

The Minutes of the Meeting

STATE VETERANS AFFAIRS COMMISSION

April 18, 2017
10:00 A.M.

An official meeting of the State Veterans Affairs Commission convened on Tuesday, April 18, 2017 at the Veterans of Foreign Wars Post, Raleigh, North Carolina. Attendance as noted:

Commission Members

Jimmy G. (Tony) Braswell, Chairman
Elree T. Smith, Vice-Chairman
Etteinne (E.T.) Mitchell
William Shillito (Absent)
Leonard (Mike) Scruggs
Carol Phelps
Terry T. Hales
Joseph (Joe) W. Adamczyk
Gregory R. Woodard
Rev. Lenwood V. Long, Sr.
Michael Worley
John C. Boesch

Advisory Committee Members

Jeffrey D. Jones
Marine Corps League
Jacob Roth, Commander (Absent)
American Ex-Prisoners of War
David Shore, Commander (Absent)
The American Legion
Buddy Waller (Absent)
AMVETS
Algernon B. Hill, Commander (Absent)
Disabled American Veterans
Doug Blevins, Commander (Absent)
Veterans of Foreign Wars
James Hicks
Military Order of the Purple Heart
Rossie M. Nance, Jr. (Absent)
Vietnam Veterans of America
Douglas Ehrhardt, President (Absent)
North Carolina Council

Assistant Secretary for Veteran Affairs
Deputy Director, NC Division of Veteran Affairs
Facilities Manager
Contractor/Scholarship
Administrative Assistant
Administrative Assistant
Administrative Secretary

James (Jim) Prosser
Martin Falls
James (Jimmy) Woodard
E. Wayne Peedin
Diane Norris
Ken Castille
Angela Heilig

Guests

Angella Dunston, Communications Director, NC Department of Military and Veterans Affairs
Theresa Wright-Bryant, General Counsel, NC Department of Military and Veterans Affairs
Larry Townsend, Veterans Affairs Commission Appointee

Chairman Tony Braswell called the meeting to order and thanked everyone for attending. Mr. Wayne Peedin gave the invocation and Commissioner Tony Hales led the Pledge of Allegiance to the Flag. Chairman Tony Braswell welcomed everyone to the Commission meeting.

Chairman Braswell asked to go around the table and have all Commissioners to introduce themselves and give a short introduction about themselves. Assistant Secretary Prosser recommended that roll call be taken during introductions of Commissioners and Advisory Committee Members. The Chairman asked Assistant Secretary Prosser to introduce himself and introduce the members of the Division of Veterans

Affairs staff. Assistant Secretary Prosser also introduced the new members of the Department of Military and Veterans Affairs staff, Ms. Angella Dunston and Ms. Theresa Wright-Bryant.

Chairman Braswell called for a motion to approve the Minutes of the Commission meeting on January 19, 2017 with correction of three minor typographical errors. A motion was made by Commissioner Woodard and seconded by Commissioner E.T. Mitchell and the motion carried.

Chairman Braswell reminded everyone that should an issue arise where a conflict of interest could occur, members should recuse themselves from discussion and voting.

Assistant Secretary Jim Prosser was called upon to give a report from the Division of Veterans Affairs. He mentioned that now the Department staffing is in place and will be able to move forward with different projects. Things have gone well with the reopening with the Garner and Fayetteville filed offices. There have been a few minor changes in staffing but making sure the staff is balanced. A position has been moved from our office in Raleigh to Garner and another position will be moved to Elizabeth City. More things are being done with the VA with a VBAC in the northeastern corner in Roanoke Rapids and another one in Wilmington with more coming up this year across the state. The Governor's Working Group (GWG) is moving forward and function more as a working group for greater participation rather than a commission type body with formal reporting. This month will be Veteran Entrepreneurship and the one for May will discuss Opioid Abuse.

