



**SEANC Board of Governors Meeting Minutes
May 19-20, 2017
Raleigh, NC**

President Stanley Drewery called the BOG meeting to order at 12:01 pm.

Pledge of Allegiance

A.J. Albertson gave the Invocation.

Betty Gautier, Secretary, conducted the roll call.

Attendees: Stanley Drewery, President; Gloria Evans, First Vice President; Darius McLaurin, Second Vice President; Chevella Thomas, Treasurer; Ross Hailey, Past President; Janice Smith, Insurance Board Chair; Benny Brigman, Retiree Council Chair; Kim Martin, Parliamentarian; Ray Evans (Absent), Parliamentarian; Betty Gautier, Secretary

(1) Mark Haskett, (2) Cliff Johnson, (3) Pat Reighard, (4) Tim Southard, (5) Tony Smith, (6) Sonya Akbar, (7) Henry Belada, (8) Ron Hunt, (9) Jamie Robinson, (10) Dennis Hartley, (11) A. D. Hall for Kenny Brower (Absent), (12) Chenell Rose, (13) Linda Colbert, (16) Willie Bailey, (17) Kemrey Lamar, (18) Lisa Martin, (19) Marie Tate, (20) Jacque Chatman, (21) Janice Bass, (22) Deborah Harney, (23) Jeremy Register, (24) A.J. Albertson, (25) Karen Baldwin for Kirk Montgomery (Absent), (26) Phyllis Jones for Stanley Gales (Absent), (27) Sam Rogers, (28) Felicia McKinnie, (37) Furman Beckwith, (38) Susan Gentry/Margaret Reader, (39) George Thiessen, (40) Vernice Whyms, (41) Mike Gould, (42) Shirley Bell, (43) Debra Dunston (Absent), (44) Pat Holcomb, (45) Joyce Yelverton, (46) Randy Bruton, (56) Grace Edwards, (57) Daisy Stancill, (58) Pam Hailey, (59) Kathy Merritt, (60) Hiawatha Jones, (61) Cindy Hester, (62) Laura Overstreet, (63) Sherry Dodge, (64) Latina Shelley, (65) Debbie Austin for Alicia Simpson (Absent), (66) Francisco Duarte, (67) Carlton Jarmon for Patricia Moore (absent), (68) Rita Woods, (69) Keith Renner, (70) Debra Tyson; Awards: Janice Bass; Bylaws Advisory: Jimmy Davis; EMPAC: Tony Smith; Member Discount: James Hartley; Membership: Ron Fields (Absent); Planning: Gloria Evans; Training: Steve Lawson; Policy Platform: Jim Pressley; Scholarship: Mike Bell; Emerging Leaders: Emily Jones; Audit Committee: Keith Renner; Executive Director Search Committee: Martha Fowler; Standards Review Committee: Tara Minter & Ray Evans (Absent); Personnel Manual Review Committee: Anne Castro for Doris Greer (Absent); Public Relations Committee: Hiawatha Jones; Fight for \$15: Wendell Powell (Absent); Connections: Linda Rouse Sutton; Benevolence Committee: Deborah Fleming (Absent); Mitch Leonard, Executive Director; Chuck Stone, Director of Operations

President Stanley Drewery recognized SEANC Past Presidents who were in attendance at the BOG Meeting:

Shirley Bell
Linda Rouse Sutton

Flint Benson
Tony Smith

Ross Hailey
Chuck Stone

Tony Smith made a motion to approve the BOG minutes from February 24 – 25, 2017 with the notation that the title be changed to read SEANC BOG Minutes, instead of Executive Committee Minutes. Pat Reighard seconded. Motion passed.

Chevella Thomas gave the Treasurer's Report. Cash and cash equivalents for the General Fund are \$2,989,748. SEANC will now file with the IRS the POL 1120 for 2015 & 2016 with the amount to be paid of \$20,353 (for both years). There may be penalties, but the SEANC Office will wait for communication from IRS as to how much is owed. Tax is at 35%. Moving forward, there will be a line item in our budget for this tax.

A clarification was asked on POL. This is for things sent out on political mailings, robocalls, etc. Why was this through SEANC funds instead of EMPAC?

The response was that EMPAC endorses candidates and utilizes funds in that manner. SEANC supports/encourages (lobbying), and that comes out of SEANC funds.

A recommendation was read from the Executive Committee for the BOG to approve for SEANC to pay \$20,353 from the Fight Back Fight Forward Reserve for the POL 1120 and for any applicable interest or penalties due (for years 2014 – 2015 and for 2015 – 2016). No second required.

Executive Director Mitch Leonard explained that there is not a line item in the budget for this tax. The money left over from Legislative and Political line item balance will be moved to provide funds. Funds remaining for use by the BOG after the \$20,353 has been deducted will be \$57,913.

Motion passed.

A recommendation was read from the Executive Committee for the BOG to approve for SEANC to transfer \$100,000 from the Purchasing Power account to the APO Reserve Account. No second required.

Tony Smith inquired about showing all expenses on the Financial Statement.

Chuck Stone replied that the Board adopted the format last year that is to be used. Motion passed.

Questions arose about reserves as all reserves are not broken down in specific category amounts on the Financial Statement.

Tony Smith made a motion that reserve monies be broken down into individual items in the budget. Motion was seconded. Motion passed.

A handout was initially distributed for the Reserve Fund Report that listed a total of \$1,103,000.

To clarify and respond to additional questions on reserves, Chevella Thomas distributed a handout which gave an explanation on Reserves listed on the Financial Statement.

On page 2, note the box at the bottom with Cash and Cash Equivalents, April 30, 2017. Line 80 reads: "SECU-Money Market (Theme Park Processing and Operating Reserve) and shows \$1,501,552. The question raised was why this amount varies from the separate handout titled Reserve Fund Report dated April 30, 2017 showing \$1,100,000 for Operating Reserves. The variation occurs since the \$1,100,000 shown on the Operating Reserve Fund Report does not reflect:

1. April receipts of \$393,641.00 in Theme Park purchases, which will not be booked until May and payments have been made to the Theme Parks.
2. We have not paid the Theme Parks or taxes yet, so we have not booked the theme park payment and do not exactly know what the theme park income will be for April until we pay in May.

Operating Reserves/Theme Park

\$1,100,000 + \$393,641 received in April = \$1,493,641

We get approximately \$800.00 a month in interest going into that account.

This brings the account up to \$1,501,552.

Mike Gould made a motion to accept the Treasurer's Report. George Thiessen seconded. Motion passed.

President Stanley Drewery stated that prisons are short staffed. He mentioned the recent tragedy where Sgt. Meggan Callahan was killed by an inmate at Bertie Correctional Institution on April 26. Meggan was a member of SEANC District 63. Some donations have already been received in the SEANC Office for the Sgt. Callahan fund. President Drewery challenged each district to give a donation of \$100 to the Sgt. Callahan fund.

President Stanley Drewery discussed some changes for the upcoming annual convention to be held in Greensboro in September. There will not be a banquet held on Saturday evening as in years past. The banquet will be held on Thursday night in order to allow for more members to have an opportunity to attend. The awards will be given out on Thursday night, and the dress will be semi-casual. Efforts will be made to keep the costs low. Officers will be installed on Saturday morning during the convention. The new 2017 – 2018 Board of Governors will meet on Saturday afternoon at 2 pm. A social will be held on Saturday evening.

The 34th Annual SEANC Convention in Greensboro will be held September 6 – 9, 2017. The theme this year will be, "Take the Leap (Lead, Engage, Act, Participate).

The SEANC 2016 – 2017 Executive Committee and the Board of Governors will meet in Greensboro on Wednesday, September 6.

Schedule:

Wednesday, September 6, 2017

11:30 am	Executive Committee Meeting
1:30 pm	Board of Governors' Meeting
3:00 pm	Teleprompter Practice
6:00 pm	President's Reception – Casual Dress (can invite one guest)

Thursday, September 7, 2017

No Pre-Convention Training

12 noon	Business Session Begins
6:00 pm	Business Session Ends
6:30 pm	Awards Banquet – come as you are (will try to have assigned seats for districts)
7:00 pm	Awards

Friday, September 8, 2017

8:30 am to 5 pm	Business Session (2 to 3 Breakout Sessions)
7:30 pm	EMPAC Reception

Saturday, September 9, 2017

9 am to 12 noon	Business Session (will incorporate installation of Officers)
12 noon	Past President's Luncheon
2:00 PM	New 2017-2018 Board of Governors' Meeting (Regional Representative Voting) (Pictures)

Deadlines for Registration, etc., for the convention will be:

July 21	District Table Reservation Hospitality Preference Room Reservation Raffle Information Awards Submission
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July 28	District Delegate Registration/Rooming List
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(Excel Spreadsheet – sent to Alicia)

August 19

Thursday Banquet RSVP & Ticket Sales
Remembrance Information/Photo Submission

District Chairs asked for:

- Information be sent to the districts from the SEANC Office on those members who have passed in the current year in order to assist the districts in gathering photos.
- Cost of the Thursday night banquet.
- Dress for convention/banquet.
- Late checkout for Saturday.

