

MINUTES

OCTOBER 2, 2002

**Fort Totten Room
State Capitol
Bismarck North Dakota**

Meeting called to order by Chairman Gerald P. Balzer. Pledge of Allegiance and moment of silence for the POW/MIA followed.

Roll Call:

Members **PRESENT:**

Daryl Beard

Jim Johnson

Brad Maasjo

Gary Skarphol

Robert Volk

John Coyne

Ted Krogen

Thomas Moe

Paul Smathers

Gerald Balzer

Larry Dakken

Joe Litzinger

Kasey Schmaltz

Ken Vatne

Members **ABSENT:**

Rudy Jenson

Others in attendance:

Commissioner Ray Harkema

Commandant Ken Anderson

Bill Peschel, Representing North Dakota County Veterans Service Officers Association

Colonel Jerry Engelman, Deputy to A.G. Haugen, National Guard

Tamara Holdcroft, Chief Operating Officer, VA

Maren Daley, Director, Job Service North Dakota

Jerry Meske, Veterans Employment and Training Service

Kathy Kirschmann, State Treasurer's Office

Tag Anderson, Attorney General's Office

Members of the North Dakota Veterans Coordinating Council

Moved and seconded to accept the minutes of April 2002 meeting. Motion carried unanimously.

Joe Novak gave background information on the Administrative Committee and Coordinating Council.

Bob Hanson gave greetings from Jim Fenstad, President, North Dakota Veterans Coordinating Council.

Ray Harkema, Commissioner, spoke on the Department of Veterans Affairs.

Colonel Jerry Engelman, National Guard gave an update on the Veterans Cemetery. Brochure on the "Governor's Task Force for Military Issues in North Dakota, Strategic Plan 2002-2004" will be distributed to committee members when more are made available.

Ken Anderson, Commandant, gave information on the Veterans Home.

Leslie G. Johnson, resident at the Veterans Home, spoke to the committee in support of the Commandant.

Tamara Holdcroft, Chief Operating Officer, gave update on changes going on at the Fargo VA.

Maren Daley, Executive Director, spoke on new initiatives at Job Service North Dakota.

Jerry Meske spoke on Veterans Training and Employment Service.

Kathy Kirschmann gave report on PostWar Trust Fund.

Chairman Balzer reported that he worked with the Auditor's Office in prioritizing the audit recommendations. Each committee member will be assigned recommendations. An audit action form will be used for recording the action the committee member believes will solve the recommendation.

Committee recessed for lunch.

Legislative Audit and Fiscal Review Committee presented with Veterans Home audit at 1:00 in the Roughrider Room. Committee members to attend.

Committee reconvened.

Motion by Smathers to go into executive session, second by Dakken. Motion carried unanimously. [Motion 1]

Press representative objected to grounds for executive session.

Received advice from Attorney General's office on how to proceed.

Motion by Smathers that committee go into executive session pursuant to N.D.C.C. 44-04-19.1 to discuss adversarial matters of administrative proceedings that may lead to litigation for consultation with attorney, seconded by Dakken. Motion carried unanimously. [Motion 2]

Executive session tape recorded as per advice from Attorney General's office. Executive session started at 4:50pm.

Motion by Maasjo to end executive session, second by Smathers. Motion carried unanimously. [Motion 3]

Executive session ended at 5:08pm.

Larry Dakken received a letter in support of the Commandant from the County Veterans Service Officers Association. (see attached)

Commandant Anderson questioned by committee members on following topics:

Gun incident concerning two Health Department workers. Commandant Anderson gave his explanation of the incident. Discussion on why the full committee was not made aware of the situation. Commandant Anderson reported he told one committee member, Rudy Jenson, about the incident and Mr. Jenson did not feel the need to report it to the full committee. Beard requested copies of the affidavits made by the two workers from the Health Department.

Discrepancies from the 1994 Audit report have not yet been corrected. Commandant Anderson stated he felt he had complied with some of the recommendations but his actions had not met the Auditor's standards. Any incomplete recommendations are included in the 2002 Audit Report.

Bonus payments to employees. Commandant Anderson reported that the bonus program approved by the Administrative Committee to help recruit staff to the Veterans Home was not funded by the Legislature. Commandant Anderson was advised not to use the Salary line item, so the bonus money was paid from the Operating line item. Staff thought that taxes had been taken out of the bonus money.

Custodial Funds. Commandant Anderson was directed to set-up this account differently. Interest money was also questioned.

Petty Cash Account. Commandant Anderson reported that this account has not yet been closed. Committee wondered why it was still open when they directed Commandant Anderson to close this account two months ago.

Discussion on whether the committee should take action regarding the gun incident. Tag Anderson explained to the committee they still have the right to take disciplinary action even though it happened over two years ago. This is due to the fact they have only now become aware of it.

Motion by Maasjo that a letter of reprimand citing poor judgment, in reference to the cap gun incident, be prepared for Commandant Anderson, second by Vatne. Motion defeated, 7 yeas, 7 nays – Beard, Coyne, Moe, Skarphol, Smathers, Volk, and Balzer [Motion 4]

Motion by Moe to table previous motion until Attorney General's Report, second by Litzinger. Motion carried unanimously. [Motion 5]

Subcommittee assignments announced at next meeting.

Maasjo spoke on Audit Action 2-6, Strategic Plan. This will require the full committee's input to put together a plan. Committee members should think about the Veteran's Home mission, vision, goals, objectives and future for the next meeting.

Motion by Johnson to adjourn, second by Schmaltz. Motion carried unanimously.

Submitted by

Jim Johnson
Secretary

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