



# **Norfolk Community Services Board**

## **Board of Directors Meeting**

**Tuesday  
January 11, 2011**



**Norfolk Community Services Board**  
***Board Meeting Notice***  
4:00 p.m., Tuesday, January 11, 2011  
1<sup>st</sup> Floor Multi-purpose Room  
225 W. Olney Road, Norfolk, Virginia

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**AGENDA**

1. Call to order – Dr. Taylor
2. Attendance – Ms. Weaver
3. Approval of the December 15, 2010 board meeting minutes – Dr. Taylor
4. Information item: Introduction of new Human Resources Director – Maureen Womack
5. Monitoring items:
  - Presentation of a special audit conducted by the Department of Behavioral Health and Developmental Services by Randy Sherrod, CPAQ
  - Presentation of the annual independent financial audit by KPMG
6. Ends item: further discussion of Ends Policies
7. Governance item: Discussion of an annual calendar
8. Next meeting: February 8, 4:00 p.m., same location
9. Self-evaluation
10. Adjournment



# NORFOLK COMMUNITY SERVICE BOARD

## MINUTES

December 14, 2010

225 W. Olney Road, Norfolk, Virginia

### Members Present

Lewis J. Taylor, Ph.D., Chair  
William Graves, III, Ed. D.  
Kathy Weaver, Secretary  
Eunice Whitehurst  
Patrick Thrasher, MD  
Capt. Garrat "Gary" Cooper, Ret  
George Tatterson  
William Hovland, MD  
Capt. Henry Conde, Ret.  
Dorothy Isaac  
Sr. Pastor Ken Bryant  
Capt. Nel Walsh, Ret

### Staff Present

Maureen Womack, Executive Director

### Advisors Present

Jack Cloud, Norfolk City Counsel

### Absent

Dana Redding  
CDR Gary Hammond, Ret  
William Graves

### Executive Director's Report

The Executive Director's report included the following

**Follow -up Item:** The Board is given a copy of a comparative analysis of the VSCB and other care provider proposals presented to the Dept. of Medical Assistance for management of the Medicaid behavioral health services in Virginia. No information was provided on costs of services, defined benefits or reimbursement rates. This additional information will be researched. There will be a budget hearing open to public comment on Jan. 6<sup>th</sup> at Norfolk State University.

**Monitoring Items:** A revised **2011 Annual Budget** and the **Statement of Revenues, Expenses and Changes in Assets** documents were presented. There is a notable deficit in the area of client fees collections and insurance reimbursements. The development of a newly established revenue cycle and collections dept., and a continuing effort to assist Medicaid eligible consumers in filing for benefits may reduce this problem. Due to an increase in persons seeking care, a Charitable Care Policy needs to be considered.

**Items for Action:** Lease on the Roland Park Facility (Therapeutic Training Center) will soon expire. The Center will eventually be moved to the Virginia Beach Blvd. location.

Contingent plans are being considered should the building be sold before the TTC is ready to move. There was discussion about using \$70,000.00 from the NCSB reserve fund to finance the architectural fee for development of the future Crisis Stabilization Center at Sentara Hospital. Lease or purchase of the building on Virginia Beach near Granby will need to be addressed

**Items for Information:** The audit performed by Randy Sherrod, CPA, showed no material findings but listed several recommendations for developing more effective internal controls. Also included for review were the Strategic Plan for the Department of Behavioral Health and Developmental Services and the Program Director reports

### **Matters of the Board**

With regard to the \$70,000.00 mentioned above, the board has determined that the decision to take these funds from the reserve fund falls within the purview of the CEO. The Board, however, may wish to revisit the terms of Management Delegation in the Policy Manual.

Nominations for Board officers for 2011 term were again presented: Dr. Lewis J. Taylor as Chairman and Kathleen Weaver as Secretary. There were no further nominations from the floor.

Proposals for Ends Policies were presented by Dr. Taylor as a starting point for discussion. Further discussion is required and will continue next meeting.

### **Actions**

A motion was presented to the board to name Dr. Taylor as Board Chair and Ms. Weaver as Board Secretary for the 2011 term. A vote was taken and the motion was unanimously approved by attending members.

### **Self Evaluation**

Ends Policies proposals brought forth good debate from the board members but more discussion is needed.

### **Consent Agenda** – none

The meeting was adjourned at 6:00 p.m.