Alicia Miller responded that at this time, the cost is unknown for the Thursday evening banquet as she will need to negotiate with the hotel, but it will not be a sit down formal dinner. Cost information will be sent out to the districts in time to register to attend the convention. Note that delegates will need to sign up to attend breakout sessions. Alicia indicated that she would ask the hotel about late checkout on Saturday.

President Stanley Drewery stated to be professional, so no shorts or muscle shirts should be worn. Dress would be business casual.

Brenda Hooker made a presentation on APO (Alternative Payment Option – bank draft). There are two ways to sign up for APO. One is to go to APO.SEANC.Org Website and sign up on line. The other way is to fill out a traditional paper form. Some APO challenges have been timing of enrollment vs. bank draft, members not completing the required information on the form, members providing savings account information instead of checking account information, and bank rejections. Some of the solutions have been to change wording on the website to Checking Account Information, send out notifications via email, and working on an email to send out to contact Accounts Receivable Specialist if the bank draft is rejected. The total number enrolled in APO is 2,023. Active members number 1,741.

President Stanley Drewery encouraged all district chairs to lead by example by changing to APO. Forms are being made available to sign up for APO and to take back to the districts. District chairs asked for information on APO's to be sent out to the districts while sending out information on the annual meetings and for the APO form to be modified to include a block for routing number and account number.

Darius McLaurin stated that it starts in this room today. Be proactive and get switched over to APO this weekend.

President Stanley Drewery read a recommendation from the Executive Committee to the BOG to set aside \$25,000 for membership incentives for bank draft purposes in whatever manner the Executive Director deems necessary (\$5,000 per region). Purchasing Power Fund can be used to cover incentives. No second required.

Keith Renner shared that we will have to spend money to keep members.

President Stanley Drewery asked for suggestions on incentives.

Pam Hailey shared that about two years ago, NCAE lost 50% of their members when their payroll deduction was taken away by the Legislature.

Benny Brigman added that when NCAE got their payroll deduction option back, they only got back 50% of those previously lost.

Jacque Chatman asked for a regional breakout session to further discuss how the money for incentives would be spent.

Motion passed.

Lynn Cote shared that another APO enrollment training session will be held at the end of June. Mileage and expenses would be paid to assist with APO enrollment.

Laura Overstreet pointed out that members should be made aware that you would not only lose payroll dues deduction, but you would also lose deductions for insurance, purchasing power, etc.

Lynn Cote commented that having access to state agencies now will help with the efforts in switching folks over to APO. Since February, 876 members have been deleted and 614 members have cancelled. Of the 529 members who called the SEANC Office to cancel, the SEANC staff was able to save 288 to continue membership. On an average, 100 people cancel per month. In March and April, the cancellation ratio was more than 2 to 1 (recruited twice more than cancelled).

President Stanley Drewery asked that everyone step up and try to recruit and sign up for APO.

Darius McLaurin made a motion to go into Executive Session at 2:30 pm to discuss sensitive issues. Cliff Johnson seconded. Motion passed.

The BOG came out of Executive Session at 2:35 pm.

Benny Brigman announced that \$4,160 had been collected for the Sgt. Meggan Callahan fund.

A motion was made by Benny Brigman to add more monies to the collection from SEANC to present to Sgt. Callahan's family. George Thiessen seconded.

A discussion followed the motion:

- Some district chairs could not make a donation at this time from their district as the funds were not allocated in their budget and/or members of the district had not had an opportunity to vote on giving to the memorial fund for Sgt. Callahan.
- Wait until convention to collect funds for this purpose.

- Each district should give funds to a member's family when there has been a tragic death.
- One district stated that they take care of this type of giving through their community service/outreach funds.
- There have been other tragic deaths in the line of duty of SEANC members over the past few years. Although there may have been some donations given by individuals to the family, no additional SEANC funds were disbursed.
- No objections to giving money for this purpose, but there needs to be guidelines in place to ensure that all district members are treated fairly. Have a set amount of funds to give to a member's family when a life is lost in the line of duty.
- Someone will have to explain why you are using SEANC dues money for this purpose.
- A benevolence fund needs to be set up so that funds can be disbursed for this purpose. A bylaws change may be necessary.
- Make a recommendation to the Planning Committee to address a benevolence fund line item in the budget.

Motion failed.

Charles Johnson was recognized as a Past President. He had just arrived and joined the group discussion. He stated that the right decision was made to move forward on setting up a benevolence fund to give to families.

Mitch Leonard gave the Executive Director's Report. He discussed COLAs in HB 497 and SB 375 for the elimination of payroll dues deductions, which would become effective immediately, if passed. Executive Director Leonard encouraged all members to switch to APO. Active state employees are needed on the job as APO recruiters. SEANC has talked with Treasurer Folwell about pension and health plan issues. At this time, Folwell has not taken a position on the elimination of paying insurance for retirees and for eliminating the defined benefit retiree pension for those hired after July 1, 2018. The IT Study has been completed. A new system is estimated to cost \$450,000. La'Taun Danna has resigned as the Member Relations Representative in the East. Brian Keel resigned from the CFO position. SEANC is currently interviewing for a part-time HR Director. The SEANC Office plans to have a staff member at all district annual meetings. Recent additional access to State agencies has helped to improve recruitment efforts. SEIU has a new program, "One Voice," which is a national program for correctional employees. As soon as the CFO position is filled, we will hire the part-time HR Director. SEANC now has the signed Executive Order. SEANC is being given reasonable access twice a year in state agencies, the ability to meet with the Governor at least once per year, to meet with the State HR Director four times per year, and three days to attend the SEANC annual convention as a delegate (does not cover universities). The leave time for Board members to attend SEANC meetings is being reviewed.

Martha Fowler gave the Executive Director Search Committee Report. The committee is developing and reviewing interview questions and looking at processes and guidelines.

Gloria Evans gave the Planning Committee Report. The Planning Committee met yesterday and discussed the five-year budget plan. They plan to get together again sometime in mid-June and prepare a budget to present to the July BOG meeting. A suggestion was made to show where we have been and where we are going.

Mike Bell gave the Scholarship Foundation Report. The annual scholarship judging will be held May 23 – 25, 2017. At the district level, \$70,000 was distributed to scholarship winners. At the state level, the Scholarship Foundation plans to give out \$40,500 in scholarships. The vacancy in the Piedmont Region was filled by Angela Lyght. The Bowl-A-Thon will be held on Saturday, July 22, immediately following the BOG meeting. Be sure to encourage your members to sell raffle tickets. Keep a good record of tickets sold.

Jacque Chatman asked for copies of letters to be sent out as examples to scholarship candidates.

Pam Hailey gave an update on Past President Sidney Sandy. He has recently had back surgery and will have eye surgery soon.

Linda Rouse Sutton gave the Connections Report. A total of 68 Hurricane Matthew Disaster Relief applications was received. The total amount dispersed was \$22,010.54 in Phase 1. In Phase 2, they hope to be able to interview some folks who would participate in a video. Some money does need to be set up in a fund to address benevolence issues. Policies and processes need to be tweaked to address how to disperse funding for benevolence issues.

Jimmy Davis gave the Bylaws Advisory Committee Report. The Bylaws Advisory Committee will meet on July 18 and the Statewide Bylaws Committee will meet on July 19. We need everyone to have a Bylaws member present at the statewide meeting. If your district submits a bylaws amendment, someone who understands that amendment needs to be present to answer questions. Proposed amendments must be submitted on the standardized form to the State Bylaws Committee via Chuck Stone, Staff Liaison, no later than ten (10) business days after a district's annual meeting. It must be submitted no later than July 15, even if that date is less than (10) business days after the district's annual meeting. Note that batteries are being charged for the keypads used in the voting process.

Jon Owens reported on the Benevolence Committee Report for Deborah Fleming (absent). Jon has information on all folks in a database who have passed away this year. He will hand out the information by district. If you have a picture for that person, please submit to Jon Owens.

Emily Jones gave the Emerging Leaders Report. The group met on May 6 with some SEANC Past Presidents. The next meeting for the Emerging Leaders will be July 15. Upcoming plans for the group are to engage new delegates during the convention. A challenge was extended to each district chair to invite at least one new member to convention.

Steve Lawson gave the Training Committee Report. Carolyn Sutton has stepped down as Chair. The District Chairperson and Treasurer Training for 2017-2018 Chairs/Treasurers will be on August 9-10, 2017 at Camp Caraway, near Asheboro. The group is continuing to develop Leadership Training modules. The next meeting will be held on June 1.

Chevella Thomas reminded the group that Audit Chairs of each district should attend the training in August at Camp Caraway as well.

The BOG recessed for the day at 4:40 pm.

Saturday, May 20, 2017

President Stanley Drewery called the BOG meeting to order at 9 am.

Pledge of Allegiance

Darius McLaurin gave the Invocation.

Betty Gautier, Secretary, conducted the roll call.

Attendees: Stanley Drewery, President; Gloria Evans, First Vice President; Darius McLaurin, Second Vice President; Chevella Thomas, Treasurer; Ross Hailey, Past President; Janice Smith, Insurance Board Chair; Benny Brigman, Retiree Council Chair; Kim Martin, Parliamentarian; Ray Evans (Absent), Parliamentarian; Betty Gautier, Secretary

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Treasurer Chevella Thomas shared guidelines for paying mileage for BOG meetings. The mileage is paid from home to BOG and return. Daisy Stancill expressed concerns that mileage should also be considered from work to BOG. This issue will be reviewed and considered.