Commissioner Long asked how people were selected for participation in the upcoming Veteran Entrepreneurship Governor's Working Group. Assistant Secretary Prosser said that DHHS went to NC VetBiz and NC STRIVE along with people that they knew. Commissioner Long expressed his desire to have more participation and be more inclusive for other veteran organizations. Secretary Prosser said the Group will be more open now and not more limited. Topics for the monthly meetings are selected months in advance but not necessarily made available so Secretary Prosser agreed that the Group leadership will be more open in sharing the calendar and seeking more varied participants.

Secretary Prosser mentioned the successful joint conference that was held last year with County and State Veterans Service Officers and continue with good reports of the relationships and the upcoming Fall conference will be another joint conference.

Commissioner Mitchell asked a question regarding a bill now before the General Assembly about establishment of a Veteran Court. She said the Military Affairs Commission has discussed with wonderful reports coming from the Wilmington area so she went with the Mayor to discuss with the District Attorney if there was any interest in it. They were told "no". Looking at the number of veterans going through the court who going to the court and were not going into treatment recommended by their attorneys where they are from Lejeune to Cherry Point, it was only a handful a year; like 3 or 4. Also looking at Onslow County, there were only a handful there as well. After calling other District Attorneys, they were told there were not a lot of people coming through. She said she understands the bill would not be for funding but for the establishment of the court initiative so if the bill goes forward it might be worth looking at the number of veterans who would be served in the different localities.

In response, Secretary Prosser brought up that a couple of bills being introduced with Post Traumatic Stress being a mitigating factor in some of these cases and Senate Bill 550 for Modernization of Drug Court Program but conflicts with the Veteran Treatment Court Bill. The problem with the Veteran Treatment Court Bill is no funding but is funded by the Governor's Crime Commission for startup. individuals such as the Judge to handle those cases but more to be worked out. There are VTCs in Harnett County, Cumberland County, Buncombe County and Forsyth County with work toward one in Mecklenburg County.

Secretary Prosser went on to address other legislative issues. During the short session last year, legislation was introduced for a partially disabled license plate for veterans that have negative consequences. What that legislation said was if you had a VA rated disability you could get a partially disabled plate which has always been the case but what was done last year was changed it to say you could park in a handicapped parking space and your VA award letter is your medical certification with nothing from a doctor needed. For example, if you have 10% rating for tinnitus, ringing in your ears, you could park in a handicapped parking space. Right now, the way the law is, they would pay \$10 extra for that tag over the current plate fee. They have redesigned the tag with a wheelchair logo on it. There is a bill before the House to make that plate free for any veteran that asks for it. Secretary Prosser said he feels that request will grow a hundred-fold and will be more difficult for veterans with mobility issues to find a parking space. so we need to fight that legislation by letting our legislators know of the unintended consequences of this bill.

Another bill introduced was for veteran memorial. It is short but asks for \$250,000 to go to a NC Veterans Memorial in Broadway with our Department being a pass-through. There are plans to make it a disabled veterans memorial but this highlights that places push legislation for one specific item and get their Legislator to introduce bills to get funding and we need to keep track of these to let folks know where we stand on them.

Chairman Braswell asked about Senate Bill 62, Veterans Affairs Commission Strategic Planning. Secretary Prosser stated that the bill would require the Commission to report missions and goals with a report to the Legislature every year on our activities. This Department already reports to them for the General Government Oversight Committee so this would be a duplication of reporting. Additionally, there is a similar bill for like reporting of the Military Affairs Commission.

Secretary Prosser brought up legislation for a change to the scholarship program in Senate Bill 125, Modification of Children of War Time Veterans that takes out the part of the legislation referencing legal adoption before age 15 and then includes step-children. That means if a veteran has a stepchild they can apply just like for birth children. What that means in numbers applying is unknown. The Legislature asked money wise what it may cost and we took one student from each of the 19 schools and if we got one stepchild for each of the 19 schools, it would be almost \$400,000 over a four-year period of scholarship.

Chairman Braswell thanked Secretary Prosser for his report and his discussions.

