



**The Guidance/ Care Center, Inc.  
Meeting of the Board of Directors  
MEETING MINUTES  
February 9, 2019  
8:30 am PCT**

<b>DIRECTORS IN ATTENDANCE:</b>	<b>DIRECTORS ABSENT:</b>
Rick Ramsay, Chair  Jim Wadhams Bill Porter Tom Walsh Derrick Boazman Ray Abadin  Richard Steinberg, President	Mary Okada

<b>STAFF PRESENT:</b>	<b>WESTCARE MEMBERS PRESENT:</b>
Peggy Quigg Ken Ortvals Frank Rabbito Amy Singer Robert Neri Denzil Hawkinberry Craig Knierim John Lee Shawn Jenkins Sarah Thomas-Nededog Beverly Watts-Davis Cristian Duarte Austin Yates Jim Hanna	Dr. Gary Leroy Michael Perez Senator Spencer Coggs Jesus Rodriquez David Youngquist Dr. Eugene Walker Bill Ekstrom Tami Michaels Dr. Toussaint Streat Marilyn Moran Doris Michaux Paul Woodie Markus Hughes
	<b>GUESTS PRESENT:</b>
	Guy Rosbrook Roland Roos Trish Collett Delia Hidalgo Linda Fine Denise CoStanten Marsh Wolfe Suzanne Hughes Judy Cushing Doug Cushing

<b>AGENDA ITEM</b>	<b>DISCUSSION</b>	<b>RECOMMENDATION/ ACTION</b>
<b>1. Call to Order</b>	Jim Wadhams, in his capacity as Chair of the Foundation Board called the meeting to order.	
<b>2. Introduction and Welcome</b>	Mr. Wadhams welcomed the Board and senior staff and opened the meeting.	
<b>3. Declaration of Quorum</b>	Roll was taken and a quorum was declared for The Guidance/ Care Center, Inc.	

<p><b>4. Approval of October 13, 2018 Board of Directors Meeting Minutes</b></p>	<p>The <i>October 13, 2018 Board of Directors Meeting Minutes for The Guidance/ Care Center, Inc.</i> were submitted for the Board's review and approval.</p>	<p>Motion by Director Porter to approve the <i>October 13, 2018 Board of Directors Meeting Minutes for The Guidance/ Care Center, Inc.</i> as presented.</p> <p>Seconded by Director Walsh.</p> <p>Question called. Motion carried with unanimous vote.</p>
<p><b>5. Action Items</b></p>	<p>The following Action Items were submitted to the Board for its review and consideration:</p> <ul style="list-style-type: none"> <li>• <b>Resolution WCGCC 2019-01.</b> Mr. Hanna summarized the resolution presented under <b>WCGCC 2019-01</b>. Mr. Hanna stated that the resolution provides a list of funders to whom The Guidance/ Care Center, Inc. would be submitting applications, contracts, funding requests, or RFP and designates authorized signors on behalf of the corporate entity for each proposed funding relationship.</li>   <li>• <b>Resolution WCGCC 2019-02.</b> Mr. Hanna summarized the authorization. Mr. Hanna stated that the authorization designated bank signors and specific account authority with Western Alliance Bank under its standard form resolution.</li> </ul>	<p>Motion by Director Boazman to ratify <b>Resolution WCGCC 2019-01</b> as drafted.</p> <p>Seconded by Director Abadin.</p> <p>Question called. Motion carried with unanimous vote.</p> <p>Motion by Director Boazman to ratify <b>Resolution WCGCC 2019-02</b> as drafted.</p> <p>Seconded by Director Abadin.</p> <p>Question called. Motion carried with unanimous vote.</p>