Janice Smith gave the Insurance Board of Trustees Report. RFPs have been sent out to see if insurance products offered at discounts to SEANC members are actually for the best price and best benefits. Sixteen policies are under review. The Insurance Board of Trustees will meet again in June.

Keith Renner gave the Audit Committee Report. The Audit Committee met on April 6 and heard a presentation from Jay Sharpe of Rives & Associates on the 2016 Scholarship Foundation audit. The group reviewed and approved potential Audit Committee Bylaws Amendments. The Audit Committee will be looking at developing specific fiscal policies as to how district funds should be spent. Candidates are needed for consideration to be voted on at convention to be placed on the Audit Committee. The Audit Committee reviews qualifications and submits names for consideration to be voted on. The next Audit Committee meeting will be held on June 6 at 10 am.

Laura Overstreet asked for an Operations Manual procedure for an audit.

Keith Renner responded that the Audit Committee is currently working on procedures for inclusion in the Operations Manual. Jay Sharpe of Rives & Associates will offer a presentation to the Audit Committee on some changes needed and possible conflicts of interest. Specific information will be shared with those who will be attending the Training Session to be held in Asheboro for District Chairs, Treasurers, and Audit Chairs. Additionally, the Audit Committee will be looking at policies on alcohol and possible fines.

Janice Bass gave the Awards Committee Report. Changes have been made to the District of the Year Award. All requirements must be completed to be considered for awards.

President Stanley Drewery asked Ms. Bass to provide specific changes in writing on Awards.

Tony Smith presented the EMPAC Report. The EMPAC Spotlight was sent out to district chairs. Please be sure to read over the information. Additionally, please be sure that the SEANC Office has correct email addresses for members. Due to some complaints from district chairs that they had not received the EMPAC Spotlight, Tony Smith asked Mark Dearmon to send out the EMPAC Spotlight again. Take time to read the EMPAC Spotlight so that you, as a District Chair, can stay informed. State EMPAC meetings are open, and members are encouraged to attend. Tony Smith asked the district chairs to send in the names of the District EMPAC Chair, as well as the At-Large Members, to Tony Booe. As a reminder, District Chairs are also on Area EMPACs. Be sure to update your District Membership List. Mr. Smith encouraged every SEANC member to contribute \$5/month to help make EMPAC great. Members need to come to Raleigh to visit and talk with their Legislators. Leaders should lead by example. All district chairs should be contributing to EMPAC, including their time. Tony asked for ideas as to what EMPAC could do on Friday night at convention. EMPAC is still working on its grassroots army. EMPAC is currently running a contest. For those who increase their contributions to EMPAC by

at least \$3 per month between May 1 and Friday night at convention, they will be eligible to win if their name is pulled.

Ardis Watkins gave the Fight for \$15 Report. This is to support increasing people's wages all the way up to \$15 per hour. The Fight for \$15 is considered more Democrat related nationally. As North Carolina is controlled by the Republicans, the Fight for \$15 terminology is not favored. In North Carolina, it would require increasing pay by \$7,200 for the minimum pay grade. SEANC is asking for pay to be increased by \$2,400 for three years. Note that more than 1/3 of the Republicans have put their name on the bill for an increase of \$2,400.

Amanda Finelli shared that we should keep recruiting stories of our members who are experiencing financial hardships due to low pay. We need more people to step up and be heard.

President Stanley Drewery presented a memorial check to Wendy Callahan, mother of Sgt. Meggan Callahan. Mrs. Callahan was very appreciative and shared that Meggan loved SEANC and loved helping others.

Ardis Watkins and Suzanne Beasley discussed with Mrs. Callahan about talking to the Legislature about working conditions in correctional institutions. She expressed that she is very willing to talk. The family would be appreciative of a resolution in the Legislature recognizing Sgt. Meggan Callahan.

Chenell Rose asked that information be shared with DPS.

President Stanley Drewery stated that the information would be sent to DPS.

Lynn Cote gave the Membership Report. If you have events going on in your area, contact Ron Fields. SEANC will be working with OSHR in 2018 for Employee Appreciation Week/Day. It is very exciting to see that working with local governments is beginning to be realized with successful events. Something to consider in the future is that the SEANC name may need to be changed in order to be more attractive and responsive to local government. Access has now been granted to DPS and DOT. New membership books will be available after July.

Jim Pressley distributed handouts on Policy Platform changes. Recommendations would be made effective immediately, which would require a rewrite for the Operations Manual. Jim stated that he would send the information electronically to all District Chairs and District Policy Platform Chairs. There will no longer be top ten objectives. Objectives are being reduced from 70 plus to just a few. The next Policy Platform meeting will be held on July 20.

President Stanley Drewery asked to postpone further consideration and a possible vote on changes until later in the BOG meeting.

The BOG broke up into regional breakout sessions to discuss APO incentive options. Results from the regional breakouts:

East – Kathy Merritt

Divide \$5,000 and give to each of the districts in the region to make decisions as to the incentives to be given, including, but not limited to \$5 gift cards to each person who signs up to switch to APO.

West – Cliff Johnson

1. One large gift for drawing for cash or gift card for entire region.
2. Divide into districts and let district decide.
3. Use money for mailings or phone banks to personally reach out.

North Central – Mike Gould

1. Divide money among the districts to let them decide best how to use the money.
2. Stop using gloom and doom ideas. Be positive. Focus on how we can best help others.

South Central – Deborah Harney

1. Divide money between districts.
2. All regions should use same strategy for incentives.
3. Would like to have a list of requirements for someone to be an APO enroller.
4. Need a list of members to show if they have insurance products.
5. Have APO enrollers call people with insurance products.

Piedmont – Kirk Montgomery

1. Five \$1,000 drawings for entire region.
2. Send email, mail, website information.
3. Include people who have already signed up for APO to be considered for incentive drawing.
4. Depending on deadline, do drawing at next BOG meeting.

The incentive money needs to be earmarked for specific reasons. It can also be used as a recruitment tool.

President Stanley Drewery announced that he would like to meet with the Executive Committee today, immediately following the conclusion of the BOG meeting.

President Drewery challenged each District Chair to give a report at the next BOG meeting as to what their district has accomplished.

Dennis Hartley gave the Membership Discount Report. Forty-nine new businesses have been added since February. Sharron Patterson of District 18 has recruited 18 new businesses and Tim Southard of District 4 has recruited 14 new businesses.

Chuck Stone gave a brief report on bonding. A RFP has been developed. During the process, some federal regulations were discovered regarding bonding. The bid was sent out with requests

for two ways – one taking into consideration the federal regulations and the other without. He hopes to have the results by the end of June for costs of bonding.

Benny Brigman gave the Retiree Council Report. The Retiree Council met on May 4. As SEIU has developed a Retiree Board and SEANC will have a seat on the SEIU Retiree Board, the Retiree Council voted to continue working with SEIU and to pay SEIU dues.

The Retiree Council made a recommendation to the BOG to approve for retirees to continue paying SEIU dues. No second required. Motion passed.

Benny Brigman reminded the BOG that you don't have to have a Lobby Day to go to the Legislature. Benny challenged every district to have retirees to come to the Legislature as much as you can.

Anne Castro gave the Personnel Manual Review. The group is looking at the SEANC Personnel Manual and working on changes as needed. The Personnel Manual should provide standardization, bring uniformity, and serve as guidance.

Hiawatha Jones gave the Public Relations Report and spoke on the Lobby Day success.

Jim Pressley brought back the Policy Platform changes for review and consideration.

The Policy Platform, Section 6, Page 6.1 needs to be updated, and this represents a rewrite.

Policy Platform

Policy The State Policy Platform Committee is responsible for receiving, considering, or initiating changes to the Policy Platform.

Procedure The Policy Platform consists of Foundation Statements, and Framework and Capstone Objectives.

- Foundation Statements address three (four) fundamental categories.
- Compensation, Health Care, Retirement (possibly add "Job Security").
Foundation Statements will be reviewed annually by the Policy Platform Advisory Committee and may be amended by the Policy Platform Advisory Committee.

Districts may submit amendments to Foundation Statements.

All amendments to Foundation Statements require approval by Convention.

Foundation Statements do not expire, but must be reviewed annually by the Policy Platform Advisory Committee and must be adopted by Convention.

Framework Objectives address benefits, working conditions, and issues specific to Department, Agency, Unit or Job (ex. – reimbursement for employee purchased supplies and/or uniforms, etc.)

- Framework Objectives expire after three years.
- Framework Objectives may be recommended for one-time renewal for two additional years by a District or the Policy Platform Advisory Committee.

Framework Objectives reaching five years old will be deleted. Any deleted objective may be resubmitted by a District the following year.

Adoption or renewal of a framework objective requires approval by Policy Platform Advisory Committee and adoption by Convention.

Capstone Objectives are landmark goals that establish, restore, or expand Employee/Retiree rights (ex. – Repeal G.S. 95-98).