Chairman Braswell called for a report from Deputy Director, Mr. Martin Falls.

Mr. Falls began by stating there have been personnel changes since the last Commission meeting. DMVA has hired 20 positions. The Department has hired Executive Assistant to Secretary Hall, Interagency Coordinator, General Counsel, Communications Director, Installation Coordinator and Director of Business Operations and an Accountant. On the Military Affairs side, we hired Jason Cain as Assistant Secretary. Coming down to Veterans Affairs, we've hired a VST in Canton, PA IV in Wilmington, VST in Greenville, VSO Service Officer and a Superintendent at Spring Lake Cemetery, 2 Grounds Workers at Spring Lake, a Grounds Worker in Jacksonville and a Maintenance Mechanic at Black Mountain. Currently we have 11 positions open and all are on the Veterans Affairs side with the exception of one on the Military Affairs side. We're also hiring a part-time VSO in Elizabeth City to help out.

Issues that we have, we have no reserve salary to increase these positions. We're losing people to our counterparts in the county because their pay is greater than ours.

Regarding training, we currently have 25 in training; four from the State and 21 from the County. We've accredited 10 Service Officers since the last time we met in January and that was done at the annual County Conference two weeks ago in Greensboro. Total this year: 28 people accredited by NCDVA.

We have 24 State VSOs and one in each nursing home for a total 28 VSOs statewide with 19 VSTs. Counties have 120 VSOs currently hired and working.

In Region I, there was a Vietnam Veterans Commemoration event in Morganton back on March 29 with 150 people in attendance. There is another one planned in Hickory in May. In Region II, there was a job fair in Charlotte. In region III, there was a Veteran Treatment Court in Harnett County. There were Veteran Stand Downs in Fayetteville, Raeford and by the Lumbee Tribe. In Region IV, there was a VBAC in Wilmington with over 766 veterans that came through and there was a job fair in Greenville. There was another VBAC in Roanoke Rapids after the Commission's last meeting in January that was attended by veterans from all over outside North Carolina. Their comment was "NC does it right and we're coming here to get our stuff done". The County Service Officers Conference was held 3-7 April and was attended by Secretary Hall, Assistant Secretary Prosser, Mr. Mike Ayers from the State Service Office and Ms. Crystal Anderson, our Training Officer. Ms. Anderson conducted some training while at the conference.

Upcoming events, on April 21st, there will be veteran stand downs in Wilmington and Hickory. There is a Field of Honor event in Kernersville scheduled in May that will be attended by our office. Deputy Director Falls asked the Commission members to let the DMVA know of any events they become aware of so we can attend and reach out to veterans. Regional training is going well and we're gearing up to start holding District Schools in May where small groups can train and interact with training done by the local county and state offices. The annual NCACVSO and NCDMVA conference will be held again this year at Pine Knoll Shores from 23-27 October with our next VAC to be held on Friday, Oct. 27th. Rooms will be blocked for reservations for the night of the 26th.

The State Service Office report for this quarter: 52 compensatory claims, 2 pension claims and 22 powers of attorney. In appeals, there were 73 scheduled where 42 were conducted, 13 in regional office and 29 in travel courts.

For the Scholarship Program, there was a meeting with Planet Technologies who are developing the software for the scholarship program. This new technology will be extremely helpful in recording and processing scholarship applications in the future. Thanks to Ms. Angela Heilig and Mr. Wayne Peedin for their hard work on this project and for their dedication, long hours and continued work on processing and screening scholarship applications.

A question was asked by Commissioner Worley regarding group training and what is the minimum and maximum size of groups to be effective. Assistant Director Falls stated he didn't know but what we're doing is going back to the District training with 8-10 counties in it and when they come together there is more open discussion but when we get everyone together in the Fall for training, there is a large crowd and there is less interaction.

