

**Audubon Area Community Services, Inc.**  
**Administrative Support Committee**  
**MINUTES**

September 30, 2009

Following lunch, Board Chairperson Judge Reid Haire called the Administrative Support Committee to order at 12:00 p.m. in the agency's new Central Office Board Room in Owensboro.

**Members Present:**

Mr. Frank Craig\*  
**Judge Reid Haire**

**Rev. Jerry Manning**  
*Mr. Jesse Mountjoy, Board Counsel*

**Ms. Betty Rucker**  
*Mr. Doug Smith*

Key: Bold = Officer/Executive Committee Member    Italics = Ex-Officio Member  
\*Alternate – Member not present

**Staff Present:**

Ms. Cheryl Gatton, HR Director  
Mr. Dennis Hagan, IT Director  
Mr. Ronald Logsdon, Executive Director

Ms. Denise Marcum, Executive Assistant  
Mr. Byron Mayes, Chief Financial Officer

**OLD BUSINESS.**

There was no Old Business taken up by the Committee.

**NEW BUSINESS.**

**Minutes of July 24<sup>th</sup> Committee Meeting.** The minutes of the previous Committee meeting were in the handout, and had been passed out without alteration.

*The Committee received the July 24<sup>th</sup>, 2009, Committee minutes.*

**Indirect Budget Review – July 2009.** Mr. Mayes passed out the Budget Performance Report and explained to the Committee that the amended budget column is the working budget that AACS is using. The encumbrances are purchases that are out there and are not completed yet. They are in the accounts payables process. The year-to-date transactions are actual cash expenditures. Those two columns together are backed off the budget to give us that budget less year to date transactions column and then the percentages used and received. On page three is the fiscal year end June 30, 2010, and we are as of August 31, 2009, at 16.7% complete as far as the fiscal year and this gives a kind of rough gauge of where we're at with the agency's expenditures and revenues. Under the revenue and expenditures grand total that percentage used columns, the agency is at 15% for both. We're tracking as a whole with the budget and where we're at in the fiscal year. Obviously there will be instances within these line items and there will be timing differences and big expenditures during a certain time of the year, but it levels off after that.

*The Committee received the Indirect budget report for July 2009.*

**Policy Revisions.**

**Travel Policy Revisions and Related.** Certain policy changes were proposed for Board consideration by the senior management staff:

***Financial Procedures and Accounting Manual – Section 22.1-8, “Travel and Business Entertainment.”*** The sub-sections covered in the proposed revisions included: “Travel Advances,” 22.1; “Employee and Board Business Travel,” 22.2; “Reasonableness of Travel Costs,” 22.3; “In-Area Travel,” 22.6; “Out-of-Area Travel,” 22.7; and “Computation of Per Diem,” Section 22.8.

Mr. Logsdon stated that situations had come up recently that had to do with travel policies that were either lacking or things that he and senior staff were simply handling “off the cuff;” and these needed a policy basis. The Senior Staff took a long look at those things and the Senior Staff proposed to rewrite the travel policies in the Financial Procedures and Accounting Manual to cover agency needs with up-to-date policy guidance. The proposed changes listed in the policy proposal in **bold** and underlined type indicated the newly proposed text, he said. Later in the chapter, there is some existing text proposed for deletion (in Section 22.8); those are being replaced with new language that is more current and up to date, he said.

**Section 22.1.** Mr. Logsdon said this proposed policy change came about when staff was either late in submitting a travel advance request or something came up all of a sudden and they didn’t have time to submit it and get it processed. What the agency was doing was using the agency’s BB&T Purchase Card, which then, in effect, provided an “advance” to them; all of which then got properly reconciled with their final travel close-out. But there was not a policy to support that practice. So this policy was re-written to basically allow staff to go either way; either their travel can be bourn with a *travel advance*, which is the preferred way to do it, or in extenuating circumstances the agency’s Purchase Card can be used. Mr. Logsdon also said he has personally always preferred for staff to travel on the agency’s money as opposed to using their own money. The staff practice thus described had his blessing and support, but this really needs to be in the agency policy to support and allow that practice.

