Interim Executive Director, all with authority to sign checks payable through the Board's checking account at Whitney/Hancock Bank, 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.**

It was noted that the policy approved at the September 17, 2013 Board meeting will still be in effect setting the requirement of two authorized signatures on checks payable for \$10,000 and greater.

ii. Amendment to Funds Transfer Agreement

General discussion was held regarding authority to process monthly wire transfers of funds for payment of the monthly retirement contributions to LASERS. **Motion was made by Mr. Davis to appoint the Board's secretary/treasurer, Mr. Randall Brooks to represent the Board with authority to execute, sign, and deliver any and all documents, contracts, agreements, or necessary forms in matters related to banking issues; and to the designate Mr. George Lovecchio, incoming Interim Executive Director, and Mr. Randall Brooks as authorized representatives for initiation, approval, and inquiry with regards to making monetary wire transfers via telephone service with Whitney/Hancock Bank for payment of the monthly retirement contributions to LASERS with a maximum monthly transaction limit not to exceed \$10,000 total for month, 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.**

iii. Pledgee Agreement for Federal Reserve Bank

General discussion was held with regards to the Board's collateral account with the Federal Reserve Bank. The account is managed through Whitney Bank along with a representative of the Board. **Motion was made by Mr. Dugas to designated Mr. George Lovecchio, incoming Interim Executive Director, as the individual authorized to take appropriate action as needed on behalf of the Board along with Whitney/Hancock Bank with regards to the Board's collateral account with the Federal Reserve Bank, seconded by Mr. Brooks, 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.**

d. Annual Financial Attestation- Fiscal Year 2014

Mr. Liggio distributed copies of the CPA's letter report for the attestation of the Board's financials for fiscal year 2014 (July 1, 2013 through June 30, 2014). General discussion was held. Mr. Liggio pointed out the deficiency items that have been noted on previous years attestation reports resulting from the small size of the Board's administrative office staff and acceptable financial review procedures. A new deficiency item noted by the CPA on the FY 2014 attestation is in regards to requirement of professional service contract for software developer of the new license management system database; corrective action is currently being taken by the office staff to rectify the matter. No formal action was taken on this matter.

8. Old Business

a. Web-based Licensee Database

General discussion was held regarding the new licensee management system (LMS) being developed. No formal action was taken on this matter.

b. Statutes and Regulations

i. Drug Supply Chain Safety (DSCS) Act

Mr. Lovecchio noted that the committee assigned by the Board had not had a chance to meet since the last Board meeting. Mr. Liggio presented draft statutory changes incorporating items from the DSCS act that he and Mr. Lovecchio had been working on. General discussion was held. The Board noted that the committee should continue the work on this issue along with the office staff and legal counsel for regulatory issues.

9. Licensing Matters

a. New Licenses Issued List

Mr. Lovecchio presented a list of approximately 55 new licenses as issued by the Board office on behalf of the Board since the May 27, 2014 Board meeting for review. General discussion was held. No formal action was taken on this matter.

10. Policies and Procedures

a. Proposed DRP- Temporary Status

General discussion was held with regards to a current licensee submitting a change of designated responsible party (DRP); should that individual be considered in temporary status. No formal action was taken on this matter.

*[Agenda item 11.2 was discussed after agenda item 10.a.]*

AGENDA ITEM 11 – Additional Agenda Items Properly Brought Before the Board  
(from agenda item 3)

*[Agenda item 11.1 was discussed after agenda item 11.2.]*

1. Louisiana Board of Pharmacy New Rule- Compounding

Mr. Brooks presented information regarding the Louisiana Board of Pharmacy's new rules in regards to compounding. General discussion was held. No formal action was taken on this matter.

*[Agenda item 11.2 was discussed after agenda item 10.a and before agenda item 11.1.]*

2. Mr. Dickson presented the scenario of a facility located in Louisiana submits an application for licensure; the application is on hold awaiting the results of the required criminal history records check for the DRP designated on the application. Ms. Barbier made note that she was informed by state police criminal history records department that checks could take from 21 to 28 days after receipt and processing of the paperwork. Mr. Dickson inquired of the Board issuing temporary or provisional licenses during the

wait for results of criminal history records checks. The Board noted that it does not have statutory authority to issue temporary or provisional license. No formal action was taken on this matter.

*[The Board continued with agenda item 11.1 after 11.2.]*

General discussion was held with regards to personnel needs in the Board office; and guidelines/timeline for the search for a new executive director. No formal action as taken on these matters.

- 12. Board Issues
    - a. Board Meeting Dates
      - i. Confirmation of Next Board Meeting
- No formal action was taken on this issue.

The Board presented Mr. Liggio with a plaque in commemoration of his services.

AGENDA ITEM 13 - Adjournment

There being no further business before the Board, **motion was made by Mr. Gremillion to adjourn the meeting, seconded by Mr. Davis, 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 1:20 pm.

Approved and accepted by the full Board - Date: December 16, 2014



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**Randall Brooks**  
Board Secretary/Treasurer



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**George Lovecchio**  
Interim Executive Director