

**MINUTES OF THE
PRIVATE PROTECTIVE SERVICES BOARD MEETING
APRIL 21,2006
HILTON WILMINGTON RIVERSIDE
301 N. WATER STREET
WILMINGTON, NORTH CAROLINA 28401**

BOARD MEMBERS PRESENT

Mack Donaldson - Chairman
Carlton Miles
Ron Burris
Brenda Bishop
Berkley Blanks
Grady Conner
John Greco
David Grimes
David Pendry

BOARD MEMBERS ABSENT

Keith Shannon
Sheriff Jimmy Ashe
Richard Allen
James Stevens

STAFF PRESENT

Wayne Woodard - Director
Terry Wright - Deputy Director
Charles McDarris - Attorney
Larry Liggins - Field Services Supervisor
Tim Pressley - Training Officer

Susan Harrison - Board Secretary
Jennifer Mooney

GUESTS PRESENT

Lance Jones
Glen Canter
Leo G. Trepamier
Jim Mabry
Larry Alexander
Ruth Reynolds
Jeff Kiker
Dill Dover
Gina Batchelor
Phrantceena T. Halres

Jim Joyner
Jim Davis
William E. Reynolds, Jr.
Steve Siske
Leann Bright Cloudman
Clare Wadsworth
Marti Miller
Ted Gartman
Rick Clayton
Audra Rook Coleman

David Shelton
Freddie L. Hampton
Angela D. Reynolds
Odessa Kimber
Tim Batchelor
Ed Cobbler
Gabie Milan
Rick Eatman
Marolyn Pendry
Thomas Lloyd Rose

Mr. Donaldson called the April 21, 2006 Private Protective Services Board Meeting to order at 9:30 a.m. Mr. Donaldson advised that all Board appointments have been made and we are now at full capacity with only four member absent today; Mr. Richard Allen, Mr. James Ashe, Mr. Jim Stevens and Mr. Keith Shannon.

Attorney Charles McDarris advised that Executive Order Number One has been signed by Governor Easley and addresses the ethics of public officials. This Order states specifically that if any Board member has any conflict of interest, potential conflict of interest or appearance of a conflict, he or she should remove himself from deliberation and vote on that matter and so state on the record.

Mr. Donaldson welcomed the guests and requested they introduce themselves. Mr. Donaldson also recognized Mr. Wayne Woodard who will be leaving PPS as a result of him been appointed by the Attorney General to head the Criminal Justice Education & Training Standards Commission.

GOOD OF THE ORDER

Ms. Ruth Reynolds, President NCAPI wishes Mr. Woodard well on his new job and expressed how much he will be missed. Ms. Reynolds stated that she is working on the details of a seminar that is coming up, possibly in October. She stated that she has been researching some of the Canadian Investigative Services and is gathering ideas from them for the seminar. She further advised that she and other investigators recently attended an Interview and Interrogation class sponsored by John Reid and Associates.

Mr. Larry Alexander, President of the North Carolina Association of Security Professionals thanked Mr. Woodard for his support and wished him well. Mr. Alexander advised that NCASP was taking bids from insurance companies who are interested in offering insurance coverage to security professionals as well as private investigators. Mr. Alexander, asked Mr. Woodard for the total number of security officers and private investigators in North Carolina. Mr. Woodard advised that there were approximately 12,000 security officers currently registered in the state and about 1,150 licensed private investigators. Based on the number of private investigators and security officers in the state, Mr. Alexander feels as if they will be able to get reasonable bids for the proposed coverage.

APPROVAL OF THE FEBRUARY 17, 2006 MINUTES

MOTION BY MR. CONNER TO APPROVE THE MINUTES OF THE FEBRUARY 17, 2006 MEETING AS PRESENTED. SECONDED BY MR. GRIMES. MOTION CARRIED.

LICENSING AND REGISTRATION ACTIONS

SCREENING COMMITTEE REPORT:

Mr. Blanks advised that the Screening Committee met on Thursday, April 19, 2006 from 9:00 am until 12:00 p.m. to consider a total of 55 applications. The committee members were Mr. Blanks, Mrs. Bishop, Mr. Miles, Mr. Burris and Mr. Pendry. (See attached report)

Mr. Blanks presented the following registration report for the period of February 14, 2006 - April 19, 2006. Total registrations 3,192; Armed totals were 509 of which 258 were new, 238 renewals, 13 reissue/dual. Unarmed totals were 2,683 which includes 1,387 new, 1,245 renewals, 95 transfers and 6 duplicates. Total denials 825 of which 107 were denied for cause and 718 which were correctable denials. There were 363 applications approved which were previously denied for a total of 1,188 denials reviewed.

MOTION BY MR. MILES TO ACCEPT THE SCREENING COMMITTEE REPORT. SECONDED BY MR. GRIMES. MOTION CARRIED.

