

LOUISIANA BOARD OF WHOLESALE DRUG DISTRIBUTORS

Board Meeting

MINUTES

May 27, 2014

AGENDA ITEM 1 - Call to Order

The meeting was called to order by Robert Broadus, Chairman, at approximately 9:35 am. The meeting was held in Baton Rouge, Louisiana at the Administrative Office of the Board located at 12091 Bricksome Avenue, Suite B, Baton Rouge, Louisiana.

AGENDA ITEM 2 - Roll Call and Introduction of Guests

It was noted by Mr. Broadus that those members in attendance were Mr. Broadus, Michael Davis, Randall Brooks, Wayne Gremillion, Chad Gielen, and Jacob Dickson. Kenneth Dugas was absent. The Board members in attendance constituted a quorum. Also present from the Board's administrative office were John Liggio, George Lovecchio, and Kimberly Barbier. Guests in attendance were Danny Andrus who was introduced as a proposed contract inspector; Mr. Andrus has been in the home medical equipment business for 25 years as general manager and compliance officer. Mr. Jerry Barnett and Mr. Michael King of NetShapers arrived at approximately 10:00 am [*for agenda item 6.a.i.*].

Mr. Liggio announced that Mr. Lovecchio as the Assistant Executive Director would be directing the meeting.

AGENDA ITEM 3 - Call for Additional Agenda Items [*for discussion in Agenda Item 13*]

No additional agenda items were presented.

AGENDA ITEM 4 - Approval of Meeting Minutes

The minutes of the December 17, 2013 Board meeting were presented. **Motion was made by Mr. Gremillion to dispense with full reading of the minutes and to accept and approve the minutes as presented, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.**

AGENDA ITEM 5 - Disciplinary and Enforcement Actions

a. Disciplinary Actions

i. Docket 2014001- Latex Welding Supply, Inc., Shreveport LA, LA license 4654

Mr. Gremillion presented a summary of the case and presented an executed consent agreement. **Motion was made by Mr. Brooks to accept the executed consent agreement as presented and payment of the fine and administrative fee as assessed for disciplinary docket 2014001, seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: Mr. Davis; ABSENT: Mr. Dugas; RECUSED: Mr. Gremillion.**

ii. Docket 2014002- Walson Inc., Lake Charles LA, LA license 4345

Mr. Gremillion presented a summary of the case and presented an executed consent agreement. **Motion was made by Mr. Dickson to accept the executed consent agreement as presented and payment of the fine and administrative fee as assessed for disciplinary action docket 2014002, seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: Mr. Gremillion.**

[The Board discussed agenda item 9.d. before agenda item 6.a.i.]

AGENDA ITEM 6 – New Business

a. Web-based Licensee Database

i. New Web-Based Database Provider - NetShapers

Mr. Michael King was introduced as lead designer for NetShapers; and Mr. Jerry Barnett was introduced as President. NetShapers is a web developer company; in business for over 16 years; located in Baton Rouge LA. Mr. Liggio announced that NetShapers had been engaged in March 2014 to develop a custom web-based licensee database to be designed around the specific needs of Board office personnel.

Mr. King demonstrated for the Board the current web-based licensee database being used; the current database being cumbersome to use with useless information requirements. Mr. King then demonstrated the new web-based licensee database currently being developed by NetShapers; the styling being more in line with what would make data entry and maintenance of licensee records more efficient for Board office personnel. Maintenance of the new system by NetShapers would include maintaining the Board's website. Proposed back-end usability of the system is anticipated for the end of June 2014; development for online license renewal for the upcoming year is set to start July 1, 2014. General discussion was held and general questions answered. No formal action was taken on this matter.

[Mr. King and Mr. Barnett exited the meeting after discussion of agenda item 6.a.i at approximately 10:45 am; and Mr. Broadus called for a short break. The Board returned to regular session at approximately 11:00 am, whereby, Mr. Broadus turned the meeting over to Mr. Davis as he exited the meeting. The Board returned to agenda item 6.a.i.]

General discussion was held regarding the new web-based database contractor, NetShapers, and the presentation by NetShapers.

AGENDA ITEM 7 - Financial Matters

a. Financial Statements

Mr. Lovechio presented financial information for December 2013, January, February, March and April 2014. General discussion was held and general questions from the Board members were answered. No formal action was taken on this matter.

b. Budget Adjustments – Fiscal year 2014 (7/1/2013 through 6/30/2014)

Mr. Lovecchio presented a breakdown of the current fiscal year budget marked with proposed adjustments. General discussion was held. **Motion was made by Mr. Gremillion to approve the proposed amendments to the current fiscal year 2014 budget with corrective changes noted on accounting fee line item for submission to the appropriate state agency(s), seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas and Mr. Broadus; RECUSED: None.**

[Mr. Davis called for a short break at approximately 12:00 noon. The Board returned to regular session at approximately 12:15 pm. Mr. Broadus returned to the meeting, whereby, Mr. Davis turned the meeting over to Mr. Broadus. The Board continued with agenda item 7.c.]