- Capstone Objectives expire after ten years.
- Capstone Objectives may be amended by districts or Policy Platform Advisory Committee.

Amendments to Capstone Objectives require approval of Policy Platform Advisory Committee, State Policy Platform Committee, and Convention.

Individuals may submit amendments to Foundation or Capstone Objectives and may submit new Framework Objectives.

- Objectives or amendments submitted by individuals will be referred to home district of that individual for adoption prior to Policy Platform Advisory Committee review. If such as amendment or objective fails to pass the respective district, the Policy Platform Advisory Committee will not consider that item.

A list of objectives scheduled for deletion from the platform should be delivered to the District Chair and District Policy Platform Chair no later than January 1 each year. Districts should review these documents, and recommend suggested changes or new objectives to the District's Annual Meeting. Changes and new objectives adopted at an Annual Meeting should be submitted to the State Policy Platform Chairperson within five (5) days following the District Annual Meeting.

The State Policy Platform Committee reviews recommendations submitted by the districts and prepares these recommendations for consideration by the SEANC Annual Convention.

The Government Relations Department may prepare position papers on each platform objective, which are shared with the membership. Prior to each Annual Convention, the Government Relations Department shall prepare progress reports documenting successful completion of progress made for all components within the Policy Platform. The Policy Platform Committee Chair will present these reports to the Annual Convention.

*Please use the form that follows to submit an objective. One issue per form. (To be developed by Policy Platform Advisory Committee no later than July 21, 2017.

As this was a recommendation from the Policy Platform Advisory Committee to the BOG for approval, no second was required. Motion passed. For Policy Platform.

Policy Platform Advisory Committee

Policy The Policy Platform Advisory Committee (PPAC) serves as a subcommittee of the State Policy Platform Committee and is chaired by the State Policy Platform Committee Chairperson who is appointed by the President. The PPAC is comprised of one District Policy Platform Chairperson from each of the five SEANC regions and at least five regional members at-large, including at least one member from the Board of Governors. The immediate past Policy Platform Chairperson serves as an advisor to the PPAC.

Procedure The PPAC will review all objectives submitted by constituent bodies or members of SEANC and serve as a referral body for all Policy Platform objectives. Objectives submitted to the PPAC directly by SEANC members will be reviewed and referred back to the District Policy Platform Committees for consideration. The advisory committee will also review the Policy Platform documents and recommend changes and issues for further study.

The PPAC will review objectives on a regular basis. The committee will also publicize objectives, conduct research, develop background papers, combine duplicate issues and recommend issues to the Executive Committee for action.

As this was a recommendation from the Policy Platform Committee to the BOG for approval, no second was required. Motion passed for Policy Platform Advisory Committee.

Tara Minter gave the Standards Review Report. Maria Lynch, an attorney with non-profit organizational experience, reviewed the SEANC Bylaws and Operations Manual. A report was given to the Committee with recommended changes for the manual. The next meeting will be May 31.

Tara Minter made a motion that the BOG postpone the adoption of the Operations Manual until the Standards Review Committee presents its report. George Thiessen seconded. Motion passed.

New Business:

President Stanley Drewery presented a recommendation from the Executive Committee to the BOG that SEANC negotiate with the Sheraton in Greensboro, NC for a contract for the annual convention meeting for 2019, 2020, and 2021. No second required.

Motion passed for convention contract.

Benny Brigman made a motion to adjourn at 12:37 pm. Mike Gould seconded. Motion passed.

Respectfully submitted,

Betty Gaatier
Secretary

FAVORABLE

YES

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN:

ARTICLE: III

SECTION: NEW SECTION 8.2

PRESENT WORDING: NONE

SECTION AS AMENDED:

In the event of a fiscal emergency in which projected income is insufficient to meet the approved SEANC budget for six months, the Executive Committee is authorized to suspend, in whole or in part, the rebate of membership dues to the districts until the next scheduled meeting of the Board of Governors. Any such suspension is subject to review, rescission, or extension by vote of the Board of Governors.

RATIONALE:

1. This amendment is needed as part of an emergency plan to ensure the continued existence of SEANC should a massive loss of membership occur due to legislation eliminating payroll dues deduction or until at least 70% of the membership can be converted to Alternative Payment Options such as bank draft and bill pay.
2. The amendment is an essential option to ensure that the SEANC Executive Committee and Board of Governors retain as much control as possible over the fiscal governance of SEANC and its mission.
3. The alternative to this amendment is to allow a Bankruptcy Court to appoint an independent trustee, who might have no concern for state employees, to govern SEANC fiscal operations. This would minimize the role of SEANC elected officers and indirectly control the ability of SEANC to direct its legislative agenda.

SUBMITTED BY DISTRICT # 3

DISTRICT CHAIRPERSON: PAT REIGHARD

Patton B. Reighard

DATE: JUNE 27, 2017

ACTION BY DISTRICT: PASSED

ACTION BY STATE: _____

ACTION BY CONVENTION: _____

Also passed by District 4

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN:

Out of Order ;

ARTICLE: IV

Amends something

SECTION: NEW SECTIONS 6.5.1 AND 6.5.2

not yet amended

PRESENT WORDING: NONE

Recommend adding to previous amendment at convention

SECTION AS AMENDED:

6.5.1: In the event the Executive Committee or Board of Governors, pursuant to Article III, Section 8.2, suspends any rebate of membership dues for a period exceeding 60 days, the Executive Committee shall be authorized to issue assessments to individual districts for the purpose of maintaining SEANC's solvency. The Executive Committee shall endeavor to make assessments among districts in a fair and proportional manner. Upon receiving an assessment from the Executive Committee, a district treasurer shall remit the amount specified in the assessment within 5 business days. Assessments shall apply solely to funds accumulated from membership dues rebates.

6.5.2: At such time as the SEANC Executive Committee and Board of Governors determine that SEANC is no longer in danger of insolvency, the Board of Governors shall determine whether assessments paid by districts can be refunded. Any refund of assessments shall be made before the resumption of general dues rebates to districts as provided in Article III, Section 8.

RATIONALE:

1. This amendment is needed as part of an emergency plan to ensure the continued existence of SEANC should a massive loss of membership occur due to legislation eliminating payroll dues deduction or until at least 70% of the membership can be converted to Alternative Payment Options such as bank draft and bill pay.
2. The amendment is essential to ensuring that the SEANC Executive Committee and Board of Governors retain as much control as possible over the fiscal governance of SEANC and its mission.
3. Without this Bylaws Amendment, SEANC would likely be forced into bankruptcy. A Bankruptcy Court would appoint an independent trustee, who might have no concern for state employees, to govern SEANC fiscal operations. This would minimize the role of SEANC elected officers and members in SEANC governance and limit the ability of SEANC to direct its legislative agenda.

4. Under bankruptcy statutes, districts would be forced to surrender assets to the court appointed trustee to satisfy SEANC financial obligations.
5. Bankruptcy statutes could also require districts to surrender district assets accumulated from all sources including dues rebates, district fundraisers, donations for district scholarships and or any other source.
6. That portion of district membership dues rebates which has been comingled with district financial accounts accumulated from fundraisers, donations or other non-membership dues rebate sources would be subject to assessment.

SUBMITTED BY DISTRICT #

4

DISTRICT CHAIRPERSON:

Sam Anthard

DATE:

7/11/17

ACTION BY DISTRICT:

Adopted

ACTION BY STATE:

ACTION BY CONVENTION:

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN:

ARTICLE: IV

SECTION: ~~6.3~~ 6.4

PRESENT WORDING:

- 6.4 ~~6.3~~ Each district shall meet annually no later than July 15. The date of the annual district meeting shall be fixed by the district following consultation with the Executive Committee of SEANC.

SECTION AS AMENDED:

- 6.4 ~~6.3~~ Each district shall meet annually no later than July 15. The date of the annual district meeting shall be fixed by the district following consultation with and approval by the SEANC Executive Committee.

RATIONALE:

- Currently, most districts schedule their annual district meeting and then notify SEANC headquarters without ever consulting the SEANC Executive Committee.
- This has the following results:
 - too many district annual meetings are scheduled within a 2-3 week period (Example: Excluding Memorial Day, Saturdays and Sundays, 44 districts or 86% held annual meetings within a 22 day period. In the first two weeks of June, 30 districts or 59% of all districts held their annual meetings; in the first three weeks of June, 37 districts or 73% held annual meetings; and in the 31 day period 5/24-6/24, 45 districts or 88% of all districts scheduled their annual meetings.
 - SEANC officers, Executive Committee members and staff find it difficult, if not impossible, to attend district meetings due to the number of meetings scheduled in such a brief interval, the geographical distance between districts, priorities at the General Assembly and numerous SEANC state committee meetings all being held simultaneously
 - inefficient use of members' dues to pay for travel and mileage reimbursement
- The amendment clarifies the Bylaws requirement for districts to consult with the Executive Committee and obtain approval to ensure efficient use of members' dues.