The next meeting will be held on **January 11, 2011 at 4:00 p.m.** – same location.

Respectively submitted,

Kathleen Weaver



**NORFOLK COMMUNITY SERVICES BOARD  
BOARD OF DIRECTORS MEETING  
EXECUTIVE DIRECTORS REPORT  
JANUARY 2011**

**1. Audits**

The following is an overview of the findings from both the Special Audit conducted by the Virginia Department of Behavioral Health and Developmental Services and the Independent Financial Audit engaged by the NCSB Board of Directors.

**VIRGINIA DEPARTMENT OF BEHAVIORAL HEALTH  
AND DEVELOPMENTAL SERVICES**

RECOMMENDATION

1

We recommend that the Norfolk Community Services Board Executive Director ensure that the chart of accounts at the CSB be changed to allow for the matching of revenue and expenses.

RECOMMENDATION

2

We recommend that the Norfolk Community Services Board Executive Director ensure that all policies and procedures are reviewed for changes on an annual basis and that this review is documented. This documentation would include the date and signature of the individual reviewing the policy.

RECOMMENDATION  
3

We recommend that the Norfolk Community Services Board Executive Director ensure that only assets that are actually usable are recorded on the fixed asset list of the CSB.

RECOMMENDATION  
4

We recommend that the Norfolk Community Services Board Executive Director put in place a disposal policy to properly track assets that should be removed from the CSB. In addition, the Director should ensure that the location of all assets on the fixed asset list is accurate. This can be accomplished by initiating a Disposal/Tracking form for fixed assets as part of the Fixed Asset policies.

RECOMMENDATION  
5

We recommend that the Norfolk Community Services Board Executive Director put in place a purchase order process at the CSB. This process would include department signoff on the purchase order and would be sent to fiscal to be part of the approval process for payments.

RECOMMENDATION  
6

We recommend that the Norfolk Community Services Board Executive Director ensure that each cash collection site submit the Cash Journal and Reconciliation Sheets on a daily basis.

RECOMMENDATION  
7

We recommend that the Norfolk Community Services Board Executive Director ensure that the policy on Accounts Receivable be updated to include who is designated to approve account write-offs and the Accounts Receivable Aging schedule.

RECOMMENDATION  
8

We recommend that the Norfolk Community Services Board Executive Director ensure that each CSB employee has an annual evaluation completed by their supervisor. This evaluation should be signed by the employee, the supervisor and an additional reviewer of the evaluation.

RECOMMENDATION  
9

We recommend that the Norfolk Community Services Board Executive Director ensure that all bills are accurate and based on the services actually provided.

RECOMMENDATION  
10

We recommend that the Norfolk Community Services Board Executive Director ensure that all financial reports have a documented review and approval.

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**KPMG  
INDEPENDENT FINANCIAL AUDIT**

FINDING 2010-1

During 2010, the Executive Director of the NCSB discovered that the NCSB had been paying an employee for approximately 12 years on a "leave with pay" basis. This resulted in approximately \$320,000 in salary, benefits, FICA and pension paid over the 12-year period. The "leave with pay" concept is not acceptable within the NCSB's policies and procedures.

FINDING 2010-2

During 2010, the NCSB became aware of an investment balance which was recorded on the books and records of the NCSB, but belonged to the plan participants of the defined contribution plan that is sponsored by the NCSB. Upon investigation, it was determined that the investment balance related to a stock distribution of 17,867 shares of MetLife stock issued during 1999 as part of a demutualization process by MetLife. These shares directly related to the assets held in the Plan.

### Executive Summary:

Norfolk CSB acknowledges that the above recommendations and findings will further improve the operational integrity of the agency. A corrective action plan is being developed for each of these areas.

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### Welcome

2. Please join me in welcoming Joseph Shorter, J.D. as the new Director of Human Resources. Mr. Shorter has extensive experience in healthcare human resources and employment law. Joseph's started on January 4<sup>th</sup>, 2011.

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### Kudos

I would like to express my appreciation to Gary Cooper and Dottie Isaac for their outstanding presentation to the Health and Human Services Appropriations Committee of the General Assembly on January 6<sup>th</sup> 2011. They represented the Norfolk CSB and made a compelling case for the Virginia Association of Community Services Board.

This report is respectfully presented by,



Maureen Womack