



STATE OF NEVADA
BOARD OF EXAMINERS FOR SOCIAL WORKERS
4600 Kietzke Lane, Suite C121, Reno, Nevada 89502
775-688-2555

MINUTES OF BOARD MEETING
June 15, 2018

MEETING CALLED TO ORDER: The meeting of the Board of Examiners for Social Workers was called to order by Vikki Erickson, Board President, at 9:03 a.m. The meeting was held at the University of Nevada, Reno (UNR) System Computing Services Building, Room 47, in Reno, Nevada, 89557. There was a simultaneous videoconference conducted at Mojave Adult Clinic, 4000 E. Charleston Blvd., Suite B-230, Las Vegas, Nevada. President Erickson noted that the meeting had been properly posted and that the Board members present constituted a quorum. Roll call was initiated by President Erickson, with the following individuals present:

Members Present:

Vikki Erickson, LCSW, President (**Erickson**)
Monique Harris, LCSW, Board Member (**Harris**)
Susan Nielsen, Treasurer (**Nielsen**)
Jodi Ussher, LCSW, Vice President (**Ussher**)

Staff Present

Karen Barsell, LISW, Executive Director (**Barsell**)
Gregory Ott, Esq., Senior Deputy Attorney General (DAG) (**Ott**)

*Board members and Board staff will be identified by the above **bolded** means throughout the minutes.*

PUBLIC COMMENT: No public comment was offered at this time.

REGULAR AGENDA

BOARD OPERATIONS

Meeting Minutes: In reviewing the minutes, **Harris** wanted to go back over the May meeting's financial discussion and better understand how the meeting minutes were captured. **Nielsen** agreed and wanted clarity about the final decision made. It was confirmed that the minutes captured the motion to approve signing authority for all banking accounts for three persons to include the Board president, the Board treasurer and the executive director. **Harris** continued by sharing her concern about the other portion of the motion where the staff would have debit cards as that does not provide ample checks and balances. **Harris** went on to say that provision of debit cards gives staff access to the bank account without limits on what the cards could be used for, how much could be spent on the cards, who oversees it; we're giving carte blanche to the bank account. **Harris** asked to revisit this portion of the motion to put appropriate checks and balances in place. **Harris** went on to say that if we are issuing debit cards, this is very different than giving staff credit cards. Credit cards can put guardrails in place as they can have limits set. If we don't have adequate financial policies and procedures in place, then 'What is authorized spending?', 'What is the cap?', 'Who is the authorizer?', 'Who is the gatekeeper?' **Harris** then commented that she wanted go on record to bring this to everyone's attention.

Nielsen asked if we could get this discussion placed on the August agenda. Agreeing that this is a critical issue that is not currently addressed in policies and procedures, **Barsell** agreed to place this item on the agenda as part of the August Board meeting. She suggested that this whole area of

fiduciary responsibilities, financial policies, and risk management is a top concern and perhaps one of the Board's top five concerns in strategic planning.

Ussher commented for the record. I think **Harris** brings up a very valid point about debit card versus credit card. Certainly not casting any doubt on anybody, but when you look at embezzlement issues, the fact that a debit card has a direct link to an account and a credit card has some distance from it; we may have to do it this way in the interim so that we are able to function. **Barsell** agreed and said she would not move forward to procure a new card (credit or debit) until the Board discussed this item again in August. **Barsell** suggested that we keep the current debit card that is in possession of the Deputy Director and change the credit card arrangements after this discussion takes place. In the meantime, **Barsell** can use her personal credit card and be reimbursed for upcoming travel expenses. **Nielsen** added that despite the concerns that we have talked about, there is a clear culture of balance in the budget of approving certain expenses with caps on them. There is an informal culture of money management and that we haven't found any errors that would cause us to be suspicious. I have not noticed any glaring deficiencies or any deficiencies at all. **Erickson** suggested that it might be useful to understand what other Boards are doing in terms of their financial policies. **Erickson** queried, are we wanting to discuss a financial policy at our next meeting? The group nodded in agreement.