SUBMITTED BY DISTRICT #

56

DISTRICT CHAIRPERSON:

Grace Edwards

DATE:

6/16/17

ACTION BY DISTRICT:

Yas ed

ACTION BY STATE:

ACTION BY CONVENTION:

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

Use this form to address amendments to the SEANC Bylaws. All amendments must be passed by a District. Send any amendments to Chuck Stone at the SEANC Central Office immediately following the District meeting.

PROPOSED CHANGE IN: OFFICERS

ARTICLE: V

SECTION: 1.4

PRESENT WORDING:

1.4. appoint all State committee chairpersons unless otherwise provided for in the Bylaws;

SECTION AS AMENDED:

1.4. appoint all State committee chairpersons, *with the exception of the Audit Committee Chair*, unless otherwise provided for in the Bylaws;

RATIONALE:

The Audit Committee will elect a Chair from members at the first meeting following the Annual Convention (Article IX; Standing Committees)

SUBMITTED BY DISTRICT # 57

DISTRICT CHAIRPERSON: Daisy W. Stone

DATE: 6-8-17

ACTION BY DISTRICT: Passed

ACTION BY STATE: _____

ACTION BY CONVENTION: _____

Also adopted by Districts 3, 42, 58, 60, 62, 68, 69.

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

Use this form to address amendments to the SEANC Bylaws. All amendments must be passed by a District. Send any amendments to Chuck Stone at the SEANC Central Office immediately following the District meeting.

PROPOSED CHANGE IN: ELECTIONS AND VACANCIES—STATE OFFICERS

ARTICLE: VIII.

SECTION: 1.2

PRESENT WORDING:

1.2. The term of office for all officers shall be one year and begin October 1 following the adjournment of the annual convention. Officers will continue to serve until a successor is appointed and duly installed.

SECTION AS AMENDED:

1.2. The term office for all *State* officers shall be ~~one year~~ *a two-year term* and begin on October 1, *2018*, following the adjournment of the annual convention. Officers will continue to serve until a successor is appointed and duly installed.

RATIONALE:

A SEANC Officer can be more effective, knowledgeable, and successful with SEANC Operations and better equipped for serving the full duties of their office with a two-year term rather than serving just one year.

SUBMITTED BY DISTRICT # 38
DISTRICT CHAIRPERSON: Margaret Cleader
DATE: 6/12/17

ACTION BY DISTRICT: Passed
ACTION BY STATE: _____
ACTION BY CONVENTION: _____

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

Use this form to address amendments to the SEANC Bylaws. All amendments must be passed by a District. Send any amendments to Chuck Stone at the SEANC Central Office immediately following the District meeting.

PROPOSED CHANGE IN: STANDING COMMITTEES

ARTICLE: IX

SECTION:

PRESENT WORDING:

State standing committees are those committees authorized to report directly to the annual convention and shall include the chairperson or alternates of each district's standing committees. A chairperson for the State standing committees shall be appointed by the President.

SECTION AS AMENDED:

State standing committees are those committees authorized to report directly to the annual convention and shall include the chairperson or alternates of each district's standing committees. A chairperson for the State standing committees shall be appointed by the President, *with the exception of the Audit Committee Chair.*

RATIONALE:

To maintain the autonomous integrity of the Audit Committee, the members will elect their Chair at the first meeting following the Annual Convention.

SUBMITTED BY DISTRICT # 58
DISTRICT CHAIRPERSON: Fernanda Hailey
DATE: 6-13-17

ACTION BY DISTRICT: Passed
ACTION BY STATE: _____
ACTION BY CONVENTION: _____

Also adopted by Districts 3, 38, 42, 57, 60, 62, 68, 69
FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN:

ARTICLE: VII

SECTION: 1.1-1.8

PRESENT WORDING:

ARTICLE VII. CHIEF FINANCIAL OFFICER

The Chief Financial Officer employed by SEANC will report directly to the Executive Director and the Board of Governors with daily oversight by the SEANC Executive Director.

Responsibilities of the Chief Financial Officer shall be to:

- 1.1. supervise accounting office staff responsible for the fiscal operations and activities of SEANC;
- 1.2. manage the daily financial operations of SEANC to ensure accurate accounting records and transactions are recorded and maintained in general ledger records;
- 1.3. prepare an annual budget document and monthly financial statements;
- 1.4. coordinate the annual audit with an independent CPA firm and assist in preparation of all federal and state tax returns;
- 1.5. assist SEANC Treasurer and Audit Committee;
- 1.6. serve as the financial consultant to SEANC's 52 districts involving financial operations and reporting requirements;
- 1.7. attend meetings of the SEANC Executive Committee, Board of Governors, Audit Committee, Planning Committee and other committees requiring information concerning fiscal operations;
- 1.8. Be bonded or insured by a North Carolina licensed bonding company/insurance company for the sum of at least \$100,000 with cost of the bond/insurance to be paid by SEANC.

SECTION AS AMENDED: ARTICLE VII. CHIEF OPERATIONS OFFICER

The Chief Operations Officer employed by SEANC will report directly to the Executive Director and the Board of Governors with daily oversight by the SEANC Executive Director.

Responsibilities of the Chief Operations Officer shall be to direct all SEANC internal operations serving as both Chief Operations Officer and Chief Financial Officer.

- 1.1. supervision of Finance, Human Resources, Information Technology Services and Member Benefits Departments and Facility Management;
- 1.2 supervise accounting office staff responsible for the fiscal operations and activities of SEANC;
- 1.3 manage the daily financial operations of SEANC to ensure accurate accounting records and transactions are recorded and maintained in general ledger records;
- 1.4 prepare an annual budget document and monthly financial statements;
- 1.5 coordinate the annual audit with an independent CPA firm and assist in preparation of all federal and state tax returns;
- 1.6 assist SEANC Treasurer and Audit Committee;
- 1.7 serve as the financial consultant to SEANC districts involving financial operations and reporting requirements;
- 1.8 attend meetings of the SEANC Executive Committee, Board of Governors, Audit Committee, Planning Committee and other committees requiring information concerning fiscal operations;
- 1.9 Be bonded or insured by a North Carolina licensed bonding company/insurance company for the sum of at least \$100,000 with cost of the bond/insurance to be paid by SEANC.

RATIONALE:

1. This article is being amended to reflect the actual duties of this position as SEANC transitions from two positions, a Chief Financial Officer and a Director of Operations to a single Chief Operations Officer.
2. Section 1.1 of the amendment reflects the supervisory responsibilities of the new Chief Operations Officer with the other responsibilities re-numbered.

3. Combining positions will save \$60,000 annually

SUBMITTED BY DISTRICT #

DISTRICT CHAIRPERSON:

DATE:

ACTION BY DISTRICT:

ACTION BY STATE:

ACTION BY CONVENTION:

58
Amelc Hailley
6-13-17
Passed

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN: CHIEF FINANCIAL OFFICER

ARTICLE: VII

SECTION: 1.6

PRESENT WORDING: SERVE AS THE FINANCIAL CONSULTANT TO SEANC'S 52 DISTRICTS INVOLVING FINANCIAL OPERATIONS AND REPORTING REQUIREMENTS;

SECTION AS AMENDED: SERVE AS THE FINANCIAL CONSULTANT TO ALL SEANC'S DISTRICTS INVOLVING FINANCIAL OPERATIONS AND REPORTING REQUIREMENTS; DELETE THE NUMBER 52.

RATIONALE: THE EXACT NUMBER OF SEANC DISTRICTS CHANGES FROM TIME TO TIME AND HAS NOW IN THAT THERE ARE ONLY FIFTY-ONE (51) DISTRICTS. THE PARTICULAR NUMBER OF DISTRICTS DOES NOT NEED TO BE INCLUDED IN THE BYLAWS TO ACCOMPLISH THE RESULTS WE WANT.

SUBMITTED BY DISTRICT #

D-27

DISTRICT CHAIRPERSON:

SAM ROGERS

DATE:

JUNE 6, 2017

ACTION BY DISTRICT:

passed

ACTION BY STATE:

ACTION BY CONVENTION:

FAVORABLE
Not needed if
previous amendment
for Chief Financial
Officer adopted

SEANC

BYLAWS AMENDMENT FORM

Use this form to address amendments to the SEANC Bylaws. All amendments must be passed by a District. Send any amendments to Chuck Stone at the SEANC Central Office immediately following the District meeting.

PROPOSED CHANGE IN: STANDING COMMITTEES

ARTICLE: IX

SECTION: 3 AUDIT COMMITTEE

3.2 AUDIT COMMITTEE MEMBERS

PRESENT WORDING:

The Audit Committee shall consist of twelve members elected by the annual convention. The President shall appoint a chairperson. The chair or their designee will present a report to the Executive Committee at least quarterly.

SECTION AS AMENDED:

The Audit Committee shall consist of twelve members elected by the Annual Convention.

Resumes for election to the Audit Committee will be accepted by August 1 of each year. There will be no nominations for the Audit Committee accepted from the floor at the Annual Convention. The Audit Committee members will elect a Chair at the first meeting after the conclusion of the annual convention and the Chair or their designee will present a report to the Executive Committee at least quarterly.

RATIONALE:

Members of the Audit Committee shall have financial related experience including, accounting principles, serving as Treasurer of SEANC or other organizations, business operations/reimbursement, compliance officer or similar related experience. Candidates for the Audit Committee must submit a resume of relevant experience to be screened by the Audit Committee with a report made to the Board of Governors. This will ensure the professional experience necessary to serve on the Audit Committee.