	<ul style="list-style-type: none"> <li>• <b>Nomination and Election of At-Large Directors for The Guidance/ Care Center, Inc.</b> Richard Steinberg, in his capacity as President of The Guidance/ Care Center, Inc., nominated the following individuals for the position of At-Large Directors of The Guidance/ Care Center, Inc. pursuant to Section 3(c)(i) of <i>The Amended and Restated Bylaws of The Guidance/ Care Center, Inc.</i> dated February 11, 2018: <ul style="list-style-type: none"> <li>○ Rick Ramsay</li> <li>○ Markus Hughes</li> </ul> </li>   <li>• <b>Nomination and Election of Officers for The Guidance/ Care Center, Inc.</b> Richard Steinberg, in his capacity as President of The Guidance/ Care Center, Inc., nominated the following individuals for Officer positions of The Guidance/ Care Center, Inc. pursuant to Section 5.5 of <i>The Amended and Restated Bylaws of The Guidance/ Care Center, Inc.</i> dated February 11, 2018: <ul style="list-style-type: none"> <li>○ Rick Ramsay to the position of Chair</li> <li>○ Markus Hughes to the position of Vice Chair</li> </ul> </li> </ul>	<p>Motion by Director Boazman to elect the panel as nominated.</p> <p>Seconded by Director Porter.</p> <p>Question called. Rick Ramsay and Markus Hughes elected as At-Large Directors of The Guidance/ Care Center, Inc.</p> <p>Motion by Director Boazman to elect the panel as nominated.</p> <p>Seconded by Director Porter.</p> <p>Question called. Rick Ramsay elected as Chair and Markus Hughes elected Vice Chair of The Guidance/ Care Center, Inc.</p>
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<p><b>6. Finance Committee Report</b></p>	<p>Derek Boazman, in his capacity as Treasurer of WestCare Foundation, Inc., reported that the Committee had met on February 07, 2019 and had gone over the report. Mr. Boazman reported that the Committee recommended that the Finance Committee Report, as included in the Board Package, be approved by the Board.</p> <ul style="list-style-type: none"> <li>• Through the November 2018 WestCare generated a year to date consolidated deficit of \$1.337 million against a projected budgeted operating deficit of \$1.635 million.</li> <li>• WestCare projects its current debt ratio at <b>(.45)</b>. WestCare projected the debt ratio through December based on projected budgets.</li> <li>• The Florida region generated a deficit of \$304K against a projected budget deficit of \$487K. The Guidance/ Care Center, Inc. generated a year-to-date breakeven results against a projected budget deficit of \$118K. WestCare management reported that WCGCC had a new CAD contract starting in October 2019.</li> </ul>	<p>Motion by Director Walsh to approve the Finance Committee Report as presented.</p> <p>Seconded by Director Porter.</p> <p>Question called. Motion carried with unanimous vote.</p>
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<p><b>7. Audit Committee Report</b></p>	<p>Bill Ekstrom, in his capacity as Chair of The Audit Committee, reported that the Committee met on February 08, 2019.</p> <p>The Committee reviewed <b>The WestCare Consolidated FY 2018 Audit</b>. It is the Committee's recommendation that the Consolidated Fiscal Year 2018 Audit be approved by the Board.</p> <p>The Committee also discussed the current financial situation the organization finds itself in.</p> <p>Roland Roos, in his capacity as WestCare's independent auditor, discussed the recapitalization efforts and the affordability of the various options before the Board. Mr. Roos discussed his and Mr. Ortals' review of the cash flow of the organization and projections over the next twelve months. Mr. Roos reported that, based on the projections, WestCare can manage the recapitalization as proposed provided that budgets are in line with projections and provided WestCare manages its receivables.</p>	<p>Motion by Director Porter to adopt and approve <b>The WestCare Consolidated Fiscal Year 2018 Audit</b> as submitted.</p> <p>Seconded by Director Boazman.</p> <p>Question called. Motion carried with unanimous vote.</p> <p>Motion by Director Porter to approve the Audit Committee Report as presented.</p> <p>Seconded by Director Boazman.</p> <p>Question called. Motion carried with unanimous vote.</p>
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<p><b>8. Risk Management Committee Report</b></p>	<p>Ray Abadin, in his capacity as Chair of the Risk Management Committee reported that the Committee met on February 08, 2019. The Committee went over the Open Litigation Report and the current status of all litigation. The Committee also met with the head of WestCare’s HR department to discuss employment claim exposure. The Committee and the General Counsel discussed on-going contractual risk and contract review and approval processes. The Committee has asked that the General Counsel include a thorough summary of contract risks based on the organization’s financial limitations and decisions in advance of the next Board meeting. The contract summary is to include contracts WestCare management is pursuing termination or cancellation on as a result of the current financial situation, contracts that, themselves, present risk to the organization, and contracts that are being amended to support the relocation of the Village program in Miami.</p>	<p>Motion by Director Porter to approve the Risk Management Report as submitted.</p> <p>Seconded by Director Ramsay.</p> <p>Question called. Motion carried with unanimous vote.</p>
<p><b>9. Resource Development Committee Report</b></p>	<p>Marilyn Moran, in her capacity as Chair of the Resource Development Committee, reported that the Committee met on February 07, 2019. She asked Beverly Watts-Davis to report on WestCare’s fund-raising activities during the quarter. Ms. Watts-Davis reported that:</p> <ul style="list-style-type: none"> <li>• The Committee took an over-all view of how WestCare can move forward with marketing and brand development.</li> <li>• Ms. Watts-Davis reported that WestCare needs two lines: one highlighting WestCare’s overall operations and a second one that is project and facility specific.</li> </ul> <p>Guy Rosbrook summarized that WestCare’s brand development can be coordinated with the organization’s fund development and marketing efforts.</p>	