Rev. Manning asked if somebody does the reconciliations. Mr. Logsdon said these get closed out. Typically there is a travel advance request where staff estimate what their expenses are going to be. And the federal rule is: Travelers can get only 80% of their estimated amount “up front” as advanced travel expenses. When staff get back, they bring in their documentation, do their final travel close-out, which states what your final claim is, and the matter is settled either with a remaining payment to the traveler or their repayment to the agency of any overage previously advanced. AACS does Meals and Incidental Expenses (“M&IE”) on a per diem basis rather than an itemized basis, he said. If a traveler’s travel advance or the travel purchase card expenses exceeded that allowable on final close-out, then they pay the agency back the excess money. If the agency owes them more money, the agency issues additional payment to the traveler for the difference between the advance and the final claim. All AACS travel subsidies do get reconciled, and it’s that final closeout that really matters.

**Section 22.2.** Whenever the agency Purchase Card is used in lieu of an advance, the traveler must provide the agency with copies of all charge receipts, as with any other Purchase Card charge. And the traveler must attach the executive director’s prior written approval for the travel.

**Section 22.3.** Noting the mandatory baggage fees now charged by most if not all airlines, Mr. Logsdon noted the provision for baggage fee, but said that management staff recommended that this be limited to **one** bag. This has been paid ever since the airlines have imposed it. There was not an agency policy pertaining to travelers’ reimbursement for that fee.

**Section 22.6.** The agency has a few situations where people will be traveling *within* the service area, but over fifty (50) miles from their work station. There were several instances, for example, where maintenance people based in Owensboro were working in Hopkinsville on a project and it was in the interests of the agency for them to get “on the job” early and perhaps work as late as they could. It’s more advantageous to AACS in some instances to ask those staff to stay over and have their meals

and hotel expense picked up for the night. This was being done, but AACS didn't have a policy to support the practice. This proposed policy revision corrects that deficiency.

**Section 22.7.** Senior Staff are recommending a provision a time frame for when travel advance requests need to be submitted. Payroll is paid every other Friday, and on the *alternating weeks*, payables are paid. Under this proposed policy, staff have to get the request for travel advance payment submitted to the Finance Department by the *Friday (the week) before payroll Friday*. And again, advance requests must have the prior written approval of the executive director.

**Section 22.8.** Virtually all of the existing policy text was proposed for deletion and replacement with new text that conforms to current federal travel policies. Senior Staff developed a new policy that eliminates the previous approach based on a "quarter-day system" that the federal government no longer uses. The newly proposed policy is a much briefer statement, but one that is closely aligned with the current federal travel policy. The only area where the senior management made a departure on was the federal policy provision for travel of *less than 12 hours*; the staff just eliminated that, deciding they didn't want to go there since that provision has never yet been included in the agency's travel policies.

The Committee noted that the acronym "M&IE" was never explained in the newly proposed text, so it instructed that "Meals and Incidental Expensed" be included and defined in the new policy. It was also noted that there were formatting errors, i.e., heading insertions, in the proposed text that needed to be cleared up.

Mr. Mayes said there were three to four staff people on the *ad hoc* "travel team" that were involved in developing the proposed changes for this section. Duties had been split to re-write the policy changes. Mr. Nehring has done Section 22.1 to 22.8. In addition, all of the travel forms that the agency uses for travel were completely redone. Mr. Logsdon noted those brand new travel forms will be implemented as soon as the Board approves the proposed travel policy changes.

***Financial Procedures and Accounting Manual –Purchase Cards – Section 24.*** Mr. Mayes advised the Committee on proposed changes to the Purchase Card policy.