SUBMITTED BY DISTRICT # 60

DISTRICT CHAIRPERSON: Shawatha

DATE: 6/12/17

ACTION BY DISTRICT: Approved

ACTION BY STATE: _____

ACTION BY CONVENTION: _____

Also adopted by Districts
3, 38, 42, 57, 58, 62, 68, 69
FAVORABLE

SEANC

3

BYLAWS AMENDMENT FORM

Use this form to address amendments to the SEANC Bylaws. All amendments must be passed by a District. Send any amendments to Chuck Stone at the SEANC Central Office immediately following the District meeting.

PROPOSED CHANGE IN: STANDING COMMITTEES

ARTICLE: IX

SECTION: 3.5 AUDIT COMMITTEE MEMBERS

PRESENT WORDING:

The President with the approval of the Board of Governors may appoint an Audit Committee for SEANC FY 2015-2016. Thereafter, members will be elected by the annual convention.

SECTION AS AMENDED:

Strike 3.5 completely.

RATIONALE:

3.5 no longer is applicable.

SUBMITTED BY DISTRICT # 62

DISTRICT CHAIRPERSON: Laura B Overstreet

DATE: June 12, 2017

ACTION BY DISTRICT: Passed 6-12-17

ACTION BY STATE: _____

ACTION BY CONVENTION: _____

Also adopted by Districts 3, 42, 38, 57, 58, 60, 68, 69

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

Use this form to address amendments to the SEANC Bylaws. All amendments must be passed by a District. Send any amendments to Chuck Stone at the SEANC Central Office immediately following the District meeting.

PROPOSED CHANGE IN: STANDING COMMITTEES

ARTICLE: IX

SECTION: 3.6 VACANCIES

PRESENT WORDING:

3.6. Vacancies

Should a vacancy occur among the at-large members, the Audit Committee shall appoint a person to fill the vacancy from approved candidates for the remainder of the unexpired term with the approval of the Board of Governors.

SECTION AS AMENDED:

3.5. Vacancies

Should a vacancy occur, the Audit Committee shall appoint a person to fill the vacancy from approved candidates for the remainder of the unexpired term with the approval of the Board of Governors.

RATIONALE:

Strike the word at-large because there are no at-large members ^{on} of the Audit Committee ^e and 3.6 becomes 3.5 with the deletion of the original 3.5. [^]

SUBMITTED BY DISTRICT # 68

DISTRICT CHAIRPERSON: Rita Z. Woods

DATE: 6/1/17

ACTION BY DISTRICT: passed

ACTION BY STATE: _____

ACTION BY CONVENTION: _____

Also adopted by Districts 3, 38, 42, 57, 58, 62, 69

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

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PROPOSED CHANGE IN: SEANC BYLAWS

ARTICLE: X. SUBSIDIARY BODIES

SECTION: 3. EMPLOYEES POLITICAL ACTION COMMITTEE (EMPAC)

PRESENT WORDING:

3.2 An audit of all EMPAC funds shall be made at least annually, the cost of this audit to be paid from EMPAC funds. The audit shall be made by an independent, North Carolina licensed, Certified Public Accountant selected by the State Executive Committee.

SECTION AS AMENDED:

3.2 An audit of all EMPAC funds shall be made at least **every two years** after the completion of an election cycle, the cost of this audit to be paid from EMPAC funds. The audit shall be made by an independent, North Carolina licensed, Certified Public Accountant selected by the State Executive Committee.

RATIONALE:

Unlike most SEANC committees, the State EMPAC Committee serves a two-year term in alignment with the state's election cycle. During the first year, the committee's activities are centered on fundraising and educating members and elected representatives. During the second year, those efforts continue as the committee's primary focus turns to interviewing and endorsing candidates, making contributions to endorsed candidates and engaging SEANC members to support EMPAC endorsed candidates. Doing an audit of EMPAC funds after the completion of an election cycle will allow for appropriate oversight and save EMPAC funds. Audits are not cheap.

SUBMITTED BY DISTRICT #

DISTRICT CHAIRPERSON:

DATE:

ACTION BY DISTRICT:

ACTION BY STATE:

ACTION BY CONVENTION:

39
[Signature]
6-6-2017
PASSED

Also adopted by Districts 60, 68

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN:

ARTICLE: XI. Advisory and Special Committees

SECTION: 4. Financial Advisory Council

PRESENT WORDING:

The Financial Advisory Council shall be made up of the President, one Board Member appointed by the President, the chairperson of the Insurance Board of Trustees, the Executive Director and the Finance Director. The Treasurer will act as chairperson.

4.1 The purpose of the Council is to administer the short and long-term investment portfolio and the administrative oversight for benefit programs approved for SEANC employees.

4.2 The Council shall report to the Executive Committee and the Board of Governors.

SECTION AS AMENDED:

Delete section 4.

RATIONALE:

1. The SEANC Employee 401K Retirement Plan is advised by a licensed investment broker subject to and compliant with federal regulations including the "fiduciary rule". The investment broker must act in the best interests of the Plan members or is legally liable for failure to do so. This arrangement protects SEANC from civil lawsuits and loss of member's dues funds resulting from federal penalties and lawsuits.
2. Federal regulations do recommend an employer investment committee. The investment committee will include the designated Plan Manager who can sign for the employer (generally the Chief Operations Officer/CFO, the Executive Director/CEO of the company, one or more employee representatives, SEANC President and Treasurer, though composition of the committee should change in accordance with federal requirements as advised by the investment broker.
3. Failure to comply with federal regulations jeopardizes the tax exempt status of SEANC's Employee 401K Retirement Plan which could result in financial penalties to SEANC and legal liability.

4. Keeping this section in the Bylaws when federal regulations change frequently, increases SEANC's legal liability since Bylaws can only be amended at the Annual Convention, thus leaving SEANC in violation of federal regulations until an amendment could be adopted.

SUBMITTED BY DISTRICT #

DISTRICT CHAIRPERSON:

DATE:

ACTION BY DISTRICT:

ACTION BY STATE:

ACTION BY CONVENTION:

258
Dana Hooley
6-13-19
Passed

Also adopted by Districts 27, 60

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN:

ARTICLE: XI. Advisory and Special Committees

SECTION: 7. Personnel Benefits Committee

PRESENT WORDING:

The Personnel Benefits Committee shall be comprised of two representatives from each of the regions appointed by the President. Members will serve two-year, staggered terms with no person serving consecutive terms. One committee member shall be appointed by the President to serve as Chairperson for one year. Should a vacancy occur, the President shall appoint a person from the appropriate region to fill the unexpired term.

7.1 The Personnel Benefits Committee shall research and make recommendations on issues related to the State Health Plan, the Retirement System, other work benefits, mediation, grievance procedures, collective bargaining, meet and confer, executive orders, relations with like-minded organizations and membership in and relations with SEIU International. The committee shall be responsible for educating members as appropriate on matters within its purview.

7.2 The Personnel Benefits Committee shall report to the SEANC President and Board of Governors.

SECTION AS AMENDED:

Delete section 7.

RATIONALE:

1. This Committee has not been appointed or met since approximately 2002 when committee functions were consolidated under the Policy Platform Advisory Committee.
2. Consolidation of this function is an efficient use of members' dues and provides financial resources for other committees.
3. Article XI, Section 8, allows the President and Board of Governors to appoint a committee to perform the functions of this committee, if needed:

"The President may appoint special committees as needed or as directed by the Board of Governors."

SUBMITTED BY DISTRICT #

DISTRICT CHAIRPERSON:

DATE:

ACTION BY DISTRICT:

ACTION BY STATE:

ACTION BY CONVENTION:

60
Heavath Jones
6/12/17
Adopted

Also adopted by
Districts 27, 58

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN:

ARTICLE: XIV

SECTION: NEW SECTION

PRESENT WORDING: NONE (PROPOSING NEW LANGUAGE)

SECTION AS AMENDED: (THIS IS AN ADDENDUM TO THE CURRENT ARTICLE)

The State Bylaws Committee may adopt substantive amendments to a proposed amendment from a district, which maintains the original intent of the proposed amendment.

RATIONALE:

1. Currently the State Bylaws Committee can only approve minor amendments to amendments submitted by districts, such as adding "a", "the" or similar language.
2. Districts have sometimes submitted amendments which have value to SEANC, but would require a substantive amendment and therefore could not be considered. Example: A district submitted an amendment which would have impacted the SEANC Budget for the upcoming year and had an effective date of October 1. Because the SEANC Planning Committee had already approved the budget for the coming year and the effective date could not be amended by the State Bylaws Committee, the amendment failed.