Ott commented that the minutes that the Board are voting on are minutes that are a reflection of what occurred at the last meeting; the Board can't make any changes to what happened at the last meeting. The Board can have a conversation and say that we need to flag this for further consideration and then have that conversation the next time. As long as these minutes accurately reflect what happened at the last meeting, then you can approve these minutes.

Erickson asked if the group was ready to take a vote on the meeting minutes. Regarding the May 18 2018 meeting minutes, **Ussher** and **Nielsen** stated that they were not present and were abstaining. **Erickson** asked the Deputy Attorney General if the Board could make a motion on the minutes with two members voting and two members abstaining. **Ott** replied that the Board can push the minutes to the next meeting for a vote.

Draft Budget for Fiscal Year 2018-2019: **Erickson** introduced the draft budget for the fiscal year beginning July 1 2018 that includes items e.g. retaining temporary office part time staff position as well as providing merit increases up to two percent for two office staff positions during their annual review period. **Harris** asked if these were the only two positions that would be getting a raise. **Ussher** answered that these are the only positions remaining. **Barsell** added that due to retirements of two full time staff in May 2018 and June 2018 that the two remaining office staff members are articulating tension about being able to handle their work flow. **Ussher** commented that the Board had reduced work flow by changing the way we approve every single continuing education class. When the Board decided to accept NASW and ASWB CEUs, the number of CEU approvals is now minimal. **Barsell** answered that she was not referring to historical workload but about the current workload as of this week (at the end of June) in comparison to the upcoming week beginning July 1st. Besides the upcoming retirement of an eighteen year staff member on June 30th, **Barsell** added that she is new and not fully trained in all aspects of her position; also, she finds that many things that might have been handled in the past are currently needing to be done. For example, there are various policies and procedures that are not in place. **Harris** offered a suggestion that might help solve some issues. **Barsell** asked if the Board could first take a look at the budget to determine what the issues are in terms of the money that is available and what we can manage to do.

Directing the attention of the Board to the draft budget, **Barsell** explained why the accrual-type budget layout looks different than the prior cash budget layout. As a result of the last two Sunset Committee meetings of May 21st and June 13th (both occurred after last month's Board meeting) the Committee discussed their financial audit of our Board. During the Committee meeting there was quite a bit of

discussion about our Board funds availability, deficits, expenditures exceeding revenues; that the Board had reported during the Sunset Committee that it is proposing to increase the application fee and the initial licensing fee for licensed clinical social workers which can bring in additional revenue; that if its statutory limits are increased, the Board plans to use the additional revenue to provide computer programming, improve office efficiencies and to build its reserve funds. In response to Assemblyman Pickard's request for clarification, Rocky Cooper from the Legislative Council Bureau (LCB) explained why the Board is requesting fee increases when it claims to have ample reserves. Cooper explained that the LCB audit division evaluates all reserves of the boards consistently using a government-wide financial statement which includes all liabilities. The amount of reserves that is listed in our audit is an unrestricted negative fund balance. The audited unearned license revenue of one hundred twenty five thousand dollars and deferred license income of twenty five thousand dollars are liabilities because (as of June 30th 2017) the Board had not provided services for those payments in advance. These are payments made in advance using the accrual method which are allocated to future years which he considers the preferred method. Mr. Cooper pointed out that the confusion arises on page 10 of the audit that was presented to the Sunset Committee. It does not include the one hundred twenty five thousand dollars in revenues received in advance. The Board is focusing on near term inflows and outflows of spendable resources which is closer to a cash basis accounting. Essentially the Board has received money in advance to fund its operations and it applies those funds to the next fiscal year which means those funds are not true reserves. He suggests that the Board is using its cash to operate right now which is why it wants to increase its fees in the future. In other words, we do not have true reserve accounting for all assets and liabilities. Following the Sunset Committee meetings was the Governor's Executive Branch Audit Committee meeting. This meeting yielded yet another audit that was "embargoed" until the afternoon of June 14th. **Barsell** will provide these documents for the next meeting as they are now public.