**Section, 24.1.** Those changes were per the request of Internal Auditor Brad Trivett. He had performed a testing of the Purchase Card charges and the staff member "applications" that were on file, that is, the forms that the employees sign to assure their proper and responsible use of the cards and all charges incurred through the agency's Purchase Cards. The text proposed to be inserted provides more clear language in the policy to direct that staff provide prior written assurances on their proper and allowable use of these cards. (The text formatting used in this policy proposal is similar to that previously noted.) The policy itself speaks in general terms of their liability for use of the card and it provides them more *specific* direction on where staff can find the allowable-use guidance.

Mr. Logsdon cited examples of charges an agency traveler might put on their personal credit card that would *not* be allowable if charged as part of a travel subsidy by means of the agency's Purchase Card. Judge Haire asked why it would matter as long as it's within the per diem rate; Mr. Logsdon said it would be on the agency's Purchase Card, and he would not want that to appear in an audit. This would be fine if staff was using their own money, but they just couldn't use the agency's Purchase Card for that type of purchase. But Mr. Mayes stated he believed that such "unallowable" charges could be challenged in staff expenditures where they don't have advance per diem monies, which staff may spend at will. Mr. Mayes said the policy also makes it clear that staff can't obtain a Purchase Card and start charges until they sign the requisite signed agreement on file.

**Section 24.4.** This slight revision simply inserts into the sub-section heading the word “Personal” to make it clear that this section pertains to employees’ use of their own *personal* credit cards. It was felt that this just needed to be made more clear in the Section 24.4 policy statement.

Mr. Logsdon said that he and Senior Staff were asking the Committee to recommend to the Board on approval for this amendment on the policies.

*Without objection, the Committee agreed to refer to the Board its recommendation for approval of the proposed Travel Policy revisions in sections 22 and 24 of the Financial Procedures and Accounting Manual.*

**Davis-Bacon Wage Act Policy Revisions and Related.** Davis-Bacon wage-payment requirements were proposed for Board consideration by the senior management staff:

**Davis-Bacon Act Wages.** Mr. Logsdon stated that with the American Recovery and Reinvestment Act of 2009 (ARRA) funding, the agency’s Weatherization Assistance Program (WAP) can now spend up to \$6,500 per home. And with that amount of expenditure, the federal waiver amount in the Davis-Bacon Act was exceeded. So now, any worker that performs a certain type of work that is covered under the Davis-Bacon Act has to be paid Davis-Bacon wages, and those wages must be paid weekly.

**AACS Personnel Manual — Section 3.2, “Salary Payment Procedures,”** Ms. Gattton explained that agency staff usually gets paid every other Friday. She further advised the Committee of the added bullet in *sub-section (1)* of the “Salary Payment Procedures” that any staff person getting paid “Davis-Bacon” wages must now get a paycheck weekly. On the next page under Section 4 in the mailed out packet is just a clarification of the Davis-Bacon wages. In addition, an entirely new *sub-section (4)* has been added to provide more particulars concerning agency Davis-Bacon Act wage policies. It is noted that there will be prevailing wages with respect to certain kinds of work covered under the Davis-Bacon Act. It is job specific. One example is for “HVAC” work, another is carpentry work on doors and windows.

Mr. Logsdon added that Davis-Bacon wage rates vary by county and by job type. Mr. Mayes said a survey was conducted by the Department of Labor, which created these classifications and prevailing wages *for the Weatherization program only*. Also, any worker among the agency’s WAP subcontractors *as well as within AACS* working under the requirements of Davis-Bacon shall receive the prescribed rates of pay. Each of the “projects” these workers are involved with have to be reported on a *separate* time sheet. There is a lot more detail behind these policy changes, said Mr. Mayes.

Judge Haire informed the Committee of the history behind *why* these Davis-Bacon wages were paid weekly. “Prevailing wages” have become controversial in this state within the past ten to twelve years. But this act came during the Great Depression (1935) when the federal government wanted to get money into the hands of workers as quickly as possible, and that requirement has never been altered. The agency’s WAP subcontractors have been brought in and have been consulted on the program’s Davis-Bacon Act requirements. They have agreed to the stipulations, said Mr. Mayes.

