



# HEALTH EDUCATION AUTHORITY OF LOUISIANA

FUNDING FOR BIOMEDICAL RESEARCH, HEALTHCARE AND HEALTH EDUCATIONAL INSTITUTIONS

## Health Education Authority of Louisiana Board of Trustees

Meeting Minutes

February 1, 2018

1:30pm

A meeting of the Health Education Authority of Louisiana (HEAL) Board of Trustees was held on Thursday, February 1, 2018 at 1:30pm at the Claiborne Building, 1201 North 3<sup>rd</sup> Street, Baton Rouge LA. Mr. Charles Cravins, Chairman presided.

### **HEAL Board Members Present**

Mr. Charles Cravins, Chairman  
Ms. Genevieve Pope, Vice-Chair  
Ms. Raegan Carter, Treasurer  
Ms. Gwendolyn Hamilton, Secretary  
Mr. Charles New  
Mr. B. Wayne Brown  
Ms. Zazell Dudley

### **Contractors**

Mr. Henry Kinney, Board Counsel, Kinney, Ellinghausen, Richard & DeShazo (KERD)  
Mr. Aaron Maples, Board Counsel, Kinney, Ellinghausen, Richard & DeShazo (KERD)  
Mr. Matthew Kern, Bond Counsel, Jones Walker  
Ms. Lauren DeWitt, Bond Counsel, Jones Walker  
Mr. Luther Speight, Luther Speight & Co. CPA (LS)  
Mr. Chris Pinell, Pinell & Martinez, CPA (PM)

### **Staff**

Mr. Nathan Fontaine, Administrative Program Specialist  
Ms. Vanessa McKee, Administrative Assistant

### **Speaking Guests**

Mr. Rick McGimsey, Executive Counsel, Division of Administration  
Mr. Jacob C. Johnson, Former HEAL Executive Director  
Mr. Pat Bryant, Concerned Citizen  
Mr. David Capasso, Concerned Citizen  
Ms. Sylvia McKee, Concerned Citizen  
Major Tracey Riley, Retired, Concerned Citizen  
Ms. Janice Long, Concerned Citizen  
Reverend Leban, Southern Christian Leadership Conference (SCLC), Concerned Citizen  
Mr. Mike McCalahan, President of the Louisiana Chapter of the NAACP, Concerned Citizen  
Ms. Valarie Jefferson, President of the Louisiana Women's Caucus, Concerned Citizen  
Mr. Theodore Quant, Concerned Citizen  
Ms. Kim Ford, Concerned Citizen  
Mr. Tom Cole, Louisiana Legislative Auditors Office

**Health Education Authority of Louisiana**

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*"An Equal Opportunity Employer"*

Dr. Crystal Slaughter, SSA Consulting  
Ms. Anita Byrne, SSA Consulting

**Nonspeaking Guests**

Members from, NAACP, Justice and Beyond, Baton Rouge and New Orleans AFL-CIO, SCLC New Orleans, Louisiana Legislative Auditors Office, OFSS, CareSouth, Office of the Governor and others. Please see attached sign in sheet.

The meeting was called to order by Mr. Charles Cravins, Chairman at 13:30.

Roll call was done, 6 of 7 seated board members are present and a Quorum was declared.

**Oath of Office**

Mr. Henry Kinney of Kinney, Ellinghausen, Richard & DeShazo administers the oath of office to the present members of the board.

**Public Comment**

Mr. Chairman opens the floor to public comments. Asks that comments be limited to 3 minutes per speaker and should be limited to actionable items on the agenda.

Mr. Jacob Johnson comments about the pending bond deals he has presented to the HEAL Board.

Mr. Pat Bryant questions the character of the Chairman as well as asking to be allowed to make comments after an agenda item is presented. Also brings up Mr. Johnson's contract and the lack of action on it.

Mr. David Capasso speaks to his history and asks the HEAL Board to carry out the mission of issuing HEAL Bonds.