In the meantime, **Barsell** believed that we'd want to start a new business year on July 1st with a budget even prior to knowing the Board's priorities in the strategic planning process; that the State of Nevada LCB said they prefer an accrual based budget; therefore, staff prepared a draft budget that is structured somewhat like an accrual budget to get us more familiar with how this type of budget appears. To do this, we looked at our own auditor's methods and learned that he annually takes our cash based budget and makes four large adjusting entries to convert our budget into a QuickBooks Chart of Accounts i.e. converts our cash budget into an accrual budget format. These Chart of Accounts codes are what you see in today's draft budget.

Barsell then asked, "What's the difference between cash based budgeting and accrual accounting?" If you look at cash based budgeting it's similar to looking at what's in your checking account today. If you look at accrual based budgeting you're looking at all income and expenses that are recorded when they're billed and earned regardless of when the monies are actually received. The upside to using an accrual method is it gives us a much more realistic idea of income and expenses during a certain period of time. An accrual method helps us to project into the future realistically about what the Board is legally bound to pay for e.g. lease contracts, personnel expenses, etc. The cash method gives you an immediate look at your financial picture while the accrual basis gives you more of a long term view. Because the State prefers an accrual based method, they systematically looked at all the boards and commissions by putting them all into a formula to make things appear apples to apples to the Sunset Committee as some boards did a cash based method, some did an accrual method, some did a hybrid method.

Moving forward, we can move into accrual based budgeting and simultaneously follow that budget regularly to show where we showing up in the accrual based budget (e.g. are we at 25% of the budget at the 25% part of the year). And then we can also look at our cash picture – perhaps a "flash report" of the cash picture in our bank accounts. For today, we began to set up your budget to familiarize you with the accrual approach.

Now **Barsell** backtracked a bit because another important comment that was made at the Sunset Committee is that our Board does not have reserves, and that the Board has been thinking it has reserves. She attempted to clarify: If you were a person and you were 30 years old like we are as an organization, and if you wanted to be financially stable, you would have a savings account for emergency expenses; you would have a checking account to pay for your regular bills every month; you would have savings for the future e.g. buying a house or paying for college; and you'd be saving for retirement. There would be about 4 buckets of moneys that you would be having set aside as a stable 30 year old. A 30 year old business would also want to be stable and we would have the same types of needs to be financially sound and cover the cost of doing business. An emergency fund set aside for major unplanned expenses or unexpected swings in revenue, a checking account to pay our regular bills, savings for future commitments and obligations, and we'd want to be building reserves -- money set aside to pay for anticipated future activities that will support the long term financial health, manage our risk and pursue innovation.

Next, in looking at today's draft budget, the fund balance for the 2018-2019 budget is \$81,051. It is a balanced budget draft for July 1st. This budget is draft – in part – because the Board has not yet had a strategic planning session to determine its top priorities. Based on those priorities we can revisit this budget. **Harris** asked about the balance moving forward and wanted to know if it is accrual or cash based. **Barsell** answered that this a cash based budget that is laid into the Chart of Accounts used by the auditor that helps to familiarize us with the look of an accrual based budget. After a clarifying question from **Ussher**, the Board learned that this budget reflects payouts for both retirees in May and June 2018. One of the differences in this budget as opposed to last year is that we're anticipating a five percent in revenue because our licensee trends are going up. As discussed earlier, included is a 2 percent merit increase and we would be moving forward on this because there are two personnel reviews due in early August before the Board meets again; the budget includes a CLEAR training covered in our last Board meeting and we'll be taking this up again today later in the agenda; we'll need some consultation in the HR area to improve our personnel files to according to current best practices if we can't get this handled with internal state support.

