



HEALTH EDUCATION AUTHORITY OF LOUISIANA

FUNDING FOR BIOMEDICAL RESEARCH, HEALTHCARE AND HEALTH EDUCATIONAL INSTITUTIONS

Health Education Authority of Louisiana Board of Trustees
Meeting Minutes
March 17, 2017
10:00am

A meeting of the Health Education Authority of Louisiana (HEAL) Board of Trustees was held on Friday March 17, 2017 at 10:00am at the HEAL offices at 300 LaSalle Street, Suite B, New Orleans, LA. Mr. David Groner, Chairman presided.

HEAL Board Members Present

Mr. David Groner, Chairman
Mr. Bryan Jones, Vice Chairman
Mr. M. Cleland Powell, Treasurer
Mr. Lambert Boissiere, Jr., Secretary
Ms. Kenya Ellis
Dr. Sandra Robinson
Mr. Casey Guidry
Mr. Joshua Pellerin

HEAL Board Members Absent

Mr. Jeremy Babers

Contractors

Mr. Henry Kinney, Board Counsel, Kinney, Ellinghausen, Richard & DeShazo
Mr. Aaron Maples, Board Counsel, Kinney, Ellinghausen, Richard & DeShazo
Mr. Joe Sollitto, First NBC Bank
Mr. Luther Speight, Luther Speight & Co. CPA

Guests

Mr. Pat Bryant, Justice and Beyond
Ms. CC Campbell Rock, LA Weekly
Mr. Steven Kennedy, Concerned Citizen

Staff

Mr. Jacob C. Johnson, HEAL Executive Director
Ms. Vanessa McKee, Administrative Assistant
Mr. Nathan Fontaine, Administrative Program Specialist

Health Education Authority of Louisiana

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Call to Order

The meeting was called to order by Chairman David Groner at 10:02 am.

Introduction of Board Members

Mr. David Groner, Chairman begins introductions of new board members. Each member in turn introduces themselves. Contractors and public guests introduce themselves. Chairman Groner calls the Roll Call done.

Review and Approval of Agenda

Chairman Groner calls for a motion to approve the agenda, Mr. Casey Guidry so moves with Mr. Cleland Powell seconding. The motion carries unanimously. Mr. Powell makes a motion to amend the agenda to add discussion about paying past bills. Mr. Bryant Jones seconds, the motion passes unanimously.

Swearing in of New Members

Mr. Groner asks Henry Kinney of Kinney, Ellinghausen, Richard, & DeShazo to swear in the new board members.

Election of Officers

Mr. Groner calls for a nomination of Vice Chair, Mr. Powell nominates Mr. Jones. Mr. Pellerin seconds and the nomination passes without opposition. Mr. Groner asks Mr. Jones for a nomination for Secretary, he offers Mr. Lambert Boissiere. Mr. Casey Guidry seconds and the nomination passes without opposition. Mr. Groner asks for a motion to retain Mr. Powell as secretary, Mr. Guidry so moves. Ms. Kenya Ellis seconds the motion and the nomination passes without objection.

Mr. Guidry asks for a motion to have the newly elected officers make up the Executive Committee, Mr. Boissiere so moves with Mr. Jones seconding. The motion passes unanimously.

Review and Approval of Previous Minutes

Mr. Groner asks Mr. Kinney to offer legal counsel about the minutes. Mr. Kinney recommends accepting the minutes as is. Mr. Guidry motions that the minutes be accepted with Ms. Ellis seconding. The motion carries without objection.

Amendments to HEAL Rules

Mr. Groner presents a revision to HEAL Rule 3.01 providing to the location of HEAL Board Meetings to allow for meetings to be held outside the domicile. Mr. Powell moves to accept the change with Mr. Jones seconding. Motion passes without objection.

Mr. Groner presents a revision to HEAL Rule 1.01 providing to the domicile of HEAL and moving it to Baton Rouge. Mr. Powell moves to accept the change. Mr. Jacob Johnson brings up a technical objection. Mr. Groner states a reason for the changing of domicile, calls for a vote. Motion passes without objection.

