

**Minutes of the Meeting of the
Arkansas Home Inspector Registration Board
1509 West 7th St, Little Rock, AR 72201, 4th Floor
February 2, 2016, 3:00 PM**

The meeting was called to order at approximately 3:00 PM by AHIB Secretary/Treasurer Wayne Pace. Board meeting was attended by Board Members Wayne Pace, Anthony Utsey, and Mitch Erwin via teleconference. Attending in person were Board Member Robert Neal, AHIB Executive Director Sam Wherry, Assistant Attorney General Julie Chavis, Deputy Attorney General for the State Agencies Department Meredith Rebsamen, DFA Office of Accounting - Administrator Paul Louthian, DFA Office of Accounting - Accounting Manager Melanie Hazeslip.

Agenda Item A – Roll Call – Roll call was performed by Wayne Pace to confirm presence of:

Wayne Pace
Anthony Utsey
Mitch Erwin
Bob Downum
Robert Neal

Agenda Item B - Confirmation of Wayne Pace as Interim Chair – Motion by Mr. Downum seconded by Mr. Erwin to confirm Mr. Pace as Interim Chairman due to vacancy of AHIB Chairman and AHIB Vice-Chairman positions. Mr. Pace accepted nomination. With no discussion motion passed by voice vote.

Agenda Item C - Executive Session – Board discussion of going into executive session. Mr. Downum made a motion to go into executive session. Meredith Rebsamen gave reasons allowed for executive session (personnel issues). Mr. Downum stated that he did not know the reason for going into executive session. Mr. Downum rescinded his motion. Motion by Mr. Neal seconded by Mr. Downum to enter executive session for the purpose of consideration of employment and disciplinary action with consideration to AHIB Executive Director. With no discussion motion passed by voice vote.

Mr. Neal asked if there should be need for legal counsel while in executive session, can they go back into the special meeting and ask questions and then go back into executive session? Mrs. Rebsamen stated yes that is what would need to happen.

Agenda Item E - Exiting Executive Session – Executive session ended and special meeting reconvened in public session.

Agenda Item F - Informal Discussion – Mr. Neal asked about disposition of board records. The question was asked in executive session, “Does Sam currently have access to all of the board’s records and everything that he needs in order to perform his duties including the Excel database of home inspectors?” Mrs. Hazeslip responded that she had sent the spreadsheet to him previously. He did not have the most current database because that is being updated on a regular basis. Mr. Wherry stated that Mrs. Hazeslip maintained the database during renewal period and has continued to do so. As Mr. Wherry received information from Service Bureau that he would take that information and file it. As far as him doing the regular work when he came on board the governor made the executive order for DFA to assist the board and that is why Mrs. Hazeslip has been handling the database. The entire database was taken off of the agency computer and put

onto her computer and that is what has been working. Being in office management and as the executive director Mr. Wherry stated that as long as the board was receiving reports and updates he was not concerned. In November the board received the first financial statements and the board did not have financials in the past and Mr. Wherry did not want to do double dipping since they wanted the board to be efficient and since Randy Martinsen had been gone since March that was our thing but as of right now no he does not have any updated files on the office computer since November but he stated that he knows that they are updated because as mail comes in Mrs. Hazeslip posts it on her computer and then anything that is issued Mr. Wherry signs off on it and then it goes through Treasury and pays and Mr. Wherry thinks the board's reports will show that there have been no discrepancies at all since October, November, December and January. Mr. Wherry could see if there were some discrepancies in the report from DFA Office of Accounting that there could be questions in the administrative affairs. The main thing is the agency has been trying to get setup in the new office and get files and everything in order. Mr. Pace asked if Mr. Wherry had access to all of the files that he needs. Mr. Wherry stated yes, through Mrs. Hazeslip. Mr. Pace asked if he personally had access to any files. Mr. Wherry stated yes that all of the inspector files are in the board office at 1515 Bldg., Ste. 305. They are locked in file cabinets. Mr. Pace asked if Mr. Wherry had access to all of the files that he needed to do the job. Mr. Utsey asked if he had all of the computer files. Mr. Wherry stated that he does not have all of the computer files. Mrs. Hazeslip has the computer files. As insurance renewals and new applicants are received they are updated on Mrs. Hazeslip's database. The plan was as the agency moved into more independency then it would be zipped over to the office computer. Mr. Wherry stated that he had a background in computers. Mr. Utsey clarified that Mr. Wherry was receiving paper copies for filing. Mr. Wherry agreed. Mr. Wherry stated that there was nothing up-to-date on his computer because it is on Mrs. Hazeslip's computer. Mrs. Hazeslip keys everything on her system so the reports that are given to the board monthly are valid. Once Mr. Wherry takes complete control then he would be responsible just as Mr. Martinsen was when he was there. Mr. Utsey asked why that has not been done. Mr. Wherry responded that Governor Hutchison made an executive order when Mr. Wherry was hired that DFA would assist to make sure that the board got up and going. Mr. Wherry stated that he had a background in management but that coming into an agency he had no former training. Mrs. Hazeslip was already working so at any time, even if today or whenever, Mr. Wherry stated that if the board decided to "end this courtship with DFA" and just go straight with the board office then all he needed was a zip file to update the excel program and then work from a day to day basis. Mr. Utsey asked when Mr. Wherry was going to do that, when is Mr. Wherry going to become responsible for all of the home inspectors files. Mr. Wherry stated that is what he had been waiting on. Mr. Wherry stated that he asked about that in December and was told that DFA would continue to work with him. What Mr. Wherry is waiting on now is that the board has to prepare a budget to allow for access to assistance plus is the board going to be solvent or is the board going to be consolidated. It is not the inability to do the work but is the board going to be a solvent body. Mr. Utsey stated that the board needs to get all records in the board office. Mr. Wherry stated that the transfer could begin the following day. All mail/transactions that come in, Mr. Wherry would handle it. Mr. Wherry would work back through Service Bureau and go to Treasury and to Auditor or wherever. Mr. Wherry stated that he had been watching and observing. Mr. Utsey asked Mrs. Hazeslip what the issue was and why Mr. Wherry was not already doing that work. Mrs. Hazeslip stated that renewal season was a big piece of it and waiting on Mr. Wherry to take it over. When Mr. Wherry is ready to take it over, it can be handed over. Mr. Pace asked if Mr. Wherry had asked to take it over. Mr. Wherry stated that there were discussions about taking it over but that the administrator and the governor's office had agreed that DFA would work with the board until such time as the governor makes the decision on what he is going to do with the agency. Mr. Downum stated that there is a difference between working with someone and doing the work. Mr. Wherry stated that he can do the work. The issue is what Mr. Wherry calls good acute accounting to where it is in line. Mr. Wherry stated that he started in November and the agency