Harris queried if we are leaning into the Association of Social Work Boards (ASWB) to help with day-to-day operational methods that would free up time and might be free or inexpensive. **Barsell** suggested several avenues where we could ask for assistance from ASWB as well as request free in-state services offered to us through AB457. **Harris** discussed Board sensitivity about asking for in-state services given the nature of recent AB457 exchanges. **Barsell** agreed and shared some personal notes taken during the past Wednesday's Sunset Committee meeting. They recommended continuation of this Board and added that the Board would continue to be monitored pursuant to AB457. The recommendation will require the Board to report to the Sunset Committee during the 2019-2020 Interim Session on its progress in complying with the provisions of AB457. So while this is a sensitive area, we are charged with operating under AB457 and simultaneously AB457 has mechanisms within it that provide some assistance.

Ussher stated that one of the things that's happened, (**Erickson** can speak to this as well) is that we've already done incredible amounts of work over the last year to work under AB457 to get us to the point where we are now. We're not being combined (with other boards) because that was the threat that we were dealing with. That's why we went ahead and investigated getting online registration renewal. As part of that we had to get proposals. One of the proposals we asked for was from ASWB and they had a very nice proposal although it was quite expensive. They were not cost effective in this case so when we look at these kinds of things, we really have to get bids from ASWB and other companies. Another thing that isn't reflected, last year we necessarily had - at one point - three different salaries being paid at an executive director level. The other thing that happened as part of salary issues is that we voted to have PERS and accrued sick days paid out to the two retiring positions. We still have one employee who is subject to that decision although newer employees do

not have that same benefit pattern. **Erickson** commented that if we have the ability to utilize state human resources then she wouldn't see why we wouldn't take advantage of that service that might be helpful to standardize State Human Resource procedures; but, like you mentioned we've done a lot of work on the licensure. She added that ASWB has some really wonderful things to offer but they are at a very high cost; we're using some of ASWB resources in the sense of testing and disciplinary reporting. If they are offering us HR assistance to help us reorganize into a more effective HR system, we can certainly do that.

Erickson posed a question about the budget, asking if the 2018-2019 budget is accrual based; **Barsell** responded that the cash-based budget is laid out to reflect expected expenses, obligations over the next fiscal year. She added that this is a draft cash budget created prior to the upcoming strategic planning retreat and after that, we can true up the budget to reflect the Board's priorities.

Ussher mentioned that the Board has held sessions that were strategic in nature, invited people from outside the Board to attend meetings including our lobbyist. The Board took into consideration all of the things that the Sunset Committee wanted and prioritized getting online registration in place as well as getting a new executive director. For example, the eighty one thousand dollars is money the Board set aside for the computer system.

At this point, **Barsell** continued with the budget overview mentioning that we would continue to outsource payroll; continue to use a temp agency to assist office staff. **Nielsen** asked a clarifying question about utilizing temps and about the types of things being done. These tasks include locating case files, copying, shredding, and filing – basic entry level tasks. Continuing with the budget, postage costs are expected to drop as we go online with our renewals; ASWB dues will go down a bit this year; the budget includes an initial cost for software plus a one year of service agreement. **Barsell** wanted to go on record with a statement about the disciplinary caseload and her need for training having had limited time to work together with the person who was in formerly in charge of disciplinary activities. Additionally, there has been a need for her to deal with a variety of issues internally as well as some significant external issues. As a result, she asked the Board for help as she doesn't believe that we have enough staff resources in place to get tasks done well. She stated that she would like to lean into Board members to get some assistance. Simultaneously, we have offered the Board the best balanced budget possible with the money that is available. While we cannot hire a full time staff member, we can utilize some part time help for office and investigations. We are aware that planning to spend money out of our checking account, that there is not a savings account, that there is not an emergency fund and that we have no reserves. **Harris** stated that she appreciates the transparency and stated that she was willing to be tasked with projects and helping out is why she came onto the Board. **Nielsen** agreed stating that she would like to help too. **Ussher** asked and was assured that the Deputy Director is assisting with training the Executive Director. **Ussher** asked if we would be amenable to having social work interns and a short discussion ensued about this option with **Barsell** and **Nielsen** commenting. **Erickson** asked if we currently have a half time investigator in place. At this time, we have an investigator on a per diem basis.