c. Fiscal Year 2014 Attestation – Questionnaire

Mr. Lovecchio presented the questionnaire for the start of the upcoming annual financial attestation for fiscal year 2014. **Motion was made by Mr. Davis to accept the attestation questionnaire for the upcoming start of the annual financial attestation for fiscal year 2014 as presented for the appropriate signatures, seconded by Mr. Gremillion, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.**

d. Credit Cards

i. State Liability Purchasing and Travel Cards Programs

Mr. Lovecchio presented information regarding the current purchasing and travel credit cards that Board personnel utilize as issued through the Office of State Purchasing and Travel. Several management issues have arisen with the credit card programs; program requirements are placing an excess burden on Board office staff to manage the current credit card programs. Mr. Lovecchio presented information regarding cancelling the current credit cards and proposed that the Board have Board liable credit cards issued to the appropriate office staff for use on official Board business through its bank, Whitney Bank. General discussion was held. **Motion was made by Mr. Brooks to cancel (deactivate) the current state liability purchasing and travel credit cards issued through the Office of State Purchasing and Travel; move forward with application for the appropriate Board office personnel of Bank issued Board liability credit cards for use in acquiring goods or service for official Board business; to repeal the policy and procedure for state liability purchasing card program (agenda item 12.d.i); to repeal the policy and procedure for state liability travel card program (agenda item 12.d.ii); and to approve the policy and procedure for board liability (bank issued) credit card program as presented (agenda item 12.e), seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr.**

Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.

- ii. Proposed Board Liability Credit Card Program
This agenda item was discussed in agenda item 7.d.i.

- 8. Professional Service Contracts
 - a. Inspection Services

Mr. Lovecchio presented a proposed one-year contract for inspection service to be performed by Mr. Danny Andrus. General discussion was held. **Motion was made by Mr. Gremillion to approve the one-year contract with Mr. Danny Andrus for inspection services as presented for the appropriate signatures and submission to the appropriate state agencies for approval, seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.**

- b. Accounting Services

Mr. Lovecchio presented a renewal two-year contract for accounting services as performed by Ms. Ouida Nugent. General discussion was held. **Motion was made by Mr. Gielen to approve the two-year (renewal of services) contract with Ms. Ouida Nugent for accounting services as presented for the appropriate signatures and submission to the appropriate state agencies for approval, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.**

- 9. Old Business

- a. Lowest Unit of Measure

Mr. Lovecchio presented the issue of lowest unit of measure as deferred from the December 17, 2013 board meeting. General discussion was held on the matter; general discussion was held regarding medical gas cylinders. No formal action was taken on these issues.

- b. New Federal Regulations - Drug Supply Chain Safety (DSCS) Act
 - i. Committee Report

Mr. Lovecchio noted that the committee as assigned by the Board at the December 17, 2013 board meeting had not had an opportunity to meet regarding this issue; therefore, there is no committee report to present. Mr. Dickson noted he had obtained no new information regarding this matter at the HDMA conference he attended in early 2014. Mr. Lovecchio noted that he and Mr. Liggio had sat in on some FDA reports but had no new information to present regarding this issue. No formal action was taken on this matter.

ii. Statutory and Regulatory Changes

Mr. Lovecchio presented information from the Board's regulatory attorney in response to a request for opinion Mr. Liggio had made regarding the impact of the federal DSCS Act on the Board's current statutes and regulations and suggestions for possible amendments to Board statutes and/or regulations. General discussion was held. Mr. Liggio noted he had contacted a state representative about sponsoring any future statutory changes. The Board requested that the committee assigned at the December 17, 2013 board meeting move forward with work on proposed statutory changes to the Board's current statutes with regards with the new federal DSCS Act. Mr. Broadus asked the board to accept Mr. Brooks as his replacement on the committee. The committee will now consist of Mr. Gielen, Mr. Dickson, and Mr. Brooks; the committee will work with Board office personnel and the Board's regulatory attorney on proposed statutory changes for future review.

iii. Legislative and Promulgation Timeline

Mr. Lovecchio presented information regarding the federal timeline for implementation of the requirements set in the new federal DSCS Act. No formal action was taken on this issue. The Board wants to move forward with work on proposed changes to current Board statutes with regards to the DSCS Act for presentation at the next Board meeting.

c. Duties of the Assistant Executive Director Policy Update

At the December 2013 meeting, Mr. Liggio and Mr. Gremillion had been assigned the task to review and update the duties of the assistant executive director policy. Mr. Liggio explained that in comparison to the policy for the duties of the Executive Director position, the duties for the assistant executive director position are conclusive in the assignments for the assistant executive director to assist the Executive Director position with its duties. When the position of executive director becomes vacant and if the person in the assistant executive director position is appointed as the executive director position then that person's duties will no longer follow the duties as set for the assistant executive director but will then be those duties as assigned to the executive director position.