Ms. Genevieve Pope arrives at 13:42. Mr. Rick McGimsey of the Division of Administration administers the oath of office to her.

Ms. Sylvia McKee speaks to the agenda and wanting to comment about the HEAL Rules.

Major Tracy Riley, Retired, speaks to her history with HEAL and needing to be able to comments after an agenda item is presented. Speaks to the pending HEAL bonds and lack of action on Mr. Johnson's contract.

Ms. Janice Long speaks to keeping the HEAL Agency in existence and that Mr. Johnson has been doing a good job running the agency. Asks that public comments be allowed after agenda item is presented.

Reverend Leban of the SCLC comments about following the HEAL Rules, introduces

Mr. Mike McCalahan, President of the Louisiana NAACP who speaks to the Resolution the NAACP took at their previous State wide meeting and wants to know what HEAL will do with Mr. Johnson.

Ms. Valarie Jefferson, President of the Louisiana Women's Caucus speaks to how HEAL helps out with Health Education.

Mr. Theodore Quant speaks his support of Mr. Johnson and to the poor health care across the state, the expense of medication and about keeping the HEAL Agency active.

Ms. Kim Ford speaks against the removal of Mr. Johnson.

Mr. Johnson asks if the Chair will amend the agenda to include the HEAL Bonds he presented to the Board and his contract.

Crosstalk from members of the Board and the public regarding speaking.

Mr. Kinney offers his legal opinion that there need not be any discussion regarding Mr. Johnson's contract.

Mr. Chairman asks about how the rules govern conduct at HEAL Board meetings and Ms. Gwendolyn Hamilton interrupts saying that we should just follow the HEAL Rules as written. Mr. Chairman speaks to the right to speak at a public meeting and that he will not be changing the agenda to allow comments directly before or after an agenda item is heard.

Mr. Kinney begins to present changes to the HEAL rules. Mr. Chairman expresses his hesitance about removing members of the public from the meeting. Mr. Bryant speaks regarding commenting. Mr. Johnson attempts to speak and gets called out of order by the Chairman. Mr. Capasso stands to speak. The Chairman polls the HEAL Board to recess or have Mr. Johnson removed. Mr. Kinney suggests letting Mr. Johnson speak.

Mr. B. Wayne Brown motions to allow Mr. Johnson to speak with an amendment by Mr. Charles New that no others be allowed to speak. Ms. Zazell Dudley seconding. A voice vote is held and the motion passes unanimously. Mr. Chairman grants Mr. Johnson two minutes to speak. Mr. Johnson speaks to the Bayou Braces and CareSouth bond deals and that they both have representatives here who would like to present their bond deals. Mr. Johnson also speaks to the poor audit.

Mr. Johnson refuses to yield the floor and at 14:15 Mr. Brown motions to recess. Ms. Dudley seconds and the motion passes unanimously.

At 14:37 the HEAL Board returns from recess and a new roll call is held. 7 of 7 seated members are present and a quorum is established.

Mr. Chairman speaks to maintaining order. Says that he will entertain a motion that if order cannot be maintained they will have to move the Board to the next room and only allow credentialed members of the Press and those presenting Agenda items be present while the public listened through an open doorway.

### **Board Counsel and Bond Counsel Contracts**

The Chairman asks the HEAL Board to consider Jones Walker for the position of Bond Counsel. Speaks to needing Board Counsel to handle the HEAL vs. APCOA litigation and keeping KERD on to handle the litigation. Asks for discussion from the Board.

Ms. Gwendolyn Hamilton moves that the Board approve KERD for Counsel and Mr. McGimsey states that KERD also acts Board Counsel. Mr. Charles New seconds the motion and a voice vote is held, the motion passes unanimously.

Ms. Hamilton moves to accept Jones Walker as Bond Counsel with Mr. Brown seconding. Mr. McGimsey clarifies that the scope of the Jones Walker contract should also include general transactional work as HEAL Board Counsel and that if the Jones Walker contract is approved that HEAL Staff should forward all Bond application information to Jones Walker. A voice vote is called by Mr. Chairman and the motion passes unanimously.

