

MINUTES

April 16 & 17, 2004
1:00pm

COMFORT INN BISMARCK, NORTH DAKOTA

Meeting called to order by Chairman Brad Maasjo. Pledge of Allegiance, followed by moment of silence for the men and women serving overseas.

Roll Call:

Members **PRESENT:**

Brad Maasjo
John Coyne
Orlette Kilen
Ken Vatne

Daryl Beard
Larry Dakken
Gary Skarphol

Carl Bloomquist
Rudy Jenson
Paul Smathers

Members **ABSENT:**

Gerald Balzer
Rick Ryan

Gene Bernhardt

Ted Krogen

Chairman Maasjo reported Gene Bernhardt resigned from Committee due to new employment in Arizona. Gerald Balzer is unable to attend due to health reasons and will be submitting his resignation shortly.

The Reserve Account does not show funding as directed by a motion at the October 2003 meeting. The State Treasurer will transfer the funds after the October 2003 minutes are received by her office.

Motion by Jenson to accept the minutes as written, second by Smathers. Motion carried unanimously.

Guest Speakers:

Colonel Tomanek, North Dakota National Guard. Update on Guard activities. Guard members are starting to deploy back to North Dakota. At one point 50% of North Dakota guard members were serving in Iraq. The Governor will ask for an increase in tuition assistance for Army National Guard members and funding for a bonus for those who served/serving in Iraqi Freedom and/or Noble Eagle. There is discussion to change absentee voting rules to allow overseas military personnel to vote using e-mail.

Tim Knolls, Job Service North Dakota. Update on three areas of activity within Job Service: Operation workforce – help employers affected by guard call-up; transitioning assistance program – educates individuals leaving the military as to benefits available to them and updating their employment skills; priority service to veterans – new law states any agency receiving funds from department of labor must give employment priority to disabled veterans, veterans and then eligible persons (family members).

Glenn Fogel, VAMC (handouts). Update on VA Hospital care of veterans, although most medical care is being done on an outpatient basis. VA Regional Office – 146 days to get a rating decision. Fargo is one of the top VA's in the nation in productivity and claims decisions. Report on homeless veterans project, construction at VA, CARES, and the Fargo VA 75th Anniversary celebration in June 2004.

PWTF Status & Requests:

D.A.V. - \$10,000 to purchase replacement van
Job Service North Dakota - \$77,974
Department of Veterans Affairs - \$31,000 for positions
Veterans Home - \$15,000 for activities and \$10,000 for social services

Motion by Jenson to table D.A.V. request until the Department gets an Attorney General's Opinion with regard to obligating PWTF monies to a private organization to purchase a vehicle, second by Smathers. Motion tabled.

Motion by Smathers to obligate \$31,000 to the Department, second by Beard. Motion passe 9 yeas, 2 nays – Beard, Jenson [MOTION #1]

Job Service North Dakota request explained by Tim Knolls.

Motion by Smathers to obligate \$20,000 to Job Service, second by Bloomquist. Motion passed unanimously. [MOTION #2]

Motion by Jenson to obligate \$10,000 to the Veterans Home, second by Smathers. Motion passed unanimously. [MOTION #3]

Report by Neil Asper, Administrator North Dakota Veterans Home. State Auditors will be doing a follow-up to the performance audit completed two years ago. Update on activities at the Home.

Report by Ray Harkema, Commissioner of Veterans Affairs. Account Technician I position filled, this position handles the loan and grant programs. Resignation received from Chuck Risch, Veterans Assistance Specialist, effective March 31, 2004. Interviews finished and position should be filled soon. No budget numbers given for the 2005-2007 biennium. Committee given expenditures and amount remaining for the 2003-2005 biennium.

Discussion on which should take precedence, filling the Veterans Assistance Specialist position or hiring a Commissioner.

Motion by Jenson to withhold hiring someone for the Veterans Assistance Specialist position, second by Beard. Motion failed, 5 yeas, 6 nays – Coyne, Dakken, Skarphol, Smathers, Vatne, Volk. . [MOTION #4]

Appointments to Governing Board. Chairman Maasjo recommended Orletta Kilen, Daryl Beard and Norris Braaten be appointed to the Governing Board. Daryl agreed to serve even if he is not reappointed to the Administrative Committee.

Motion by Jenson to appoint Kilen, Beard, and Braaten to the Governing Board, second by Smathers. Motion passed.

The Emergency Commission approved the Department's \$25,000 request for strategic plan funding with the caveat that if the Department didn't spend all the funds, the remaining amount would be returned. Bids from Eide Bailly and Novus were distributed to the committee. Discussion postponed to Saturday so committee members can study the proposals.

Emergency Hardship Grant Program. Chairman Maasjo reported on his discussion with the North Dakota Dental Association president. There is a donated dental services program available in North Dakota. www.nddental.com Chairman Maasjo will include this information in his presentation to the CVSOs at the Spring Conference.