[Agenda item 9.d. was discussed after agenda item 5.a.ii.]

d. Update - GL Solutions Conference

Mr. Lovecchio presented information regarding his and Mr. Liggio's attendance at the GL Solution's Users Conference in January 2014. Mr. Liggio gave comments including his decision to look around for a company that could create a custom web-base database for the Board and his engagement of NetShapers, a local developer. The Board had questions regarding the new database developer company - schedule and cost; Mr. Liggio noted the cost for initial design of the back office part of the database system and online renewal will be \$60,000. The back office is anticipated to be completed for 6/30/2014. Technical support for the system will be \$250 per month.

The database is being custom designed for the Board as the staff wants it. August 1, 2014 is the anticipated go date for the new system to be up and running for the next renewal period starting October 1, 2014.

[The board returned to agenda item 6.a.i after 9.d.]

AGENDA ITEM 10 - Statutes and Rules

Mr. Lovecchio noted that there are no rule promulgation in process.

AGENDA ITEM 11 - Licensing Matters

a. New Licenses Issued

A list of approximately 172 new licenses as issued by the Board office on behalf of the Board since the December 17, 2013 Board meeting was available for review. General discussion was held. No formal action was taken on this matter.

b. Proposed New Licensure Application Form

Mr. Lovecchio presented the proposed new application form. General discussion was held. **Motion was made by Mr. Gremillion to approve the new application form as presented to go into effect for use on July 1, 2014, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.**

AGENDA ITEM 12 - Policies and Procedures

a. Equal Employment Opportunity - Reapproval

Mr. Lovecchio presented a copy of the Board's current policy for equal employment opportunity for review and reapproval. **Motion was made by Mr. Brooks to re-approve the policy for equal employment opportunity as presented, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.**

b. Copies of Public Records Requests - Proposed

Mr. Lovecchio presented a proposed policy and procedure for processing requests for copies of public documents. **Motion was made by Mr. Gielen to approve the policy for processing copies of public records requests as presented, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.**

c. Acceptance of Criminal History Records Information Reports - Review

Mr. Lovecchio presented a copy of the policy for acceptance of criminal history records information reports as was established and approved by the Board at the December 17, 2013 board meeting for review. General discussion was held. **Motion**

was made by Mr. Gremillion to approve the policy for acceptance of criminal history records information reports as revised, seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.

- d. Repeal
- i. State Liability Purchasing (credit) Card Program (LaCarte) Policy
This agenda item was discussed with agenda item 7.d.i.
- ii. State Liability Travel (credit) Card Program Policy
This agenda item was discussed with agenda item 7.d.i.
- e. Proposed - Board Liability Credit Card Program Policy
This agenda item was discussed with agenda item 7.d.i.

AGENDA ITEM 13 - Additional Agenda Items (*added per Agenda Item 3*)
There were no additional agenda items added in agenda item 3.

[The board continued with agenda item 15 before agenda item 14. The Board returned to agenda item 14 after agenda item 15.b.ii.]

AGENDA ITEM 14 - Personnel Matters

- a. Rewards and Recognitions
Mr. Lovecchio noted that no rewards and recognitions had been awarded to any Board personnel during fiscal year 2014.

[The Board entered into Executive Session after agenda item 14.]

[Agenda item 15 was discussed before agenda item 14.]

AGENDA ITEM 15 - Board Issues

- a. Annual Election of Officers
Mr. Broadus opened the floor for nominations for the Board positions of Chairman, Vice-Chairman, Secretary/Treasurer, or Compliance Officer. **Motion was made by Mr. Gremillion that the Board ratify the current holders of Board positions for another year - Mr. Broadus, Chairman; Mr. Davis, Vice-Chairman, Mr. Brooks, Secretary/Treasurer, and Mr. Gremillion, Compliance Officer - seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.**

- b. Board Meeting Dates
- i. Proposed Meeting Dates for Remainder of 2014

No formal action was taken on this issue.

- ii. Confirmation of Next Board Meeting
No formal action was taken on this issue.

[The Board returned to agenda item 14 after 15.b.ii.]

[Executive Session was called after agenda item 14.]

Motion was made by Mr. Davis to enter into executive session for discussion of employee issues, seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.

Motion was made by Mr. Gielen to end the executive session and return to regular session, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.

Issues discussed in executive session:

1. Employment options for the upcoming vacancy of the Executive Director position. The Board will open the search and take applications for the executive director position to commence in January 2015.
2. Compensation to Mr. Liggio upon his retirement for vacation time accrued; The Board will utilize the state guideline of monetary compensation for 300 hours of vacation leave accrued to the employee.

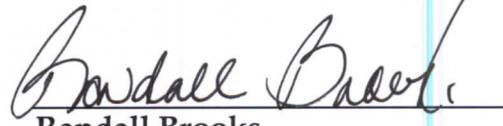
[The Board returned to agenda item 16 after executive session.]

AGENDA ITEM 16 - Adjournment

There being no further business before the Board, **motion was made by Mr. Davis to adjourn the meeting, seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas; RECUSED: None.**

The meeting adjourned at approximately 3:10 pm.

Approved and accepted by the full Board - Date: 8-19-14



Randall Brooks
Board Secretary/Treasurer



John Liggio
Executive Director