### **HEAL Rules**

Mr. Chairman presents modifications to the HEAL Rules and asks Mr. Kinney to go over the changes. Mr. Kinney speaks to 4 changes to the previous rules. Removing the Special Meeting provision, changing the requirement that HEAL Board meetings can only be held in New Orleans and cut out provisions that do not concur with current state law (he offers the example of the rules referencing a Board of 13 members) and recommends that all structural provisions be adopted.

Mr. Chairman opens the floor to HEAL Board members for discussion. There being no discussion Ms. Dudley motions that the rules be accepted with a second by Mr. Brown. A voice vote is called and the motion passes unanimously.

### **Officer and Committee Elections**

Mr. Chairman opens the floor to the HEAL Board to nominate a Vice Chairman. Ms. Hamilton nominates Ms. Genevieve Pope. A voice vote is called and the motion passes unanimously.

Mr. Chairman opens the floor to the HEAL Board to nominate a Secretary. Mr. Brown nominates Ms. Hamilton with Ms. Dudley seconding. A voice vote is called and the motion passes unanimously.

Mr. Chairman opens the floor to the HEAL Board to nominate a Treasurer. Mr. New nominates Ms. Raegan Carter with Ms. Pope seconding. A voice vote is called and the motion passes unanimously.

Mr. Kinney speaks to the various HEAL sub committees and no seats are appointed at this time.

### **March 17, 2017 Meeting Minutes**

Mr. Kinney presents the Minutes from the March 17, 2017, HEAL Board meeting and offers his legal opinion that the presented Minutes are a fair and true representation of the events of that Board meeting. He recommends that they be adopted. The Chairman also speaks to how the Minutes reflect the events of the previous meeting. Mr. Brown motions that the Minutes be accepted with Ms. Dudley seconding. A voice vote is called and the minutes are accepted unanimously.

### **HEAL Chairman's Report**

Mr. Chairman speaks to how the Board is working voluntarily and their desire to do the right thing. Speaks to the Agency spending every dollar to the benefit of the public. Speaks to getting jobs for every black person and about helping the common good of society. Speaks to the new Board wanting to do the right thing and wanting to avoid any issues of race. Mr. Johnson interrupts and is called out of order by the Chairman. Mr. New motions that the Board move to the adjoining room but withdraws the motion.

### **Board Meeting Dates**

Mr. Chairman presents to the HEAL Board a schedule of meeting dates for future board meetings. Ms. Carter motions that the dates be accepted with Ms. Pope seconding. A voice vote is called and the motion passes unanimously.

### **HEAL Financial Statements and Luther Speight Contract**

Mr. Luther Speight of Luther Speight, CPA's speaks to the work his firm has done for HEAL. How it is a compilation rather than actual full book keeping. Mr. Chairman asks that he present the HEAL financial statements for Quarter 3 and 4 of 2016. Mr. Chairman asks for Mr. Speight's opinion on the status of HEAL Finances and Mr. Speight replies with "solvent and strong" as of June 30, 2017, Mr. Speight also comments on the current Net Position of the agency being \$1.7M and that this represents the cash and certificates on deposit. Mr. Kinney clarifies what LS does and recommends that the financial statements presented be entered into

the HEAL Minutes. Mr. New moves that the statements be accepted with Ms. Hamilton seconding. A voice vote is held and the motion passes unanimously.

Mr. Brown asks about independent audits and Mr. Speight says that LS reviews the independent audits and that all audits in which they have done work for HEAL have positive unmodified opinions regarding the HEAL financial statements prepared by LS. Mr. Chairman asks about any bills that the agency might have. Mr. Speight says that his company has not interacted with HEAL in an official capacity since June 2017 when their contract concluded and that LS does not do book keeping. Mr. Brown inquires about how long it will take to get the remaining quarterly reports.

Mr. Brown motions to renew the LS contract with Ms. Carter seconding. A voice vote is called and the motion passes unanimously.