Chairman Braswell asked about staffing positions and where we are in hiring. Assistant Director Falls said we push it to HR but it comes down to the low salary. It looks like we'll have to take one salary and strip the money to base salary to add to other salaries for an increase to encourage people to apply. Sacrifice one for more. Chairman Braswell asked what is the plan and what can be done to ensure people won't need assistance if they work for the State. Assistant Director Falls said that Secretary Hall is a firm believer in paying our people and retaining our people. He is working to get the money. We have submitted a budget request for \$465,000 for five new State VSOs and increase 32 positions to get to 90% of midterm salary. We have people who are with 17-18 years who are not at mid-level yet.

Secretary Prosser stated that Secretary Hall is meeting with separate legislators there to try and lobby for some extra money and trying to impress on them the need to raise salaries. With 11 positions open, we haven't even tried to fill because we're using that salary base for some of our Temporary positions we have. It is better than it looks on paper and we're trying very hard to stabilize the Department now. We have asked for a budget increase strictly for employee raises to get the positions up where we can hire. Chairman Braswell pointed out that the Legislature must understand it is cheaper to keep people than rehiring new employees over and over. The Department is hiring and training the people and then the Counties are hiring them away.

Assistant Director Falls mentioned that our agency has three trainers and our agency has undergone about a 30% turnover rate over the last three years. These trainers have over 90 years of military/veteran experience between all three. Secretary Prosser pointed out the three trainers are Temps being paid out of the salary positions are retirees who work for 20 hours a week. The full-time Training Officer for the whole agency trains the material that needs to be learned to pass the accreditation but the temporary trainers are the ones that teach to become service officers; how to ask the questions, how to get information you need and learn to talk to people.

Commissioner Scruggs commented on his prior experience as a manufacturing manager and working with plant managers regarding paying low and having a big turnover is a disaster. He said there are sure to be studies that prove this and we have a big advantage in being able to go out and talk to the Legislature about this.

Commissioner Mitchell asked a how our department compares regarding turnover rates and salary issues with other departments and if this was our problem or a State problem. Secretary Prosser answered in that it was a combination of both. When it was looked at last year, a Processing Assistant IV (PA IV) in our Department made only 70-80% of the same job/position in the Department of Administration.

Deputy Director Falls gave an example of a Grade 69, Veterans Service Officer, where the minimum salary is \$38,125 and we have a position now that is set at that pay amount. The midpoint to that Grade 69 is \$49,364 with a maximum of \$60,604. Secretary Prosser said we don't have any Grade 69 at that midpoint and that would be at 20 years. Deputy Director Falls stated we don't have any Grade 70 being paid at the mid-point grade of a Grade 69. Secretary Prosser said that the problem trying to hire that Regional Manager at Grade 69 based on what it is budgeted at, we would pay them less than what we pay the people he/she supervises and at Grade 70, they would be paid less than the three 69s he/she supervises which is not right.

Chairman Braswell called on Mr. Jimmy Woodard to give a report on Facilities (Cemeteries and Nursing Homes).

Jimmy Woodard began by briefing on the N.C. State Veterans Home Program. He started with Fayetteville and noted that the current census is 137. Since the last meeting, there was a VA survey that was deficiency free and also a State survey. There were no critical issues. They're hoping for a 3- or 4-star rating under the CMS Program. We applied for and got \$2,101,483 to repair and replace a good portion of the HVAC system in Fayetteville. We're waiting for a proposal from a designer and contractor on that project.

In Salisbury, we have a census of 93. They also had a VA survey that was deficiency free and two life/safety issues we are working on. There was also a State survey with three paper tags. They are still rated 5-star under the CMS Program. In R&R funding, we've received funding for an elevator replacement for \$450,910. There are two projects that will be funded from the Trust Fund to renovate and add an activity room as well as replacing a generator that will total over \$5 million. We've applied for a grant for construction projects but we are not high on the list. Only \$90 million in VA funding available

nationwide will likely only cover about 10 projects. The VA has gone back and requested another \$200 million from Congress.

Jimmy Woodard pointed to some display boards showing the new designs, samples and palettes for the renovations at the Salisbury facility and the new addition.