Minor alterations of the Financial Procedures and Accounting Manual were also required:

**Section 25.3, “Payroll Administration.”** This simply says that the agency will pay “Davis-Bacon wages” on a weekly basis, as required by law.

**Section 43.1, “Record Retention Policy.”** The agency stipulates that it will keep all records related to Davis-Bacon Act wages for the legally required three years from payment.

*Without objection, the Committee agreed to refer to the Board its recommendation for approval of the proposed Davis-Bacon Act revisions in Sections 3.2 of the Personnel Manual and Sections 25.3 and 43.1 of the Financial Procedures and Accounting Manual.*

**AACS Personnel Manual — Section 5.1, Subsection 4, “Holidays for Part-Time Head Start Employees.”** This is a new policy section proposed by the Head Start and Human Resources directors. Mr. Logsdon stated this came about through the Kentucky “STARS” child care center rating program. Different child care providers can get different benefits by their STARS ratings. AACS had been qualified to be a *4-star* program, but the state came in and evaluated the agency; because there was not a policy that pertained to payment of holidays to part-time Head Start center employees, the evaluators put the agency back to a 3-star rating. Mr. Nehring came to Mr. Logsdon and Ms. Gatton with a recommendation for the Personnel Manual to be amended to provide payment of holidays for part time Head Start employees, which will then qualify AACS Head Start to get back its 4-star rating.

Ms. Gatton said for the part time employees, the hours they get coincides with the amount of hours they work. If an employee works a four hour day, then they would get a four-hour paid holiday. This will affect about seventy (70) AACS part-time employees, she said. This will meet Mr. Nehring’s needs and provide a small benefit to the part time employees in Head Start.

*Without objection, the Committee agreed to refer to the Board its recommendation for approval of the proposed policy on “Holidays for Part Time Head Start Employees,” Personnel Manual – Section 5.1 (4).*

**AACS Personnel Manual — Section 6.20, “Cellular Telephones.”** Mr. Logsdon informed the Committee that a situation had come up, and it required taking a look at the agency’s cell phone policy. There were some tinkering changes that will tighten up the agency’s policy a bit, he said. Most particularly, the proposed policy change makes clear that employees shall not allow persons other than themselves the use of their agency-provided cellular telephone.

*Without objection, the Committee agreed to refer to the Board its recommendation for approval of the proposed policy on “Cellular Telephones,” Personnel Manual– Section 6.20.*

**AACS Personnel Manual / Head Start Chapter Revisions — Section. 13.7. “Child Development Credentials.”** Mr. Logsdon said these changes were made because of the December 2007 “Head Start for School Readiness Act of 2007” law under which Head Start now operates. Ms. Gatton said that as of October 1, 2011 a qualified applicant has to have a minimum of an Associates Degree to be a Head Start teacher. Current AACS Head Start teachers that don’t currently have the required degree will have two years to obtain it or they will be terminated from their position. This is in the law.

Rev. Manning asked if the agency pays for that. Mr. Logsdon said AACS does provide assistance, but doesn’t necessarily pay for it all. Judge Haire asked what kind of volume AACS has currently of teachers that don’t have their Associates Degree. Ms. Gatton said it is very minimal, about five or fewer out of some twenty-three Lead Teachers. Mr. Logsdon noted that the agency would have more than that, but AACS operates within the school systems and has worked out arrangements where for health insurance payment purposes the schools now employ most Head Start teachers. In Owensboro, for example, AACS doesn’t employ any teachers at Hager Preschool. The agency employs the teacher associates there, but the Board of Education employs the teachers. The reason for that is that the Department of Education pays for school systems’ teachers’ health insurance, but if they were on AACS’ payroll, then AACS would have to pay for their health insurance.