<b>10. Veterans' Committee Report</b>	<p>David Youngquist, in his capacity as the Chair of the Veterans' Committee, gave the Committee Report. Mr. Youngquist reported that the Committee met on February 10, 2019. Mr. Youngquist highlighted the report. Mr. Youngquist's report included the following points:</p> <ul style="list-style-type: none"><li>• The Committee is focusing on minority veteran issues and is adding it to the Committee's mission statement.</li><li>• The Committee is asking for a re-branding of FAVA to bring those services more in line with its mission.</li><li>• The Committee wants management to continue to push for telehealth services and opportunities to serve veterans in rural and remote locations.</li><li>• The Committee is asking management to pursue a veteran call-center.</li><li>• The Committee reported that they met with Brigadoon service dog program.</li></ul>	
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<p><b>11. Government Relations Committee Report</b></p>	<p>Mr. Steinberg, in his capacity as President of WestCare Foundation, Inc., reported that Mr. Szegedy-Maszak had sent a letter that was included in the BoardPaq.</p> <p>Beverly Watts-Davis, in her capacity as Senior Vice President of WestCare Foundation, Inc., summarized the Grant Board Report included in BoardPaq. Ms. Watts-Davis's report included:</p> <ul style="list-style-type: none"> <li>• WestCare's grant department lost its Vice President in December. A new Vice President will be selected between February and April.</li> <li>• WestCare submitted a total of 268 grants by the end of the 3<sup>rd</sup> period. 142 were awarded. The success rate was set at 71%. 67 grant applications are still pending.</li> <li>• Ms. Watts-Davis introduced Judy Cushing.</li> </ul> <p>Sen. Coggs asked what steps were being taken to strengthen WestCare's brand.</p>	
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<p><b>12. Executive Vice President Report</b></p>	<p>Peggy Quigg, in her capacity as Executive Vice President of WestCare Foundation, Inc., gave the Executive Vice President Report. Ms. Quigg highlighted the following:</p> <ul style="list-style-type: none"> <li>• Ms. Quigg reported on the organization’s budgets and financial challenges.</li> </ul> <p>Dr. Hawkinberry, in his capacity as Chief of Healthcare Services summarized the Health Care Service Report that is included under the Operational Report. Dr. Hawkinberry highlighted the following points:</p> <ul style="list-style-type: none"> <li>• Dr. Hawkinberry continues to review all vendor agreements including all billings.</li> <li>• WestCare is working with CCWV to explore 340b pharmacy and related services.</li> <li>• WestCare is finalizing policies and procedures for medical assisted treatment, including training.</li> </ul>	
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**13. Professional Services Report**

Robert Neri, in his capacity as Privacy Director and Chief Clinical Officer of WestCare Foundation, Inc., summarized the Professional Services Report. Mr. Neri report highlighted the following points:

- Mr. Neri discussed WestCare’s accreditation efforts.
- Mr. Neri summarized the work of the Evaluation and Quality Team.
- Mr. Neri outlined WestCare’s incident reporting system trends and coaching. Through all of 2018 at total of 4,951 IRs were submitted.
- The Professional Services department has reviewed all of WestCare’s policies for quality and consistency.
- Mr. Neri reported on WestCare’s spiritual care program.
- Mr. Neri reported on WestCare’s health system integration efforts, including Medicaid expansion and business development.
- Mr. Neri, in his capacity as Privacy Officer, reported that there were no new significant HIPAA breaches since the previous report.
- Mr. Neri summarized WestCare’s role as a plaintiff in the big Pharma lawsuit in Ohio.
- Mr. Neri outlined WestCare efforts in medication assisted treatment.
- Community Care of West Virginia made a presentation to the Board.
- Mr. Neri summarized the Professional Services department’s goals and objectives for the next term.