SUBMITTED BY DISTRICT #

DISTRICT CHAIRPERSON:

DATE:

ACTION BY DISTRICT:

ACTION BY STATE:

ACTION BY CONVENTION:

58
Pamela Hayley
6-13-17
Passed

Also adopted by District 27

FAVORABLE

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN:

ARTICLE: XIV AMENDMENTS

SECTION: 1.1

PRESENT WORDING:

These Bylaws may be amended at any annual convention by a simple majority of the total votes cast, except that a two-thirds vote is needed to amend Articles I, II, IV, V, XII, and XIV, provided that:

- 1.1. the amendment has been passed by at least one district of SEANC at its annual meeting,
- 1.2. the amendment is submitted to the State Bylaws Committee within 10 business days after approval by vote at a district's annual meeting but no later than July 15 and
- 1.3. the State Bylaws Committee has voted to approve presentation of the amendment for a vote at the annual convention.

SECTION AS AMENDED: (ADDENDUM TO AMENDMENT PROCESS)

- 1.4. an urgent Bylaws issue arises after the State Bylaws Committee has adjourned and:
 - 1.4a. the State Bylaws Advisory Committee votes to forward a Bylaws Amendment to the Board of Governors
 - 1.4b. the Board of Governors approves the Bylaws Amendment to be forwarded to the Annual Convention.

RATIONALE:

1. SEANC needs to be able to respond more rapidly to threats which can be caused by external factors such as proposed legislation in the General Assembly, court rulings or similar situations.

2. The current amendment process does not allow amendments to be forwarded to the Annual Convention unless it has been adopted by a district. The new section 1.4 would provide authority to the State Bylaws Advisory Committee and the Board of Governors to forward any urgently needed amendments to the Annual Convention if the State Bylaws Committee has already adjourned.

EXAMPLE: The Senate bill to eliminate payroll dues deduction has an effective date that would eliminate payroll deduction "immediately upon ratification." This would seriously threaten SEANC's existence and might require amendments to the Bylaws such as reducing or temporarily escrowing/deferring rebates to the districts. Section 1.4 would provide an avenue for needed amendments to be forwarded to the Annual Convention.

3. While a Bankruptcy Court has the authority to appoint a Trustee who would have authority to administer SEANC's finances even if it does not comply with current Bylaws, it is preferable to allow SEANC members to have input on changes to Bylaws.
4. This provision would only apply to situations which might occur after the July State Bylaws Committee meeting and the Annual Convention in September.

SUBMITTED BY DISTRICT #

27

DISTRICT CHAIRPERSON:

Sam Rogers

Sam Rogers

DATE:

06/05/2017

ACTION BY DISTRICT:

passed

ACTION BY STATE:

ACTION BY CONVENTION:

Also adopted by District 58

FAVORABLE

UNFAVORABLE

SEANC

BYLAWS AMENDMENT FORM

USE THIS FORM TO ADDRESS AMENDMENTS TO THE SEANC BYLAWS. ALL AMENDMENTS MUST BE PASSED BY A DISTRICT. SEND ANY AMENDMENTS TO THE DIRECTOR OF OPERATIONS AT SEANC HEADQUARTERS WITHIN 10 BUSINESS DAYS AFTER DISTRICT APPROVAL, BUT NO LATER THAN JULY 15.

PROPOSED CHANGE IN: SEANC BYLAWS

ARTICLE: IV - ORGANIZATION

Section: 4 - STATE EXECUTIVE COMMITTEE

PRESENT WORDING:

The State Executive Committee shall consist of the SEANC officers, the regional representatives or alternate from each SEANC region, the Chairs or Vice Chairs in the absence of the Chairs of the Insurance Board of Trustees and the Retiree Council. The State Executive Committee shall ensure that the policies of the annual convention and the directives of the Board of Governors are realized. Actions of the State Executive Committee shall be subject to review and consent of the Board of Governors. The State Executive Committee shall meet as the need occurs. Meetings of the State Executive Committee via teleconferencing are allowed as specified in the SEANC Operations Manual. The Executive Committee shall supervise the work of the Executive Director. In addition, the State Executive Committee shall...

SECTION AS AMENDED:

The State Executive Committee shall consist of the SEANC officers, the regional representatives or alternate from each SEANC region, the Chairs or Vice Chairs in the absence of the Chairs of the Insurance Board of Trustees, the Retiree Council **and the State EMPAC Committee**. The State Executive Committee shall ensure that the policies of the annual convention and the directives of the Board of Governors are realized. Actions of the State Executive Committee shall be subject to review and consent of the Board of Governors. The State Executive Committee shall meet as the need occurs. Meetings of the State Executive Committee via teleconferencing are allowed as specified in the SEANC Operations Manual. The Executive Committee shall supervise the work of the Executive Director. In addition, the State Executive Committee shall...

RATIONALE:

Over the past few years, the Chairperson of the Insurance Board of Trustees and the Retiree Council have been added to the SEANC Executive Committee. Like the Insurance Board of Trustees, EMPAC is a subsidiary body of SEANC and has a tremendous impact on the success of SEANC's Legislative Agenda by influencing and supporting the nomination and election of candidates for public office, regardless of political affiliation, who demonstrate a commitment to responsible government and to

the welfare of state employees and their families and educating the SEANC membership, all active and retired state employees and the candidates for elective office regarding issues affecting state employees. The addition of the State EMPAC Chairperson will help open the lines of communication and allow for better coordination of legislative activities within the limits of the State Election Laws.

SUBMITTED BY DISTRICT #

DISTRICT CHAIRPERSON:

DATE:

ACTION BY DISTRICT:

ACTION BY STATE:

ACTION BY CONVENTION:

39

[Signature]

6-16-2017

PASSED

Also adopted by District 68

UNFAVORABLE



**Audit Committee Report
Board of Governors Meeting
July 21-22, 2017**

Meeting on June 6, 2017

-Jay Sharpe from Rives & Associates, LLP

Reviewed and discussed the Audit Committee's main responsibilities and how they differed from the Finance Committee

-Legislative update from Ardis Watkins and Membership update from Lynn Cote

-Voted to approve the Final Report of District 7's Audit

-Reviewed and updated the Bylaws Amendments proposed by the Audit Committee

-Planned the SEANC internal audit to be performed in July 2017

-Reviewed a draft proposal from Ray Evans of a SEANC Disciplinary Hearing Policy

-Voted to approve Linda Rouse Sutton as a candidate for Audit Committee at the SEANC Annual Convention

-Next Audit Committee meeting for Friday, August 11, 2017 at 10 am



**Connections Committee Report
Board of Governors Meeting
July 21-22, 2017**

The Connections Committee met on Thursday, June 29th at 10 am in the SEANC office in Raleigh. The following members were present: Chair, Linda Rouse Sutton; BK Garrett, Henry Gregory and Beth Dew, staff liaison.

The group discussed possible criteria changes for a committee of this type in the future. There will be more research done and draft criteria developed for the Board of Governors approval following further directions from the convention and President Stanley Drewery.

Also the committee is searching for a new name for the committee.

Jonathan & Sarah from the Communications Dept. came in with a tentative plan & time frames were made for getting some interviews, pictures, stories, etc. from those who received financial assistance from SEANC due to Hurricane Matthew damages. Linda will make phone calls with some of SEANC members to establish dates for Sarah to take some video footage. We will try to get a good cross section of those who received assistance. The Communications Department will then develop a presentation for convention.

Linda Rouse Sutton

Connections Committee

July 2017



**Emerging Leaders Committee Report
Board of Governors Meeting
July 21-22, 2017**

- Sponsor a lane and participate in the Scholarship Bowl a Thon
- “Leap into Leadership” theme for Emerging Leaders Luncheon at Convention
- Participate in New Delegate Training at Convention
- Recognize New Delegates to the Convention
- Sponsor and participate in the #hashtaglunchbag movement in September 2017



**Statewide Membership Committee Report
Board of Governors Meeting
July 21-22, 2017**

- Continue \$5 Incentive per new member
- Importance of Recruitment and Retention
- August BOG Challenge
 - Recruit 500 new members - emphasis on payment via APO
- Recognize the following districts for being in the positive!
Districts:

19	41
21	45
25	58
26	65
40	70



**Public Relations Committee Report
Board of Governors Meeting
July 21-22, 2017**

The Public Relations Committee organized with the District Chair and designated SEANC Staff which resulted in three successful Lobby Days:

- March 29, 2017 - Very successful Lobby Day with nearly 200 SEANC members at the General Assembly speaking to their representatives regarding our basic issues.
- There were a few districts that were not able to see their Representative. There was a high frequency of members that were successful.
- May 17, 2017 - Lobby Day was a minimal Lobby Day. Members attended several appropriation members were able to lobby for Retirees.
- June 7, 2017 - Very Good Lobby Day - Members were able to speak to Representatives regarding SEANC Bill 375 - no pay roll dues deductions sponsored by Ralph Hise.
- All Legislative Offices were filled with SEANC members on this day.

Continued Goals:

- Reaching every member via soft ware
- Use of virtual phone calls to each member to share information as well as engage and empower each member to become more active.