In Black Mountain, the current census is 98. A VA survey was done with no deficiencies and they will probably stay at 3-stars. R&R funding that has been awarded for the security project and in the process of being awarded but the company with the low bid, Fusion, had to withdraw because they couldn't get bonding. They are doing the system in Kinston but the company isn't big enough to get bonding for both projects. The next bidder was only about \$3,000 more than the low bid and hopefully that will start when paperwork can get done.

In Kinston, census is at 94. R&R funding from the state has been awarded to replace the sprinkler system for \$299,440 but came back with \$1,098,000 in addition and hopefully that will cover sprinkler replacement and won't come out of the Trust Fund. R&R funding gave \$600,415 for replacement of the sewer system to work/repair/replace. Hopefully we can get the Secretary to declare these an emergency to move faster than normal. There is also \$600,415 of R&R funding for roof repairs with paperwork in the process. RND has two small HVAC projects that have been approved and we've contracted to replace air conditioning in the kitchen as well as the computer server room. Trust funds as well as a grant are being used for security projects for \$597,699. The sprinkler system repairs are in the process. One building is complete but getting ready to start next building. It takes about 90 days to pull the system and replacing with the new combination dry/wet system.

Jimmy Woodard reports that the NC State Veterans Trust Fund stands at \$49,202,308.22.

Commissioner Woodard asked if that includes money set aside for both future nursing homes and Mr. Jimmy Woodard responded yes.

Mr. Jimmy Woodard announced project funding totals \$7,904,384 that combines R&R funding, Insurance payments from Hurricane Matthew, USDVA-State Home Grants, Trust Funds in addition to currently non-awarded grants for a Wake County and Guilford County State Veterans Homes and Salisbury renovations. For the future Veterans Homes, land needs to be designated either through sale or donation so we are ready when grants are awarded.

Commissioner Phelps asked if State construction is overseeing this for us. Mr. Jimmy Woodard said that State construction is pulling out since we are our own department and not part of larger Dept. of Administration. Personnel cuts within State construction limit their services but can assign someone to look at our projects once a month. Possibility of getting a part-time construction engineer to work for our department.

Commissioner Hale addressed about possibility of our own engineer compared to other engineers not performing well makes good sense. Commissioner Adamczyk agrees with Commissioner Hale that we shouldn't accept any R&R funding without contracting officer overseeing but consider a project by project inspector and determine the cost to hire a part-time engineer in house to save money and be more responsive.

Commissioner Mitchell voiced further agreement by getting it right the first time will be cheaper than learning the hard way. She stated it might be possible rather to bring that engineer on as a state employee but as a contractor and not paying state insurance, liabilities, health benefits, etc.

Commissioner Hale said Jimmy Woodard should not be signing off on a project if he's not the SME. Mr. Woodard said the way the system is supposed to work is the designer is supposed to sign off on for us but

they have 10-15 projects and get out maybe only a few times a month items slips by. We're trying to look and see where we're going and we have a lot of things in the works or soon will be in the next two years.

Commissioner Scruggs asked based on what has been discussed with a part-time engineer, if Jimmy Woodard visualizes the background of the engineer being mechanical, civil or electrical. Jimmy said if he could find someone who has retired from the construction business and has knowledge to be able to see if something is not right such as someone who has worked as a foreman or a general contractor as suggested by Commissioner Adamczyk that would be someone who knows the experts in the trade.

Mr. Jimmy Woodard turned the attention to a spreadsheet showing activities of the State Veterans Cemeteries that showed the number of burials and money received for burials. He stated he has gone out and spent money to make the cemeteries look better by contracting to fertilize, weed control and fire ant control at Jacksonville four times each year and looking for the same at Sandhills. Cemetery complaints have been received based on policy changes but not as much as before.