<p><b>14. Operational Subsidiary Entity Reports</b></p>	<p>The Operational Reports were included in the Board Package. Written reports were included in the BoardPaq. The North American Operations COO and Off-Shore Operations COO summarized their reports and highlighted key program developments in each region. Each COO summarized goals and expectations for the next fiscal quarter.</p> <p>Mr. Rabbito, in his capacity as North American Operations COO, highlighted the following regional reports:</p> <ul style="list-style-type: none"> <li>• <b>Florida</b> <ul style="list-style-type: none"> <li>○ Mr. Rabbito summarized WestCare’s operational report for the Florida region.</li> <li>○ In GulfCoast, WestCare is working through the DOJ census cut.</li> <li>○ WestCare is working with CFBHN to increase Mat funding.</li> <li>○ WestCare is working with the Public Defender’s office to expand WestCare’s jail diversion program at the Mustard Seed.</li> <li>○ Camp Mariposa is working on finding a new location in Gulf Coast.</li> <li>○ WestCare’s corporate office has been relocated.</li> <li>○ In Miami, WestCare’s HIP program has been renewed for an additional 5 years.</li> <li>○ New funding has been provided for WestCare’s medication assisted treatment program.</li> <li>○ WestCare is working to secure a new location in Pembroke Pines to relocate current Village programming.</li> <li>○ In the Keys, WestCare is working with the managing entity (SFBHN) to expand use of State opioid response funding.</li> </ul> </li> </ul>	<p>Motion by Director Walsh to accept the Operational Subsidiary Entity Reports as presented.</p> <p>Seconded by Director Porter.</p> <p>Question called. Motion carried by unanimous vote.</p>
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- WestCare has received its Medicaid number at its Heron House project.
- WestCare is still working to fill staffing vacancies.

- **Appalachia**

- In Georgia, WestCare is working on securing a property for transitional living and treatment facilities for males ages 18-25.
- WestCare has submitted its Medicaid application.
- The Cobb Drug Court program closed in December.
- WestCare is working with other community providers to provide educational services to its youth clients.
- In Kentucky, WestCare is working with the Pike County officials to take over a school property.
- WestCare received a larger than expected increase in SNAP benefits.
- The CAC in Kentucky continues to focus on donations.
- The Lookout project is included in WestCare's capital improvement budget.
- In Tennessee, WestCare is working on expanding the DCS's client referrals.
- WestCare is working on an offender re-entry grant.
- In North Carolina, WestCare is working to partner with another local coalition for VOCA grant writing.
- WestCare continues to pursue local donations for the clients' day-to-day needs.
- WestCare continues to pursue census expansion and additional program and outreach opportunities.

- In West Virginia, WestCare is working on pursuing opportunities in conjunction with CCWV.

- **Great Lakes**

- In Illinois, WestCare is working on making administrative cost cuts, including outside vendor cuts.
- WestCare is working on a funding project for youth release and transition programming.
- WestCare has several renewal pending and is exploring expanding services into surrounding counties.
- In Wisconsin, WestCare is seeking multiple grants that, if awarded, will help right-size the financials and will help offset youth service costs.
- WestCare is exploring expanding programming into veteran services
- In Ohio, WestCare is working to raise funds through private foundation funding and donations.
- New building work will start in September 2019.

- **Southwest**

- In Arizona, WestCare is working on several staff vacancies.
- WestCare has begun initial work on securing a Medicaid certification.
- WestCare is reviewing the transportation contract and its viability.
- In Texas, WestCare is working through the relocation of the Next Step program.
- WestCare is working with community coalitions to support a drug free community grant.

- In Nevada, WestCare continues to work to secure State, County and third-party payor funding to support CTC.
- WestCare is working on expanding capacity for VA beds in Reno.
- WestCare is working to right-size its rural programing in order to meet break-even results.

- **Northwest**

- In Wyoming, WestCare staff completed a SWOT call and have requested programing hold while staff are trained.
- In Oregon, WestCare received a bed-day rate for the Salem Veterans Home that will help bring the entity to break-even.
- In Washington, WestCare is working to fill Betsy Ross facility and increase census.
- In Minnesota, WestCare continues to evaluate programing opportunities.
- In Iowa, WestCare's veteran programing continues to work through the change of leadership.
- In South Dakota, WestCare continues its work with Armor.