Nielsen motioned for approval of the Budget Draft for Fiscal Year 2018 – 2019, seconded by Harris, approved unanimously.

Report on ASWB Conference held in Halifax, Nova Scotia. **Nielsen** let Board members know that she attended a three day conference in Halifax, Nova Scotia. The conference was on mobility implementation. She read the ASWB definition: *Social work practice mobility* refers to the physical and virtual mobility of social workers who elect to practice in multiple jurisdictions and that applies particularly to people moving into Nevada; also for people that live on the borders of the states

that surround Nevada; it applies to electronic practice, etc. **Nielsen** referred to a guidebook that she will be prepared to share and that she has met with a state representative from Alaska where this is a big issue. Alaska has a program set up that **Nielsen** will review prior to the strategic planning meeting. She went on to say that there was extreme emphasis on this topic and after the conference she talked to the Deputy Director to put this issue into perspective for Nevada. It appears this is a trend and that we should include this item as part of our strategic planning discussion. **Ussher** added that this trend is up as we now have license by endorsement in place. **Nielsen** added that this conference also got into how we can use our website to help clarify our position on this matter. Both **Erickson** and **Ussher** commented on Nevada's trailblazing efforts to make licensure maintenance much easier with access to online CEUs which really helps out in rural and extremely hard-to-reach areas. As a side comment, **Nielsen** added that ASWB is making a strong case to encourage all boards to use them for our supplemental efforts.

Erickson introduced the topic of sending Executive Director to CLEAR Training in Denver, CO on August 20, 2018 to August 22, 2018. Barsell was asked to comment: She reflected that at the May Board meeting that the Director of Social Work Practice made a recommendation to this Board to send her to a CLEAR training which is the Council of Licensure and Enforcement and Regulation. This recommendation was made to assist **Barsell** in managing the complaint disciplinary process. The basic training course would include professional conduct, principals of administrative law and regulatory process, investigative process, safety principals of evidence collection tagging and storage, interviewing techniques, as well as an overview of inspections and inspection procedures, report writing, testifying in administrative criminal proceedings, and then an examination of what was learned with the potential to earn CLEAR certification. **Nielsen** asked a question about the process and certification wondering if there would be any conflict in this training with the position requirements of the Executive Director. **Ott** responded by stating that he doesn't think that getting the certification creates any sort of conflict at all because the certification is simply a piece of paper that you could use or not use. He thinks the other question is once she has the certification, what sort of investigatory role will she be taking and will that cause any problems. That is a different question. I have not historically sat with this Board and don't know exactly what role the Executive Director takes. I will say normally in the way disciplinary complaints are processed, the Executive Director will work with the attorneys and bring the case to the Board. Sometimes the Executive Directors will testify, sometimes investigators will testify. But there is a bit of a wall that arises between the Board and the Executive Director and it's understood that the Executive Director is bringing the action and testifying; and the Board is sitting as the adjudicator who's deciding on whether the case has been brought to their satisfaction or not. So it's not uncommon to have the investigator preferred over the Executive Director to perform those roles. But again I can't speak to historically how this Board has done this. **Ussher** shared the following: My understanding is that's exactly what our director's done in the past -- a preliminary investigation. We (the Board) can't know about anything in case it does come to us. In the past, we have had a one to three scale and that would help to determine if the case was at a level where the director could sit together with the deputy attorney general to clear the case. The way I see it, this training will assist with the disciplinary portion of the job. However, I don't know that projected training expenses are at the level they need to be at because we will need to have something added for meals and other travel expenses so I'd like to see that number increased. **Erickson** added that there's a government rate for per diem that can be used.

Ussher made a motion to send the executive director to the CLEAR training with the expenses to include cost for training, hotel, flight, per diem meals allowance, shuttle from airport to hotel, not to exceed \$2500 (twenty-five hundred dollars). Seconded by Nielsen. Motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Barsell updated the Board on the contract process starting with the status of a contract with Albertson Consulting Company. She is currently working on this noting time spent with the State of Nevada risk management liaison on increased insurance requirements. The submission of the insurance document from the vendor had to be amended and we are expecting to have this tied up in short order. Next, we completed the contract with Nevada Payroll LLC; our first payroll checks with outsourced payroll were issued yesterday. Additionally, she is working on a lobbyist contract as well as a strategic plan facilitator contract at a cost that it does not exceed five thousand dollars.