**Scholarship Foundation Board Report
Board of Governors Meeting
July 21-22, 2017**

1. In May, the Scholarship Foundation Board of Directors reviewed over 100 district winners for state level scholarship awards and awarded 48 district nominees a total of \$39,500. Districts had previously awarded a total of \$64,200 in scholarships to district winners. Thus, the total scholarships awarded equaled \$103,700! Only four districts did not submit any applications.
2. Our fourth bowl-a-thon fundraiser will be held Saturday afternoon. Thanks to corporate sponsors: Doug Sutton Insurance, Colonial Life Insurance, and Liberty Mutual Insurance and to lane sponsors: Districts 9, 10, 12, 17, 39, 56, and 61. It looks as though we will have 11-12 teams participating this year. In addition to cash donations, we will have over 33 donated items to include in the silent auction, so, even if you do not bowl, come on out and enjoy the fun!
3. The State Employees' Combined Campaign kicks off soon. Please consider and encourage your members to designate the Scholarship Foundation for pledges of donations. Our assigned number is #1563.
4. Please remember to track your cash raffle tickets, maintain accountability, and bring all tickets (sold and unsold) with you to convention. We must have an accounting of all lost/missing tickets, including ticket numbers and an affidavit of who was assigned those tickets. If you need more tickets or flyers, please contact Carri Derrick. Time is getting close so please sell those tickets! Scholarship training will be offered at convention during two one hour break-out sessions.
5. Three members of the Board complete their terms this year, including Jim Rowell representing the West, Angela Edwards representing the Piedmont, and Nicole Hunter representing the North Central. Their service is recognized and appreciated! Two Board members have announced their intentions to seek another term: Sherry Dodge, representing the East, and Margaret Reader, representing the South Central. Thus, at least, we need to solicit members to seek election at convention to represent the Scholarship Board from the West, Piedmont, and North Central regions. We have asked the President to appoint Nicole Hunter to complete the one year remaining on Geneva Langston's term from the North Central region.

Thank you for your continuing support and contributions to the success of our overall scholarship program. It is our honor to serve you and our members.

Respectfully submitted:

Michael T.W. Bell, Chair
Scholarship Foundation Board of Directors



**Standards Review Committee Report
Board of Governors Meeting
July 21-22, 2017**

Committee Members: Ray Evans (Vice Chair/D27), Dewey Hamilton (D46), Liz Linney (D69), Pat Reighard (D3), Lewis Sasser (D62)

The Committee met on June 20th and July 11th to revise the SEANC Operations Manual 2016 draft. The revisions were completed and the Committee will meet in August to create a new section for the manual. The BOG will receive the revised manual along with a summary of the changes after its July meeting. Please send written questions to me at Tara.Minter@gmail.com.

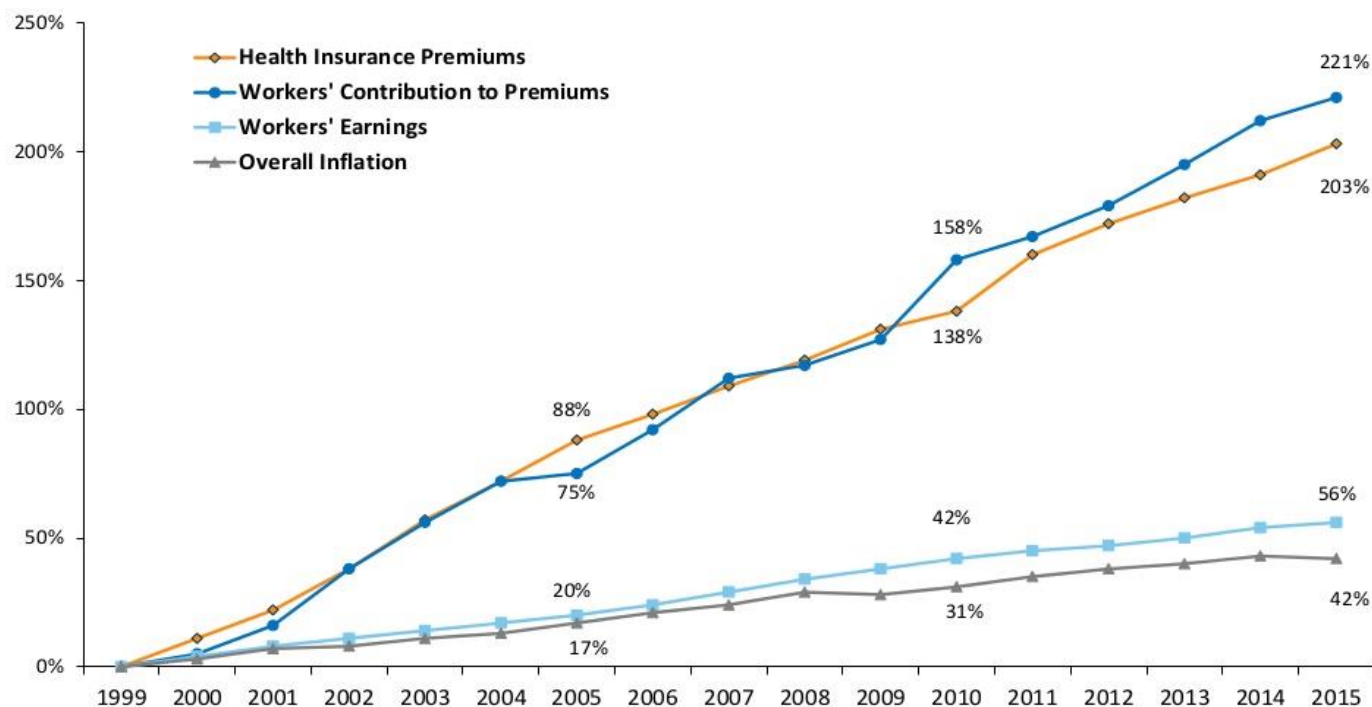
Next Committee Meeting: August 15, 2017

MISSION HEALTH'S DECISION TO LEAVE BLUE CROSS NC'S NETWORKS

What it Means to Employers, Employees, and Families

HEALTH CARE COST INCREASES ARE NOT SUSTAINABLE

Cumulative Increases in Health Insurance Premiums, Workers' Contributions to Premiums, Inflation, and Workers' Earnings, 1999-2015



SOURCE: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2015. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2015; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2015 (April to April).

EMPLOYERS AND CONSUMERS HAVE REACHED A BREAKING POINT



Rising Medical Costs are a Threat to North Carolina Families

- Employers, employees, and families are already paying high prices for health benefits.
- Employers have limited choices for reducing health care costs
 - Reduce medical expenses
 - Pass cost increases to their employees in the form of premium contributions or reductions to benefits
- Year over year price hikes are no longer sustainable
- Higher payments to Mission directly impact all of our customers.

THE FACTS PAINT A CLEAR PICTURE



- Mission has demanded a rate increase that would further hike already high prices for our customers.
- Blue Cross NC has a responsibility to control cost increases to our customers, so we cannot agree to Mission's demands.
- Mission has chosen to terminate their contract with us rather than work with us to control customer costs.
- More than 40 other hospitals across the state have accepted consistent terms to help with customer costs and improve quality.
- Mission has stated to Blue Cross NC that they expect and need an increase from us (from our customers) in order to subsidize their sizable Medicaid and Medicare patient base.
- Unless Mission rescinds their termination, they will be out of network for Blue Cross NC members as of October 5.

- Members with out-of-network benefits can receive benefits for services at a Mission Health provider for non-emergency care (not part of a Continuity of Care plan), **but**:
 - They will **pay more money** for that care.
 - Out-of-network deductibles and other member cost-share is higher than for in-network services.
 - Mission may **bill the member for full charges** instead of Blue Cross NC's negotiated, discounted rate, resulting in the potential for surprise billing to the member.
 - **We will reimburse the member directly** for the allowed amount of services performed, empowering the member to negotiate payment directly with the provider.
 - The **member is responsible for paying the provider, up to full charges**. The difference in the allowed amount and full billed charges may be significant and create a financial burden for the member.

IMPACT TO CUSTOMERS AND MEMBERS



Other area hospitals are in-network, but members may have to travel farther for care

LOCATION	IN-NETWORK HOSPITAL(S)
Sylva (Jackson County)	Harris Regional Hospital
Clyde (Haywood County)	Haywood Regional Medical Center
Hickory (Catawba County)	Frye Regional Hospital Catawba Valley Medical Center
Hendersonville (Henderson County)	Pardee Hospital Park Ridge Health
Morganton (Burke County)	Carolinas HealthCare System Blue Ridge-Morganton
Rutherford College (Burke County)	Carolinas HealthCare System Blue Ridge-Valdese
Boone (Watauga County)	Watauga Medical Center

OUR MEMBERS ARE OUR PRIORITY AND FOCUS



- We are preparing for Mission's termination, with our members as our focus.
- We are sending a letter to all members who have received care from a Mission provider to let them know that Mission is leaving the network.
- Some patients qualify for continuity of care exceptions. Members already in a treatment plan at a Mission Health facility for certain conditions such as cancer or maternity care may be able to keep receiving treatments as part of our continuity of care program. Blue Cross NC will work to identify members who may qualify for this program, and we will communicate directly with these members.
- Emergency care is always covered as an in-network benefit. In the case of an emergency, Blue Cross NC customers should go to the nearest hospital. Prior authorization is never required for emergency care.

- Once Mission chose to terminate their contract rather than work with us to keep health care as affordable as possible for our members and customers, negotiations ended.
- All of our attention is now focused on communicating with our customers and members and assisting our members in transitioning their care.

THANK YOU