Discussion on the procedure used for the Executive Session tomorrow.

Presentation given to Commissioner Harkema in recognition of his years of service.

Meeting adjourned.

Saturday, April 17, 2004

Meeting called to order by Chairman Maasjo.

Discussion on strategic plan proposals.

Motion by Beard to accept the Novus bid, second by Coyne. Motion passed.

Chairman Maasjo provided the committee with North Dakota Century Code 54-10-26 which deals with the confidentiality of the state auditor's working papers.

Committee moved into Executive Session.

Executive Session ended.

Committee members worked on updating the Commissioner's job description. Chairman Maasjo will bring the draft to Resource Management for their input. Committee members to get final draft for consideration and action, either by e-mail or conference call. Performance evaluation matrix to be included.

Discussion on search committee and procedures to be used. Committee members asked to submit five names for consideration.

Next scheduled meeting to be held July 16 & 17, 2004 at the Veterans Home, Lisbon.

Motion and second to adjourn meeting. Motion carried unanimously.

Submitted by

Rudy Jenson
Secretary

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Saturday, April 17, 2004
Executive Session
Comfort Inn, Bismarck ND

State Auditors, Gordy Smith, Beck Keller, and Jason Wald briefed the committee on the procedure for responding to the performance audit and the audit recommendations.

Committee draft responses to the audit recommendations:

Recommendation 2-1

Per direction from the state auditor's office, no response from the Administrative Committee on Veterans Affairs (ACOVA) at this time.

Recommendation 2-2

- a.) Agree
- b.) Agree
- c.) Agree
- d.) Agree

Recommendation 2-3

Agree.

This will be incorporated into our strategic planning process for further action.

Recommendation 2-4

Agree.

The ACOVA agrees to study and research the proposal through the strategic planning process, review alternatives, and propose legislation if necessary.

Recommendation 2-5

Agree.

The ACOVA agrees to study and research the proposal through the strategic planning process, review alternatives, and propose legislation if necessary. We will also coordinate with the guardianship study group and Legislative Council as required.

Recommendation 2-6

Agree.

Demographic data will be gathered and this issue will be analyzed in the strategic planning process.

Recommendation 2-7

Agree.

Recommendation 2-8

a.) Disagree

Language currently in North Dakota Century Code 37-14-18 places authority for this with North Dakota counties and precludes the commissioner from effectively exercising the amount of control recommended.

b.) Disagree

This change would be ineffective due to the reason stated in (a) above.

The overall structure of the relationship of authority between the CVSOs and the Department needs to be analyzed in the strategic plan and referred to the legislature for action.

Recommendation 2-9

Agree.

This is ongoing, however, statewide implementation of this is a legislative issue.

Recommendation 2-10

Agree.

Refer to Recommendation 2-8. Also, additional appropriation will be required to obtain the necessary resources. Many counties do not have sufficient funds to support this.

Recommendation 2-11

Agree.

When requested, the Department has provided advice in every case. But, if the county does not request the advice, it is the individual county that is not in compliance versus the Department. Deleting the statute is not desirable. This is a county compliance issue.

Recommendation 2-12

Agree.

We will research the history of the code. If no longer required, it is recommended it be deleted.

Recommendation 2-13

Agree.

We have obtained funding from the Emergency Commission, selected a consultant, and initiated the strategic plan.

Recommendation 2-14

Agree.

A link has been added to the Department's website. The committee requests in the performance audit of Job Service that they address improving their veterans benefits link.

Recommendation 3-1

Agree.

Further research will be done with OMB and the Attorney General's Office to determine whether an Attorney General's opinion is required, North Dakota Century Code needs to be modified, or another avenue may be available.

Recommendation 3-2

Agree.

A policy manual will be developed and adhered to.

Recommendation 3-3

Agree.

A policy manual will be developed and adhered to.

Recommendation 3-4

Agree.

Recommendation 3-5

Agree.

Correspondence will be reviewed and streamlined.

Recommendation 3-6

Agree.

Policy manual will be updated.

Recommendation 3-7

Agree.

We will review the requirements for a new contract with the attorney to comply with OMB policy.

Recommendation 3-8

Agree.

Policy manual will be updated.

Recommendation 3-9

Agree.

Analysis will be included in our strategic plan. The Administrative Committee feels these expenses should be appropriated to the Department from the General Fund and will advocate for this change.

Recommendation 3-10

Agree.

Implemented recommendation.

Recommendation 3-11

Agree.

This will be reviewed in our strategic plan and an updated policy manual developed.

Recommendation 3-12

Agree.

Recommendation 3-13

Agree.

Grant Access Program will be updated, we will request assistance from ITD.

Motion by Bloomquist to accept the draft response and forward the response to the State Auditor's Office for preliminary review, second by Smathers. Motion passed.

Motion by Smathers to leave Executive Session, second Kilen. Motion passed.