- **California**

- WestCare is moving from SAPTA to DMC agreement and setting new productivity goals.
- A rate increase was negotiated with Madera County that will support staffing.
- WestCare is discussing the prospect of expanding its housing programing in Fresno county.

- Mr. Rabbito highlighted goals and expectations for the next term.

Ms. Singer, in her capacity as Off-Shore Operations COO, highlighted the following points:

- **Caribbean**
  - WestCare is reviewing an opportunity to operate a methadone clinic in Puerto Rico.
  - HOME funds are being sought to support housing-related needs.
  - WestCare received word that ESG funds for Caguas and Comerio were denied.
  - WestCare has submitted funding requests for VOCA grants, Ryan White funding, and ORP project funds.
  - The repairs for the first floor of the Recovery House in the Virgin Islands has been completed.
  - WestCare is working to transition management in Virgin Islands.
- **Pacific Islands**
  - WestCare is reviewing what needs to be done with the CNMI program.
  - WestCare continues to enroll new veteran families through its SSVF program.
- Ms. Singer highlighted goals and expectations for the next term.



<p><b>15. Corporate Security Report</b></p>	<p>Rick Ramsay reported that the Committee had met on February 08, 2019 prior to the Board meeting. Mr. Ramsay reported that the Committee's report was included in BoardPaq. The Committee's report included the following points:</p> <ul style="list-style-type: none"> <li>• WestCare continues to improve its IT and security camera use.</li> <li>• WestCare has hired a new IT Security Director. Data security continues to be the focus of the group's efforts and protection of HIPAA data.</li> <li>• The Committee discussed data ransom issues.</li> </ul>	
<p><b>16. Off-Shore Committee Report</b></p>	<p>The Off-Shore Committee Report was tabled.</p>	
<p><b>17. Professional Services and Integrated Health Care Committee Report</b></p>	<p>Dr. Gary LeRoy reported that the Committee met on February 09, 2019. Dr. LeRoy discussed a Google-sponsored initiative in Ohio to fund evidence-based practices in the recovery field. The Committee is working with Dr. Hawkinberry to address the organization's progress in regards to its expansion into integrated health care. The Committee asked that Dr. Hawkinberry submit five (5) recommendations for the Committee's review and consideration by the next meeting.</p> <p>Dr. Denzil Hawkinberry, in his capacity as Chief Medical Director for WestCare Foundation, Inc., summarized WestCare's integrated healthcare efforts. Dr. Hawkinberry recommended that the Board consider (1) cost effective ways to obtain bridge devises, and (2) the JAW self-help platform.</p>	

<p><b>18. Non-Operational Affiliate Entities Reports</b></p>	<p><b>FitzHouse Enterprises, Inc. Report:</b> Mr. Steinberg reported that WestCare was posting for a new FitzHouse director.</p> <p><b>WestCare Endowment Board Report:</b> No report submitted.</p>	
<p><b>19. President's Report</b></p>	<p>Mr. Richard Steinberg, in his capacity as President of WestCare Foundation, Inc. gave the President's Report. The President's report summarized the following:</p> <ul style="list-style-type: none"> <li>• Mr. Steinberg reported on senior managements' efforts to stay on top of budgets to ensure that the organization can be self-supporting going forward.</li> <li>• Mr. Steinberg thanked the Board for its time and attention, especially in the roundtable and financial committee work.</li> </ul>	

<p><b>20. Executive Committee Report / Foundation Board Chair Report</b></p>	<p>Jim Wadhams, in his capacity as the Chair of the Executive Committee, gave the Executive Committee Report. Mr. Wadhams report included the following:</p> <ul style="list-style-type: none"> <li>• Mr. Wadhams, in his capacity as Chair of WestCare Foundation, Inc., made Committee appointments and renamed and re-tasked the Technology Committee and the NGO/ International Review Committee.</li> <li>• Mr. Wadhams summarized the Board's decision on moving forward with the Ares proposal.</li> <li>• Mr. Wadhams asked that the Treasurer's Report be expanded to include cash flow, EBITDA, debt coverage costs, and open amount on the line under the Ares funding.</li> </ul>	
<p><b>21. Other Business</b></p>	<p>No other business was submitted.</p>	
<p><b>22. Adjournment</b></p>	<p>Jim Wadhams, in his capacity as Chair of WestCare Foundation, Inc., declared the meeting adjourned.</p>	