One thing that has been done, a designer has been contacted in Asheville that did the Black Mountain original to obtain an idea of how the expansion will look. Cremations burials are happening quicker than originally thought and they're running out of space at Black Mountain and filling up quicker in Sandhills. The designer who did the expansion design for Sandhills was also contacted to give us an idea on what it will cost for a similar expansion at Black Mountain. Cemetery construction programs are 100% paid for by the Federal government and require we have upfront money for expansion. Funds have been requested to upfront the money but if it isn't approved, we'll have to look to receipts for funding but other items will fall behind. Grants have been applied for but we can't send paperwork to Washington without having the upfront money.

Secretary Prosser said that part of our budget request is that all staff be put on appropriations money. Now it is half appropriations and half receipts and limits what can be done with receipt money. When it was originally setup, all people were funded under appropriations and receipts was for maintenance. We are looking at the positions in Goldsboro that the Legislature only funded for two years. If they are not picked up for funding, we'll have no people in Goldsboro.

Commissioner Hale asked for clarification on money for upfront for expansion. Jimmy Woodard said that upfront money is a percentage and not the total amount.

Commissioner Adamczyk asked about the Sandhills cemetery and the least aesthetically pleasing location with the roadway close by if there are any plans for a berm or some plantings or fencing to block views from Butner Gate. Jimmy Woodard said we could have the option to do that and a possibility for the Federal government will pay for it.

Chairman Braswell thanked Jimmy Woodard for his report.

Chairman Braswell asked if anyone had not filed their update to their Statements of Economic Interest form and reminded everyone about Ethics Training coming up in June.

Chairman Braswell called for a suggested location for the July meeting and his desire to have one at a State Nursing Home. After looking at the calendar for July and considering other events, July 18th was selected and the decision was made to hold the July meeting at the State Nursing Home at Black Mountain. Also, the October meeting was mentioned and would be held at Pine Knoll Shores.

Meeting was recessed at 11:50.

The Commission reconvened at 12:15 and Chairman Braswell called on Mr. Wayne Peedin to provide information to the Commission about the N.C. Scholarship Program and the selection process. Chairman Braswell recalled meetings held to review and recommend changes to the Scholarship Program and the Commission's charge to recommend changes to the General Assembly. After Mr. Peedin reviewed the documents given to the Commission members for review and approval, he discussed applications and reminded that future applications will be completed electronically with new software from Planet Technologies.

After reviewing the documents presented to the Commission for their discussion and voting, Chairman Braswell asked for a motion to go into a Closed Session under General Statute 143-318.11 for the purpose of discussion of confidential and sensitive information. Commissioner Scruggs motioned and seconded by Commissioner Hales.

Commission in a Closed Session at 12:40pm. under the statute of Open Meetings Law to discuss sensitive and confidential information on scholarships.

The Commission exited the Closed Session at 1:30pm.

After the Closed Session, discussion was started on ways to properly recognize scholarship recipients at awards nights at high schools that are held at graduation. Commissioner Mitchell asked if there was a certificate that could be presented as recognition and Ms. Heilig said there was a certificate available that could be prepared and would be used this year.

Chairman Braswell was called from the room and Vice Chairman Smith took over the meeting.

Commissioner Boesch referred to scholarships given by local MOAA (Military Officers of America Association) and the NCDMVA Scholarship Program can be linked when recognition events are held. He also asked that the posters advertising the program be given to high school guidance counselors before the school year so rising high school seniors could begin preparing their applications.

Vice-Chairman Smith thanked the VFW and Andy for allowing us to meet here and providing lunch and refreshments.

Vice-Chairman Smith asked to adopt the list of Class 2 and Class 3 Scholarships and seconded by Commissioner Woodard. All voted approval with no dissension.

Vice-Chairman Smith called for a motion to adjourn. A motion to adjourn was made by Commissioner Woodard and seconded by Commissioner Mitchell.

The Veterans Affairs Commission meeting was adjourned at 1:40pm

Jimmy G. Braswell
Chairman

James E. Prosser
Assistant Secretary for Veterans Affairs