Mr. Groner presents a revision to HEAL Rule 5.05.01 providing for the direction of the Executive Director. Mr. Groner presents his reasons for taking sole control of the direction of the Executive Director. Mr. Johnson presents a rebuttal. Mr. Pat Bryant of Justice and Beyond asks for a moment to speak and directs a question the Chairman. Mr. Kinney stops Mr. Bryant from questioning the Chairman. Mr. Bryant presents his groups objection to the consolidation of power over the Executive Director to the Chairman. Mr. Jones motions to accept with Mr. Powell seconding. Mr. Boissiere questions the need for this change as he doesn't see a problem that needs fixing. Mr. Groner explains he has received direction from Legislators and the Governor's office. Mr. Joshua Pellerin counsel waiting to see what the Legislators do in regards to HEAL before we act. Mr. Boissiere concurs saying the word of one legislator is not enough and the Governor has ways of contact the Board to express his desire. Mr. Pellerin asks Mr. Johnson to give a quick history of HEAL who does so. Mr. Bryant asks to see the directive restricting Mr. Johnson's actions as Executive Director. Mr. Pellerin asks Mr. Groner to inform the board of which legislators are going to offer the bill to close the agency; Mr. Groner says he would not like to say that at this time. Mr. Pellerin again brings up that he feels the board is acting prematurely. Mr. Pellerin inquires with Mr. Johnson about his travel budget. Mr. Johnson responds and when questioned says he has never gone over the travel limit. Mr. Jones brings up that this change in rules is because the Executive Director has ignored directives from the Chairman. Mr. Johnson questions which directives, Mr. Jones responds and Mr. Johnson rebuts his argument with requirements to respond to Public Information requests and respond to elected officials. Mr. Pellerin asks if Mr. Johnson was in contact with legal Counsel and Mr. Johnson confirms. Mr. Boissiere questions Mr. Johnson on how the agency is run and Mr. Johnson answers them. Ms. Ellis asks Mr. Groner if these changes would change Mr. Johnson's duties and he responds. Mr. Boissiere makes a motion to table this item for further review. Mr. Kinney points out that Mr. Steven Kennedy, member of the public, would like to make a comment. Mr. Kennedy expresses his belief that the audit report was very biased. Ms. C C Rock-Campbell of Justice and Beyond and independent journalist asks to speak and also believes that the report was very biased. Mr. Groner proposes to change the rule so that the Executive Committee gives direction to the Executive Director. Mr. Boissiere objects and restates his motion to table the issue till later. Mr. Groner agrees to table discussion about Rule 5.05.01, motion passes without objection.

Mr. Pellerin speaks to Leadership and the direction of the agency.

Mr. Powell speaks to the History of HEAL, why it was founded, and its potential.

Mr. Pellerin again speaks about Leadership and potential business opportunities.

Mr. Bryant of Justice and Beyond brings up the matter regarding Rule 1.01. Mr. Johnson states for the record about possible job loss of HEAL staff from moving the office to Baton Rouge. Mr. Johnson asks Counsel if it is ok for HEAL Rules to say one thing about the domicile when it contradicts the legislation. Mr. Kinney responds that nothing the board can do can override the legislation.

Mr. Pellerin asks for a motion to reconsider the domicile location. Mr. Boissiere seconds and Mr. Groner takes a vote by hands. Ms. Ellis, Mr. Pellerin, Mr. Boissiere and Mr. Jones vote in favor of reconsidering, the motion passes without opposition. Mr. Pellerin motions to return the Domicile rule to its original state, Mr. Boissiere seconds. The motion passes without opposition.

Mr. Groner brings up the Technical Changes to the HEAL Rules, Mr. Johnson presents and recommends having Counsel look over the Rules and present recommended changes at the next Board Meeting. Mr. Jones makes a motion to table this item with Mr. Boissiere seconding. The motion passes without opposition.

Approval of Retention Policy

Mr. Johnson begins explanation of the process of getting the Retention Policy approved via the Secretary of State's office.

Dr. Sandra Robinson arrives at 11:00am.

