

**BWC Board of Directors
Governance Committee**

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DRAFT

Thursday, July 24, 2008, 2:10 P.M.

William Green Building

Neil Schultz Conference Center
30 W. Spring St., 2nd Floor (Mezzanine)
Columbus, OH 43215

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Members Present: Alison Falls, Chair
Larry Price, Vice Chair
James Hummel
Bill Lhota
Robert Smith

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Member Absent: None

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Other Directors Present: Philip Fulton, Ken Haffey, James Harris, and James Matesich.

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Counsel Present: John Williams, Assistant Attorney General

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CALL TO ORDER

Ms. Falls called the meeting to order at 2:10 p. m. and the roll call was taken.

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MINUTES OF JUNE 25, 2008

Mr. Price moved that the minutes of June 25, 2008, be approved. Mr. Lhota seconded and the minutes were approved by a unanimous voice vote.

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NEW BUSINESS/ACTION ITEMS

BOARD SELF-ASSESSMENT

EXECUTIVE SESSION

Ms. Falls moved that the Governance Committee enter executive session pursuant to Ohio Revised Code §121.22(G)(1) for the purpose of discussing personnel issues. Mr. Hummel seconded and the motion was approved by unanimous roll call vote.

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ADJOURNMENT FROM EXECUTIVE SESSION

~~4~~Ms. Falls moved that the Governance Committee adjourn from executive session. Mr. Lhota seconded and the motion was approved by unanimous roll call vote.

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~~4~~The Committee reviewed a summary of the Board's self-assessment. The overall score was 4.56 on a 5.0 point scale. The summary is incorporated by reference in these minutes. The summary contained six action steps for the Board. They are:

~~4-1~~The Board would encourage strategic discussions at future Board meetings focused on gaining a better understanding of the nature of the insurance aspects of the BWC's operations, including using insurance business vs. social insurance agency comparisons, while also understanding the implications of this analysis for setting the appropriate goals and metrics.

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~~2-2~~The Board would encourage continued attention to timely delivery of materials. Committees and committee chairs are encouraged to adopt a two-step process for major decisions. This would mean planning such that there is an introduction to the topic with discussion at the first monthly meeting, with any follow up with more detail, further discussion and a decision at the second monthly meeting.

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~~3-3~~The Board would encourage a Board and committee planning process resulting in a schedule of meetings over two rather than three days. This process would involve long-range planning and coordination of committee and Board agendas as well as expansion of the Thursday or Friday time schedule to accommodate the requisite discussion and deliberation.

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~~4-4~~The Board would task the Audit Committee to expand its charter, with an appropriate change in the Committee's name, to include oversight responsibilities for finance as well as audit policies and processes. At the same time, the Board would continue to devote significant time and attention to the overall financial performance and condition of the BWC.

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~~5-5~~All Board members are encouraged to provide, as they may deem appropriate, input regarding the content and structure of future Board and committee meetings by contacting the Board Chair, the committee chairs or the Board Liaison.

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~~6. 6.~~The Board would continue to expect Board and Committee meetings to be conducted with decorum and respect for directors and BWC staff, while continuing to encourage an open and candid exchange of views.

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~~4~~Mr. Lhota moved that the Governance Committee of Workers' Compensation Board of Directors recommend to the Board that it approve the summary of the Workers' Compensation Board of Directors Self-Assessment. Mr. Smith seconded and the motion was approved by unanimous roll call vote.

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REVIEW OF MANDATED BOARD REPORTS AND COMMITTEE OVERSIGHT RESPONSIBILITIES

▲ —Ms. Falls presented the Schedule of Mandatory Reports of the Workers' Compensation Board.▲
The schedule has been reviewed by BWC staff.

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—Don Berno, Board Liaison, reported that the schedule of reports had been approved at the June meeting. Additional details regarding process have been added by Ann Shannon, Legal Counsel, and Peggy Concilla, Liaison to the Workers' Compensation Council.

—Mr. Berno further reported that it will not be possible to deliver the actuarial audit to the Workers' Compensation Board by the September 1 deadline. The BWC Legal Division will be requesting an extension. Marsha Ryan, BWC Administrator, added that the September 1 deadline was prescribed by the General Assembly without knowledge of the need to close the books and compile data before completing the actuarial audit.

—Ms. Falls recommended that the various reports are hereby assigned to their respective committees.

BOARD EDUCATION PLAN

▲ —Ms. Falls presented a draft education calendar. She reviewed specific topics and the months they▲
would be conducted to comply with Ohio Revised Code § 4121.12(F)(16). She requested that Mr. Berno clarify the March session to indicate the topic will be compensation and benefits of injured workers.

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—Mr. Smith moved that the Governance Committee of the Workers' Compensation Board of Directors recommend adoption of the education plan for 2008/09. Mr. Lhota seconded and the motion was approved by unanimous roll call vote.

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DISCUSSION ITEMS

CALENDAR

▲ —Ms. Falls proposed changing the calendar of the Governance Committee so that five or six▲
meetings are to be held on Thursdays at 9 a.m. from April through November. The remaining 9 a.m. Thursday slots are reserved for public forums and board education sessions. Mr. Berno reported the public forums are now scheduled for January, March, August, and October. Ms. Falls added that to the extent possible, H. B. 100 educational sessions will be held during Workers' Compensation Board meetings.

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▲ —The next Governance Committee meeting will be held September 25 at 8 a.m.

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ADJOURNMENT

There was a motion by Mr. Lhota, second by Mr. Smith and adjournment by Ms. Falls at 4:00 pm.

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Prepared by: Larry Rhodebeck, BWC Staff Counsel

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July 28, 2008

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