Mr. Brown inquires as to how long will it take for LS to produce the statements and Mr. Speight says that it usually takes about a week after they are provided the information.

Mr. Chairman asks for authority for HEAL Staff to give any and all financial data to LS. Ms. Hamilton moves so with Ms. Pope seconding. Mr. Chairman asks for a motion for HEAL staff to give any and all information regarding third parties involved in HEAL business to Jones Walker. Ms. Hamilton asks to amend that all information also be given to Jones Walker. Ms. Hamilton makes a motion on the amended motion with Ms. Dudley seconding. A voice vote is called and the amended motion passes unanimously.

#### **2018 HEAL Budget, Non Action Item**

Mr. Chairman asks that the Executive Committee look at and recommend a budget at the next meeting. Ms. Hamilton motions with Mr. New seconding. A voice vote is called and the motion to have the Executive Committee recommend a budget passes unanimously.

#### **Outstanding HEAL Debts**

Mr. Chairman brings up outstanding HEAL Bills. Mr. Kinney presents the bill from KERD and says that 90% of it are regarding the HEAL vs. APCOA suit and asks that they please get paid for their work. Mr. Chairman opens the floor to the HEAL Board regarding this bill. Ms. Hamilton inquires as to the grand total, Mr. Kinney says that the full explanation of expenses can be discussed in Executive session. Mr. Brown motions that the invoice be accepted with Ms. Dudley seconding. A voice vote was called and the motion passes unanimously. Mr. McGimsey speaks to any work done by KERD after the expiration of the contract can be paid after a new contract is signed. Mr. Chairman inquires about the contract process and Mr. McGimsey briefly speaks to the approval process between the HEAL Board, Division of Administration and the Attorney General's Office.

Mr. Chairman asks Mr. Kinney to speak to the SSA invoice. Mr. Kinney ask for Dr. Crystal Slaughter of SSA to present. Mr. Chairman speaks to oversight by Division of Administration saying that procedures need to be followed. Dr. Slaughter speaks to the work they were contracted to do. Ms. Hamilton points out that the letter from Division of Administration has put this Board on notice as to following proper procurement procedures. Mr. New motions that the invoice be accepted and Mr. Brown seconds. A voice vote is called and the motion passes unanimously.

Mr. Chairman asks for other outstanding bills and Ms. Vanessa McKee, HEAL Staff, brings up the Luther Speight invoice. Mr. Speight reviews the work related to the current invoice. Mr. Chairman inquires about how the contract amounts get paid, \$6000 a year to be paid quarterly or contracting for services during a particular quarter for \$1625. Ms. Hamilton asks about an invoice and is that invoice for work through the end of 2017. Mr. Kinney recommends two actions, the LS invoice be approved and to have the Board Treasurer review past bills. Mr. Speight suggests that in the future, because LS gets paid on a quarterly basis that LS be paid when they deliver the Quarterly statements.

Mr. Kinney brings up the OTS invoice. Mr. Chairman and Board members brings up a question about how the amount owed jumped quite significantly. Ms. McKee explains that she is currently in negotiations with OTM regarding this. Ms. McKee explains the issues regarding the payment of these bills and the lack of a Board to issues the payments. Ms. Hamilton motions that this bill be accepted with Ms. Pope seconding. A voice vote is called and the motion passes unanimously.

### **Financial Audit**

Mr. Chairman calls Mr. Tom Cole of the Louisiana Legislative Auditors Office (LLA) and Mr. Chris Parnell of Parnell & Martinez, CPA, (PM) to speak to doing a financial audit. Mr. Parnell speaks to their duties and needing a signed engagement letter from the Board and Management. Mr. Chairman asks for a motion to accept PM to do the HEAL audit. Mr. Kinney asks that the terms be mentioned, that being \$5,200 and Mr. Parnell estimates 60 to 70 hours of work. Mr. Chairman asks about any possible connections between HEAL Board and the PM firm and Mr. Parnell confirms there are none with Mr. Cole also concurring no connections. Mr. Chairman asks for a motion to allow Mr. Chairman to sign the engagement letter to do the financial audit. Ms. Pope so moves with Ms. Dudley seconding. A voice vote is called and the motion passes unanimously.