Mr. Jones moves to approve the retention policy with Mr. Guidry seconding. The motion passes without opposition.

Resolution Authorizing Financial Signatures

Mr. Joseph Sollitto of First NBC Bank presents information about HEAL's Financial holdings at FNBC and the need for signatures needed for the various checking accounts. Also speaks briefly on the issues at FNBC. Mr. Groner asks Mr. Powell if we should consider other banks and asks him to investigate moving banks.

Mr. Johnson speaks about the SSA Invoice. Mr. Groner says that the contract was approved by previous Board, General Counsel and Division of Administration. Mr. Kinney recommends that SSA provide a letter assuring the Board that SSA did no lobbying for HEAL.

Mr. Jones motions that HEAL pay SSA pending the receiving of the aforementioned letter. Mr. Johnson states for the record that the invoice was \$54,427.00. Mr. Powell suggests SSA present at the next Board Meeting.

Mr. Boissiere offers a substitute motion to hold the check till after the letter is received and SSA presents a history of their work.

Mr. Jones motions to pay SSA per the stipulation offered by Mr. Boissiere, Mr. Guidry seconds. The motion passes without opposition.

Ms. C C Rock-Campbell asks if one of the Louisiana Legislative Auditors findings was an improper signature on the SSA contract and Mr. Johnson acknowledges so.

Mr. Groner brings up the issue of the KERD bill, Mr. Johnson states that the bill is being held up because the Attorney General's office is still holding legal counsel contracts due to boiler plate wording from the AG's office. Mr. Kinney gives brief detail about what the bills are about and asks that they be approved and then actually be submitted when approval from the AG's office comes in. Mr. Boissiere moves to accept that with Mr. Jones seconding. Motion passes without opposition.

Mr. Kinney brings up the last bill (Jones Walker) and how technically JW was not engaged to provide representation on personnel matters. States that if the board wants to pay JW for this bill it would require a motion and then state procurement channels to getting it paid. Mr. Groner and Mr. Pellerin ask how much the bill is, Mr. Johnson gives amount of \$7,120.00. Mr. Pellerin asks what they (JW) were evaluating and Mr. Johnson states he doesn't know. Mr. Groner asks Mr. Kinney if he can answer that question, Mr. Kinney says that the (previous) chairman brought JW in to advise regarding performance matters related to the Executive Director. Mr. Groner asks if there was a consensus and metrics. Mr. Kinney says there was no consensus. Ms. Ellis asks how the performance was measured. Dr. Robinson, Ms. Ellis, and Mr. Pellerin ask if they produced a report. Mr. Kinney says he is not aware of any report. Mr. Boissiere expresses no desire to pay the JW bill if there is nothing in hand.

Mr. Johnson gives information about what JW was authorized to do and briefly explains the process to change the contract. Mr. Jones asks if the previous chair had the authority to get JW to perform the services. Mr. Johnson states that he (previous chairman) did not have that authority as there was no resolution. Mr. Boissiere says that if JW did something they weren't authorized to do then they shouldn't get paid for it. Mr. Pellerin asks what the basis for the bill was, what prompted the (previous) chairman? Mr. Johnson states he has no knowledge, he just received an invoice that said it had been approved by the (previous) board chair but there was no authorization by the full board. Dr. Robinson expresses reluctance to pay for work outside a contracts scope and without authorization. Mr. Groner asks Mr. Kinney if JW should present at the next meeting about this. Mr. Kinney says that would be a good idea if the board wants to entertain the idea of paying them. Mr. Groner asks if JW had any legal recourse on getting paid if the current board refused to pay them, Mr. Kinney says that in his opinion JW does not. Mr. Groner makes a motion to defer the JW payment until additional information is gathered. Mr. Pellerin so moves with Mr. Jones seconding. The motion passes without opposition.

Review and Approval of Financial Matters

Mr. Johnson introduces Mr. Luther Speight of Luther Speight & Company and a brief background of the working history between HEAL and Luther Speight company. Mr. Speight explains the HEAL quarterly financial reports and answers questions from the board regarding details of their work.