Nielsen asked to know more about the role of Board members in testifying and lobbying. **Nielsen** usually attends the Social Work Committee meetings because she is interested in those. She has not testified as she has been a Board member for just a year. She wants to know the rules, limitations and restrictions. Is there a way that she can formally participate? **Ott** responded by stating that he wanted to do a little bit of research on that. He does know that there is no ethical prohibition that would prevent a Board member from doing this but there would need to be formal Board action authorizing **Nielsen** to do that on behalf of the Board. **Ussher** recalled that an authorized Board member has testified on behalf of the Board in the past; at this time, the two people authorized to speak are the Executive Director and Board President. **Barsell** related a recent instance where members from another board testified at a Sunset Committee meeting. She went on to say that part of the scope of work of our potential lobbyist will be to come to train our Board to increase our comfort in the area of representing the organization.

Next, **Nielsen** asked for clarification about the work product for the strategic planning retreat. **Barsell** responded: The process is that the Board will have a two day strategic planning meeting. We'll be holding it at the facilitator's office space. Our Las Vegas Board members will be flying up so we'll all be face-to-face. We will invite our DAG to join us as well as the public as this meeting will fall under the open meeting law (OML). Our first day of this strategic planning session is being set up by a facilitator who is very familiar with OML. She works for the State of Nevada on different contracts currently with DHHS and she's been working not only with Nevada but also with the State of California for the last 20 years completing a variety of strategic plans. She will help us to have a helicopter view of our organization. She will be able to help us create a work product and she will have an assistant facilitator who will be capturing the content of the meeting. Ultimately, we will end up with a four page document which will include your mission, your vision, your identification of your top five critical issues and some initial goals to address each critical issue. The planning information from day one will be available on day two and continue to be finalized. On day two, we will go into a formal meeting environment with a regular board meeting scheduled on day two so that you can possibly take action on your strategic plan. Ultimately, what happens when you are coming from zero to go in a strategic plan is that we'll end up with a bare bones type of strategic plan; the plan can't stay on the shelf; it will be something that we regularly bring back throughout the course of the year and continue to flesh out; the staff would be directed to match the budget to the strategic plan to make certain that the necessary resources are there; that we would be looking at staffing, Board to make sure that the plan could be executed. **Barsell** imagined a working group -- for example **Harris** has an administrative background and could combine this with **Nielsen's** background as Treasurer to look at the fiduciary responsibilities of this Board and put together some policies and procedures to help us going forward in a 07^Thursdaystrategic way.

Nielsen and **Harris** asked for clarification about the contract for the two day planning retreat. **Barsell** replied that if the Board should need more help downstream, that this contract does not go beyond the two day retreat. Also, that this is going have to be an energetic 2 day timeline to be able to get the plan on the table so that we can start working strategically together. It gets us moving forward knowledgeably and with an agreement on what the top five priorities are so that we can effectively

work on year one of our strategic plan. Also, our facilitator will use a survey to contact each of you ahead of the retreat so there will be a good opportunity for each of you to communicate directly with her.

Referring to the schedule of the upcoming planning retreat, **Ott** acknowledged scheduling conflicts resulting in inconsistency about who is assigned to attend your meeting. **Ott** said he is aware of the conflict issue with our next meeting in August; his goal is to have a coverage plan in place and have somebody there who can be at the meetings and also provide support permanently.

PUBLIC COMMENT: No public comment was offered at this time.

ADJOURNMENT: **Ussher** made a motion to adjourn. **Harris** made a second. President **Erickson** adjourned the Board meeting at 11:59 a.m.

Meeting Minutes Respectfully Submitted,
Karen Barsell, LISW, Executive Director