**AACS Personnel Manual / Head Start Chapter Revisions — Section. 13.8. “Grants for College Tuition and Books.”** Ms. Gatton said the agency does provide a college reimbursement benefit for Head

Start staff furthering their education. Staff have to submit their request before a certain deadline date and then the Head Start management evaluates everyone that has requested for the next semester to make sure the funds are available, as cited in *sub-section (4)* — because there have been a lot of staff requesting for the tuition reimbursement. Thus, the policy outlines that the *Lead* Teachers come first, then on down through the ranks to the Teachers Associate. Those provisions are stated in *sub-section (2)(c)*. Additionally, the changes in this Section involve a lot of clean-up of the policy.

Another proposed policy change is in *sub-section (2) (d)*, which pertains to anyone that is part of the new Head Start Readiness Act of 2007, if they actually complete their teaching degree and don't stay with AACS for three years, the agency can request money to be reimbursed back.

Judge Haire asked if there was a program for non-Head Start agency employees. Mr. Logsdon stated there is another provision in the Personnel Manual, but that is limited to Counseling Services staff and the agency's needs for degreed social workers. Judge Haire asked if the agency would consider other employees to pursue their education. If an employee wishes (on their time) to improve their skills so that they can perform better or be eligible for promotions that come up, it would be in the agency's best interest to have the best skilled workers. Employers are looking at continuing education for their employees. Ms. Gatton said that the agency does pay for additional training. Mr. Logsdon said he had no problem pursuing that policy goal, but that it's ultimately going to come down to a budget- and contract-limitation issue.

*Without objection, the Committee agreed to refer to the Board its recommendation for approval of the proposed Head Start Chapter policy revisions on "Child Development Credentials" – Section 13.7 and "Grants for College Tuition and Books" – Section 13.8.*

**Position Classification Charts, AACS Personnel Manual – Updates for Owensboro Regional Recovery Center ("ORR").** Mr. Logsdon noted that these updates were exclusively in connection with Owensboro Regional Recovery Center. Mr. Logsdon pointed out that on AACS' [audubon-area.com](http://audubon-area.com) website (under the "About Us" Counseling Services Department organizational chart) one can see how everything in that department, *including ORR*, is structured. The position titles under consideration can be seen on that particular chart. The agency tried to hire a director for ORR and had a few candidates. But everyone that the agency tried to hire declined because they didn't think the salary was paying enough.

Judge Haire asked what the starting salary was. Ms. Gatton said, "Right at \$50,000." Mr. Logsdon told the Committee this was within the range the Board had approved. AACS felt that the person needed a Master's degree with five years of experience. This position was also advertised in *The Courier-Journal*. The best ones that came from that ad were interviewed, said Ms. Gatton. The position is being re-advertised right now. Ms. Gatton mentioned that the requirements have been dropped to a Bachelors Degree and three years of experience.

***Salaried / Exempt Positions.*** Mr. Logsdon noted the proposed salaried, exempt ORR positions:

- Counseling Specialist — Grade 22 (\$25,000 - \$27,000)
- Phase I Coordinator — Grade 23 (\$28,000 - \$31,000)
- Phase II Coordinator — Grade 23 (\$28,000 - \$31,000)
- ORR Operations Manager — Grade 25 (\$32,000 - \$36,000)
- Safe Off Street ("SOS") Coordinator — Grade 30 (\$35,000 - \$40,000)

***Hourly / Non-Exempt Positions.*** Mr. Logsdon said the hourly, non-exempt positions:

- "SOS" Monitors — Grade 6 (\$16,000 - \$18,000) *Mostly Residents*
- Counseling Specialist — Grade 12 (\$14,466 *estimate* [20 hours weekly])

*Without objection, the Committee agreed to refer to the Board its recommendation for approval of the proposed Salaried and Hourly Position Classification Charts updates for the seven ORR positions.*

The ORR director position was previously approved by the Board in August 2009. It is a Grade 32 (Salaried) position paying \$44,000-\$50,000 to start. In addition, the final ORR position, that of Program Assistant, was a previously listed position, one that occurs in several AACS departments; it is a Grade 10 (Hourly) position paying \$20,000-\$23,000 to start.