went through a renewal season which involved receiving and watching and noting. Mr. Wherry stated that he was watching every phase of the operation as a one man show. If the session is about to say that the office is ready to go Mr. Wherry stated that this is the time to do it, with renewals behind the agency. Mr. Wherry stated that he wanted to start taking stuff off of Mrs. Hazeslip and become more familiar with education and working with the website so that hopefully by the time it is renewal season everything can be done online. Mr. Wherry stated if that is what the board wanted, he is “ready to go”. Mr. Pace asked if a representative from DFA felt that if everything was handed over to Mr. Wherry tomorrow would he be able to take care of it. Mr. Louthian stated that he did not feel that Mr. Wherry is capable of doing everything that Mrs. Hazeslip is doing. Mr. Wherry stated that he did not think anyone could make that assessment because they have never seen him do it before. In the past Mr. Wherry ran the Wherry Company for 26 years, dealt with the Lower Mississippi Delta Project and no one has set down and watched him do anything. Mr. Utsey asked if Mr. Louthian had made the statement and Mr. Louthian confirmed he had. Mr. Pace asked if Mr. Wherry had taken over any part of it at this time. Mr. Wherry stated that the administrative part of it, bringing in the marketing and working with day to day operations working with inspectors and maintaining the filing system, yes. Mr. Wherry stated that if he needed to get the mail and take it to his office instead of office of accounting and do the deposits and stuff that he could. Mr. Utsey stated that “we need to shift that responsibility”. Mr. Wherry stated to please do so. Mr. Utsey stated not necessarily all of it but some of it. Mr. Wherry stated that he is ready to do it. Mr. Wherry stated that the board can compare reports going forward to verify his work. Mr. Neal stated that comments had been made about additional assistance and asked if the ability to do the work included that additional assistance or did Mr. Wherry feel comfortable to do the job without additional assistance. The board does not have budget for additional assistance. Mr. Wherry stated that when he took this position that the governor was unable to get him additional assistance and that was why DFA was assisting. Mr. Neal asked if he could perform the duties without additional assistance. Mr. Wherry stated that yes he would be able to perform the duties without assistance. Mr. Wherry stated that he will be able to do it every day. Mr. Utsey made a motion to go back into executive session. Mr. Downum asked Mrs. Hazeslip if Mr. Wherry received an electronic copy of the spreadsheets. Mrs. Hazeslip stated that yes it was sent to him in January. Mr. Wherry stated that he had paper copy. He stated that he did not get zip of file because Mrs. Hazeslip was working the file daily. Mr. Pace asked Mrs. Hazeslip if she gave Sam a digital excel file and Mrs. Hazeslip stated that she emailed Mr. Wherry a copy of the file as of January. Mr. Utsey asked if he could load that onto his machine. Mrs. Hazeslip said that yes it was in excel. Mr. Downum stated that Mr. Wherry stated he only go a hard copy and not an excel copy. Mr. Wherry stated that he could only get it as a zip drive to load on his computer. Mr. Wherry stated that was how Mrs. Hazeslip got the file originally. Mr. Wherry stated to get a good assessment of him that all information from AHIB board be moved via zip file from Mrs. Hazeslip’s computer to the AHIB computer then the board can review reports at the board meeting to determine if there are discrepancies.