Mr. Pellerin asks if the financials include the JW invoice and Mr. Johnson explains that it does not because it had not yet been approved by the board as a payable expense. Mr. Pellerin asks for an explanation on how invoices are paid and Mr. Johnson says that only board approved payable expenses are submitted to the CPA. Mr. Johnson explains some details about the internal P Card credit card as it relates to some regular invoices such as Xerox. Mr. Pellerin asks about the frequency of invoices like the JW invoice, Mr. Johnson confirms that this is the first incident of this nature since he has been here. Mr. Pellerin inquires of Mr. Johnson about the limits of his authority to solicit services. Mr. Johnson confirms that the board approves any contract submitted. Regular invoices such as Xerox are paid via P Card which goes to Division of Administration for processing. Mr. Pellerin asks if the CPA has oversight on any cap on the previously mentioned system, Mr. Speight again states that his firm only operates in a recording capacity. Mr. Pellerin asks for the CPA's definition of 'oversight' and Mr. Guidry says that it is his understanding that the CPA only does bookkeeping not auditing. Mr. Johnson explains that if an item has an entry on the approved budget then he goes through the process of paying the item and sending the board and CPA information about the payment. If an expense is not listed or not approved by the board then it is held until approval by the board for payment has been obtained. Mr. Guidry asks for a copy of the last approved budget.

Mr. Groner wants to review the budget for board approval at the next board meeting.

Mr. Johnson details internal account reconciliation process.

Mr. Pellerin asks the CPA for the Profit and Loss statement on the net ending position and Mr. Speight explains that the statements are prepared in a manner as per state auditors. Mr. Pellerin asks if HEAL was losing money and Mr. Speight denies such. Mr. Pellerin asks why the Agenda listed an item in regards to 'financial constraints' if the CPA says there are currently none. Mr. Groner states that he put that item on the agenda and would now like to defer that item pending budget review. Mr. Pellerin objects to the agenda item since it is apparent there are no financial constraints. He further questions why such an item was placed on the agenda without review of the budget and CPA financials.

Mr. Johnson explains that the budget has grown since he has come to the agency.

Dr. Robinson speaks as to how the previous chairman did not speak with her about engaging JW though he may have spoken to other board members.

Mr. Speight continues an explanation on how to read the financial statements. Mr. Guidry makes a motion to accept the financial statements with Dr. Robinson seconding. Motion passes without opposition.

Mr. Boissiere leaves the meeting at 12:05pm.

Discussion of Elimination of Personnel

Mr. Groner requests a motion to table discussion on the elimination of staff, Mr. Jones so motions with Dr. Robinson seconding. The motion passes without opposition.

Executive Director's Report

Mr. Johnson delivers his Executive Directors report.

Executive Session

At 12:30pm Mr. Groner asks for a motion to go into Executive Session and Dr. Robinson so moves with Mr. Pellerin seconding. The motion passes without opposition.

At 12:34pm Mr. Jones motions to leave executive Session with Mr. Guidry seconding. The motion passes without opposition.

Adjournment

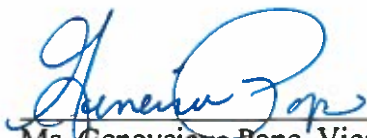
Mr. Groner motions that the meeting be adjourned with Mr. Powell seconding. The motion passes without opposition and the meeting is adjourned at 12:35pm.

A verbatim copy of the minutes is available upon request.

Certification

I, the undersigned, hereby certify that the above is a true, full, complete and correct copy of the minutes and resolutions adopted on motion duly made and seconded at a meeting of the members of the Board of Trustees of the Health Education Authority of Louisiana held on the 17th day of March, 2017, at which meeting a quorum of the members were present and acted throughout and that a copy of the foregoing is duly entered upon the minute book of the Health Education Authority of Louisiana, and is now in full force and effect, and has not been amended, changed, modified, rescinded or repealed in any way.

WITNESS MY SIGNATURE, this 17th day of March, 2017



Ms. Genevieve Pope, Vice Chair