**We the People Town Meeting 2010 Sponsorship.** Mr. Logsdon informed the Committee that for the last town meeting in November 2007 AACS was a \$5,000 sponsor. Another town meeting is planned for November 2010. Mr. Logsdon said he would like AACS to be a \$5,000 sponsor again for that event.

*Without objection, the Committee agreed to refer to the Board its recommendation for approval that the AACS again be a \$5,000 sponsor for the We the People Town Meeting in November 2010.*

**FY2010 Federal Per Diem Schedule.** Mr. Logsdon stated that at every October Board meeting the Board approves the new FY2010 federal per diem rates. The \$39 was the basic rate for meals and incidental expenses. That has been raised to \$46. Mr. Logsdon also stated he printed out the entire FY2010 per diem schedule. The rate a traveler gets depends on where one goes, what state and city one goes to. This annual schedule comes out every late September and goes into effect every October 1. Mr. Logsdon said he proposes the Committee adopt the new FY2010 schedule, effective October 1, 2009.

*Without objection, the Committee agreed to refer to the Board its recommendation for approval the FY2010 per diem schedule, effective October 1, 2009.*

## **REPORTS**

**Management and General** — Ronald Logsdon, Executive Director.

**Horizon Place “Modification Agreement”.** Mr. Logsdon noted the Kentucky Housing Corporation (KHC) Agreement that came in from Mr. Garry Watkins, Wabuck Development, in mid September. Basically, this Agreement raises the income level (60% of median income) a family can have to be eligible for an apartment in Horizon Place. It also extends out the “affordability period” requirements to thirty (30) years. Kentucky Housing Corporation said that was what they wanted. Mr. Mountjoy reviewed the Agreement and had no concerns about it, so it was executed and returned to KHC.

**Owensboro Regional Recovery Center Progress Update.** Mr. Logsdon said there was a progress meeting on Monday, September 28<sup>th</sup>. ORR’s construction is (at least financially) 82% completed. It is expected to be completed on budget by the end of December 2009. ORR will probably be operational by February or March of 2010, he said.

**WellPoint Stock Portfolio/Investment Report.** Mr. Logsdon said when he mailed out the Committee’s meeting packet he was very pleased to have the portfolio at the \$1.2 million mark. Earlier that day, though, instead of it almost being at \$55 a share, as it was last week, it took a dip to below \$48. The agency has a remaining of 22,058 shares, and its WellPoint portfolio is now valued at \$1,052,000.

**Directors and Officers (“D&O”) Liability Insurance Renewal.** Mr. Logsdon said the agency paid about \$12,500 last year and this year’s premium was \$12,722.88. The agency is going in the next year to be talking to local companies and get other bids in. AON is the current agent, and the current “D&O policy with The Hartford comes under the umbrella of United Way of America. Rev. Manning asked Mr. Logsdon why he felt the renewal might go up. Mr. Logsdon stated AACS had to

submit the audit to them, and with the fraud incident last year he thought the underwriters might be nervous, but they weren't.

**Presidents Place.** Mr. Logsdon stated that ground work had begun on the new property. Hopefully, construction will start soon. Wabuck and KHC are still working through all the financing issues, he said.

**Horizon Place.** Mr. Logsdon informed the Committee that the agency just received \$32,000 out of the nearly \$80,000 developers fee. This is the second check; there will be a smaller third check coming soon. AACS will also receive its developer's fee on Independence Heights.

**Healing Place.** Mr. Logsdon noted a new KHC contract had been received that will provide AACS \$22,000 to contract with the Healing Place in Louisville (or other approved entity) for consultation services on how to run a *Recovery Kentucky* / "Recovery Dynamics" model. KHC is requiring that AACS/Lighthouse Recovery contract with an existing entity that is already experienced running that approved model, but KHC will provide the money to do the contracting.