Mr. Chairman signs the engagement letter.

Mr. Parnell explains the objective of the audit.

Mr. Chairman asks of Mr. Cole that someone from the LLA be present at the next Board meeting to present the Operational Audit.

### **Division of Administration Presentation**

Mr. Chairman asks the Division of Administration to present. Mr. McGimsey speaks to the services and resources that DoA can provide. Mr. Chairman asks for DoA assistance regarding the current Bond applications which Mr. McGimsey concedes to. Mr. Chairman asks for DoA protection for current HEAL Staff employees which Mr. McGimsey concedes to.

### **Staff Introductions**

Mr. Chairman asks that current HEAL staff introduce themselves.

Mr. Nathan Fontaine, Administrative Program Specialist introduces himself.

Ms. Vanessa McKee, Administrative Assistant introduces herself.

### **Financial Signatures**

Regarding financial signature authority, Mr. Kinney suggests that a second person be granted signature authority beyond the treasurer. Ms. Hamilton asks if it would be appropriate for Mr. Chairman to be that person. Mr. Chairman suggests their being a third person also granted authority. Mr. New asks if it would be appropriate for the Vice Chair to be granted authority. Mr. New offers his services. Ms. Hamilton asks about Ms. McKee and Mr. Fontaine being the only two HEAL Staff and who do they report to. Mr. Kinney explains that the people chosen for signature authority would be the people who on an interim basis would be the administrators of the agency. Ms. Hamilton asks for clarification, three people able to sign? Mr. Chairman specifics that it would be two signatures other than himself. Mr. Chairman puts forth a motion for Ms. Carter and Mr. New being the financial signature authorities. A voice vote is called and the motion passes unanimously.

### **Executive Session**

Mr. Chairman asks for a motion to go into Executive Session to discuss the HEAL vs. APCOA lawsuit. Ms. Dudley so motions with Ms. Hamilton seconding. A voice vote is called and the motion passes unanimously. The HEAL Board enters Executive Session at 16:15.

The HEAL Board leaves Executive Session with a motion by Ms. Hamilton and a second from Ms. Dudley. A voice vote is called and the motion passes unanimously and the HEAL Board leaves Executive Session at 16:50.

Mr. Chairman asks for a motion to add to the agenda to have KERD protect the HEAL Agency. Mr. Brown so motions with a second from Ms. Dudley. Mr. Chairman wants to get board approval for KERD to act to protect HEAL without having to get permission from the Board. Ms. Hamilton expresses concern that this was not an item on the Meeting Agenda and there was



deep concern from the attending public about items being added to the agenda. Mr. Kinney expresses his comfort with the people chosen for the check writing. No voice vote was taken.

Mr. Kinney expresses his concern regarding Mr. Johnson's belief that he is still employed by HEAL and expects to get paid. Ms. McKee asks for an effective date and members of the Board respond with December 31, 2017. Mr. Kinney says that Mr. Johnson must come to the office to turn in his keys and collect his effects. Members of the Board make inquiries regarding Office Standard Operating Procedures.

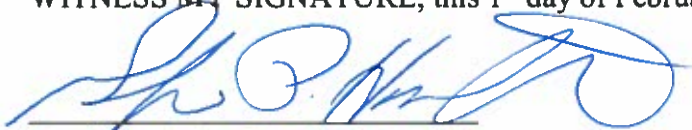
### Adjournment

Mr. Chairman makes a motion to adjourn with a second from Mr. New. Seeing no opposition Mr. Chairman declares the meeting adjourned at 16:56.

### 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 1<sup>st</sup> day of February, 2018, 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 1<sup>st</sup> day of February, 2018:



Ms. Gwendolyn Hamilton, Secretary