

MINUTES

JANUARY 23, 2003

Conference Call
7:00pm

Meeting called to order by Chairman Gerald P. Balzer. Moment of silence for the POW/MIA followed.

Roll call:

Members **PRESENT:**

Daryl Beard	John Coyne	Larry Dakken
Rudy Jenson	Ted Krogen	Joe Litzinger
Brad Maasjo	Thomas Moe	Kasey Schmaltz
Gary Skarphol	Robert Volk	Jerry Balzer

Members **ABSENT:**

Jim Johnson	Paul Smathers	Ken Vatne
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Others in Attendance

Commissioner Ray Harkema

Chairman Balzer spoke on the resignation of Ken Anderson as Commandant of the Veterans Home. Brad Maasjo read Anderson's letter of resignation, to be effective midnight January 23, 2003. A news release has been prepared regarding this matter.

The staff at the Veterans Home is planning a farewell party for Ken on Friday, January 24, 2003, at 2:00pm. Chairman Balzer requested Rudy Jenson attend as a representative of the Administrative Committee and urged other members to attend if possible.

Motion by Coyne, second by Jenson to accept Anderson's resignation. Discussion on settlement package Anderson will receive – monetary amount to equal his salary and benefits through June 30 along with health benefits for a specified period of time. O.M.B. and Governor's Office (Bill Goetz) consulted on settlement and given approval. Attorney General's Office notified and will have Anderson sign a contract containing a non-disclosure clause and a "hold harmless" clause. This would protect the State from any future lawsuit brought by Anderson.

Amendment by Moe, second by Litzinger "subject to negotiated settlement between Commandant and Attorney General's Office." Amendment passed unanimously. [SEE VOTING RECORD, MOTION #1].

Motion as amended passed unanimously. [SEE VOTING RECORD, MOTION #2].

Chairman Balzer will appoint a Search Committee for a new Commandant with Maasjo as chairman. The search committee is to bring three names to the full committee for consideration.

Discussion on appointment an Interim Commandant.

Maasjo reported he had talked with the ND State Board of Nursing Examiners, ND Long Term Care Association and the ND Health Department. A precedent has been set for an Administrator from a nearby nursing home to help out a facility for a short term. The ND State Board of Nursing Examiners will grant a temporary 90 day license to the Home with another 90 day extension if needed. The Emergency Commission approved \$137,500 so the Home has funds to pay for any outside help they may need.

Possibilities for interim Commandant were Bernie Wagner, Ombudsman at the Home, Jack Armstrong, retired Ransom Service Officer, and the Commissioner of Veterans Affairs. Another suggestion was to have someone handle the administrative work and also have someone with a nursing home license to handle the healthcare side of the Home.

Motion by Jenson, second by Coyne that the Veterans Home subcommittee handle the appointment of an interim Commandant. Motion passed; yeas – 8, nays – 4 (Dakken, Litzinger, Moe, Skarphol) [SEE VOTING RECORD, MOTION #3].

The position of Chief Financial Officer is still vacant. The top three candidates turned down the position. Discussion on putting this position on hold until a new Commandant is in place. The Commandant can then hire the CFO himself.

Jim Johnson joins the conference call.

Discussion on the use of consultants. Rod Backman, formerly Director of O.M.B., has a consulting firm in Bismarck. He could assist the Home in compiling with laws, State's accounting system, and hiring of new employees. Other consultants, such as Eide Bailly or Novis, could offer help with finance, strategic planning, and healthcare issues.

Motion by Jenson, second by Skarphol that the Veterans Home subcommittee have the authority to enter into contracts with consultants in the areas mentioned. Motion passed unanimously. [SEE VOTING RECORD, MOTION #4]. O.M.B., State Auditor's Office and the Attorney General's Office have been given copies of the consultant's bids.

Discussion on legislative issues.

Commissioner Harkema reported the House Appropriation hearing for the Department went well. The Appropriations Committee questioned the Commissioner on the Post War Trust Fund and the Reserve Account the Administrative Committee is funding.

Brad Maasjo reported that the Veterans Home budget is being closely scrutinized by the appropriations committee.

Two bills concerning the Veterans Home have been defeated:

H.B. 1027 changes the residency admission requirement for veterans from one year to thirty days,

H.B. 1028 changes contract of marriage to one year and deletes the age requirement for spouses and surviving spouses of veterans for admission to the veterans' home

Maasjo talked with the Chairman of the Government and Veterans Affairs Committee and was told the bills didn't fail because of their content but because no one gave testimony at the hearings.

Senate Bill 2299 gives the Governor the authority to appoint the Commandant with consultation from the Administrative Committee. The Commandant would serve at the pleasure of the Governor and does not need to be a veteran. The prime sponsor is Senator Andrist. Discussion on possible changes to SB 2299.

Motion by Johnson, second by Beard to approve the proposals discussed and to approach Senator Andrist to find out if he is agreeable to any changes to SB 2299. The proposals are as follows:

- 1) change name from Commandant to Administrator
- 2) that the Commandant not be required to be a veteran
- 3) the Administrative Committee appoints the Commandant and Commissioner
- 4) the Commandant and Commissioner serve at the pleasure of the Administrative Committee
- 5) each subcommittee will do an annual performance evaluation
- 6) the Veterans Home, Department of Veterans Affairs, and the Administrative Committee will put in place a strategic plan and will file a report annually to the Governor's office.
- 7) Change residency admission requirement to thirty days for veterans at the veterans' home
- 8) Change contract of marriage to one year and delete age requirement for spouses and surviving spouses of veterans for admission to the veterans' home

Motion passed unanimously. [SEE VOTING RECORD, MOTION #5].

Next meeting of the Veterans' Home subcommittee is February 3, 2003.

Next meeting of the Administrative Committee is tentatively scheduled for April 11 & 12 in Bismarck at the Comfort Inn.

Meeting adjourned.

Submitted by
Jim Johnson
Secretary