**Weatherization Revised Budget.** Mr. Logsdon stated the agency had to submit a revised budget on its FY2010 Weatherization program. This has been done and approval already received.

**Low-Income Home Energy Assistance Program (LIHEAP).** Mr. Logsdon said the FY2010 LIHEAP program is getting ready to start. (The Subsidy Component will run November 2-December 11, 2009.)

**Head Start Playground.** Head Start has received an ACF/DHHS grant award of \$40,000 for a playground.

**Finance**—Byron Mayes, Chief Financial Officer.

**Letter of Credit.** Mr. Logsdon told the Committee that he, Head Start Director Aubrey Nehring and Mr. Mayes had met with the BB&T representative that morning to do an extension Letter of Credit for the Christian County Head Start center. BB&T is extending that Letter of Credit, which supports the low-interest bond rate, for two months. AACS had to pay an additional fee of \$10,969 for the letter of credit. That sum is 2% of the remaining bond amount, which is a "pretty standard" fee.

Rev. Manning said he thought it was 1½%. Mr. Logsdon said that was correct, but when the term of that *initial* rate ran out, it was increased it to 2%. Judge Haire asked what would happen in two months. Mr. Logsdon said he was anticipating a renewal (at the 2% fee rate) for thirteen months through December 31, 2010.

Mr. Logsdon stated the agency was having lawyer-to-lawyer negotiations between counsels for two different bond issues. One party of that issue involves the Daviess County Fiscal Court's bond on the 1700 Fifth Street building, where the bond agreement says that the net assets of AACS are pledged toward that bond issue. When the BB&T bond counsel's (Christian County Fiscal Court bond issue) lawyers received the audit and saw that reported in the audit, they got concerned about it. Now, there is negotiation going on between their lawyers and the bond counsel for the Fifth Street building.

In the beginning, the Daviess bond lawyer requested documents from BB&T, and BB&T submitted the documents they requested. Mr. Logsdon said he didn't know if the lawyers didn't request enough documents to really get to where BB&T "had control" at that point and had to give its consent, or just where the mix-up occurred. But now all the different bond counsel lawyers are trying to work out a point that they should have correctly resolved from the beginning.

Mr. Mountjoy reaffirmed that in other words, BB&T had AACS' "pledge" *before* the bond issue for the Fifth Street building. Mr. Logsdon said no, AACS assets were *not* pledged under BB&T's bond agreement. Our agreement with them was that they had to be consulted before the agency made other commitments — and they were! All of this was being handled by local attorney Charlie Kamuf II and Daviess County's bond counsel Dirk Bedarff of Covington, Kentucky. They were working with Mr. Randy Spaw at BB&T. When the bond documents for the issue through the Daviess County Fiscal Court was written the attorneys put in a specific paragraph that pledged AACS' net assets toward that second bond issue, and that is the source of BB&T's concern.

Mr. Logsdon mentioned that AACS received a \$4,000 bill from Moore and Van Allen, Charlotte, North Carolina, for its work they are doing for BB&T. Mr. Mountjoy suggested to Mr. Logsdon to keep track of all of the additional costs pertaining to the Daviess County bond issue lawyers' mistake of needing BB&T's approval, which was never sought or given.

***Information Technology*** — Dennis Hagan, IT Director.

Mr. Hagan said the *Logos* upgrades are the biggest focus right now. The testing of the *Logos* 6.0 version will be going on this week. The primary focus will be the backup and disaster recovery reconfiguration that was brought up at the last meeting.

***Human Resources*** — Cheryl Gatton, "HR" Director.

Ms. Gatton said her department will be working on the job descriptions for the new ARRA positions that will be opening up. The United Way pledges have just finished. Also, the health insurance renewals are coming up shortly.

## ***ADJOURNMENT***

There being no further business,

*The Committee agreed to adjourn the meeting at 1:02 p.m.*

Board Chair  
Judge Reid Haire