Agenda Item G. - Executive Session – Motion by Mr. Utsey seconded by Mr. Neal to enter executive session for the purpose of consideration of employment and disciplinary action with consideration to AHIB Executive Director. With no discussion motion passed by voice vote.

Agenda Item H. - Exiting Executive Session – Executive session ended and regular meeting reconvened in public session.

Agenda Item J. - Motion for Future Review and Evaluation – Motion by Mr. Downum Seconded by Mr. Utsey passed by voice vote to set review criteria for Executive Director as follows:

Executive Director has been directed to work towards encompassing all administrative duties of AHIB effective immediately. A review is ordered in thirty (30) calendar days to examine the progress of the transfer of administrative duties from DFA to the AHIB Executive Director. Progress will be monitored and advice and guidance given by The Board at the end of this period. Executive Director is directed to have fully assumed all administrative duties related to this position by the end of sixty (60) days from now.

Mrs. Rebsamen recommended that the board provide specific directives to Mr. Wherry. The motion was broad. What does the board expecting Mr. Wherry to take over in 30 days? What does progress look like. Mr. Downum stated that in his opinion progress is that he is taking charge of all incoming correspondence from anyone concerning the inspectors, complaints, correspondence to the board. He would do all Excel. The board needs to see progress on those items. Also communications need to be made more in plain English. Board members have expressed that they do not understand the emails they are receiving. Mr. Utsey said that this was with some assistance from DFA. Mr. Downum stated the DFA would report to the board on what Mr. Wherry has made progress on. Mr. Pace stated that Mr. Wherry must take all meeting minutes and provide those to the board members himself. Mr. Wherry stated that he understood. Mr. Downum stated that the board must see progress in all of those areas and if not then we have a problem. If there is progress but not complete then Mr. Wherry would be given another 30 days to take over 100%. Mr. Wherry asked to have a comparative analysis of reports that are given out monthly so that all of his data would reflect that there are no discrepancies or violations. He also asked that the board is an independent solely board just like DFA and DHS and that he wants to be treated as such. Mr. Wherry takes sole responsibility to be liable for that. Mr. Neal asked if there was anything that the board needs to do to make that happen. Mr. Wherry said the only thing is to move the records. Mrs. Hazeslip stated that QuickBooks had not been updated since October 31, 2015. Mr. Wherry stated that it had not been updated due to discrepancies found in the audit. Mr. Neal asked Mr. Louthian if the records could be transferred. Mr. Louthian responded that it would be done the following day.

Mr. Louthian stated on Feb 24, 2016 DFA would give the board a list of job duties that DFA has been performing. Mr. Louthian recommended that the board start the 30 days from the board meeting on February 24, 2016. That would allow the board to provide specific items that Mr. Wherry would be evaluated on for those 30 days. He also stated that the board will evaluate Mr. Wherry and that DFA would not be involved in that evaluation. Board members should add to the list provided by DFA at the board meeting if there are additional items. Mr. Downum asked if the list could be provided prior to the board meeting. Mr. Louthian stated that he did not see a reason why it could not be provided.

Motion Amended by Mr. Neal and seconded by Mr. Erwin passed by voice vote to read as follows:

Executive Director has been directed to work towards encompassing all administrative duties of AHIB effective immediately. Executive Director has been instructed to work with transfer of administrative services from DFA. DFA's Paul L. has agreed to supply a list of responsibilities and duties that DFA is currently providing for AHIB at least two days previous to the next scheduled AHIB meeting, February 24. A review is ordered after thirty (30) calendar days from February 24 to examine the progress of the transfer of administrative duties from DFA to the AHIB Executive Director. Progress will be monitored and advice and guidance given by The Board at the end of this period. Executive Director is directed to have fully assumed all administrative duties related to this position by the end of sixty (60) days from February 24.

Agenda Item K. - Informal Discussion –

Mrs. Rebsamen discussed FOIA and that Mrs. Chavis has given adequate guidance in this area and that there needs to be a change in this area to be sure to operate within the confines of FOIA. Emails to solicit or invoke a response could be seen as a violation of FOIA and this type of behavior needs to be avoided. Serial polling was discussed. Clarification was given that setting a meeting is not considered board business as it is an administrative matter, not business that would potentially come before the board so scheduling a meeting date time and location is not a FOIA violation.

Agenda Item L. - Adjournment – The meeting was adjourned upon unanimous agreement on motion of Mr. Downum and second of Mr. Utsey at approximately 4:25 PM.