Mr. Donaldson stated that 718 correctable denials seems a bit high. Mr. Donaldson asked Mr. Woodard what typically constitutes a correctable denial. Mr. Woodard agrees that the number is high and advised that the issue of correctable denials is still a problem. Mr. Woodard cited some examples of correctable denials as applications that are missing photographs, criminal records checks, explanation of charges, etc. Mr. Donaldson asked if the high numbers of correctable denials has anything to do with the new four hour training requirement? Mr. Woodard advises that a quite a few of the correctable denials have been training related and that it is a factor but it's not the only factor. We are still having the same problems with applications not containing all required information. Some of the problems have been as a result of applicants sending in the old registration forms. The new forms have been posted on the web site and we are sending the companies copies of the new form, which should be out next week. He encouraged licensees/designees to work to eliminate errors when completing and submitting applications, which in turn, will help the PPS staff with the turn around time for processing applications.

GRIEVANCE COMMITTEE REPORT:

Mr. Grimes reported the Grievance Committee met on Wednesday April 20, 2006 from 1:00 pm until 2:10 pm to consider a total of five cases. The committee members were Mr. Grimes, Mr. Allen, Mr. Greco, Mr. Stevens and Mr. Conner. (See Attached Report)

MOTION BY MR. MILES TO ACCEPT THE GRIEVANCE COMMITTEE REPORT AS PRESENTED. SECONDED BY MR. BERKLEY. MOTION CARRIED.

FINAL AGENCY DECISIONS

None

COMMITTEE AND SPECIAL REPORTS

TRAINING AND EDUCATION COMMITTEE:

Mr. Greco reported the Training and Education Committee met on Thursday, April 20, 2006 from 1:30 p.m. until 2:45 p.m. with committee members Mr. Greco, Mr. Conner, Mr. Stevens, Mr. Miles and Mr. Pendry.

Mr. Pressley reported since the last meeting we have held two Unarmed Guard Trainer classes, one in Guilford County and one in Wake County. An OC Spray Trainer Course was held on March 3rd in Salemburg, NC. The following training classes are currently scheduled: Unarmed Guard Trainer Course to be held in Wake County and a Firearms Training Course to be held at the North Carolina Justice Academy. A total of 405 individuals have attended the Unarmed Guard Trainer Workshops.

Mr. Pressley has received the recommended Armored Car Training Manual produced by a group of armored car company personnel. They will distribute copies to the Board Chairman and Training and Education Committee Chairman to review. Mr. Pressley also advised that he had received a copy of the recommended questions to be provided to Unarmed Guard Trainers for testing of the students. Mr. Pressley is currently checking with the Justice Academy in reference to some classes they have available to help assist the instructors in writing test questions.

Mr. Greco has expressed in the past the need to advertise to the citizens of NC about the Private Protective Services Board and what the Board does. Mr. Greco reported that Mr. Woodard has sent out a news release to 25-28 major news papers advising the organizations what PPS does.

Mr. Greco reminded the Board that we have authorized U.S. Security Associates to conduct interactive training on a probationary basis until October 1, 2006. They started the training on April 10th. During the period of probation the Board will conduct unannounced visits and also Mr. Pressley has the capability to monitor their training via his computer. Mr. Greco stated that monitoring of the training will allow the members to report back at the October Board meeting to the full Board whether this is a sound approach which achieves what the Board desires to achieve in developing the program and whether we can go ahead with the program on a regular basis.

Mr. Donaldson stated that he has concerns that the October meeting will come and no one would have observed the sessions. He requested to get a monthly update on the status of the training. Mr. Donaldson also requested that some unannounced visits of the training be conducted as well.

Mr. Greco explained the requirements to take these classes. The students must know how to work a key board and the interactive system. The students are to get a 30 minute briefing on what is required before they take the class. There will be a local administrator on site when they have to break to write answers and to answer any questions. The first 4 hours of the session will be done live. Mr. Greco stated it was his understanding that the classes are scheduled for Monday and Thursday morning for their North Carolina sites.

Mr. Greco reported on the discussion from the special work session in regards to the need for

training tools as part of the unarmed guard training program. After a lengthy discussion during the meeting, the Board decided that it would be helpful if a battery of testing questions were available to use as part of the training packet. There's a series of 300 questions that has been developed for use. These questions were provided by Gabie Milan and NCASP, who have been working together on this project. Mr. Greco suggested that NCASP look into what they can do and how they would be a repository of the test questions. Mr. Alexander stated that NCASP had questions about having the questions validated. He also expressed concerns that if the association were to distribute the questions, yet no validation of the questions had taken place then the association would probably assume some liability. Mr. Alexander was concerned about the financial impact to the association if they were to take on this task.

Ms. Bishop stated that if the questions are being used as a training aid, they don't have to be validated. If it was a pass or fail test then it would have to be validated, but since it's a training aid and used to pick questions from it then it does not have to be validated.

MOTION BY MR. CONNER TO ACCEPT THE TRAINING AND EDUCATION COMMITTEE REPORT. SECONDED BY MS. BISHOP. MOTION CARRIED.

FINANCE COMMITTEE:

No Report

GRIEVANCE COMMITTEE:

Nothing further

SCREENING COMMITTEE:

Nothing further

74C RE-WRITE COMMITTEE:

Mr. Miles stated that a copy of the 74C re-write has been provided to Ms. Reynolds, Larry Alexander, and Eddie Caldwell.

Mr. Miles did want to clarify the number of Board members listed in the proposed bill. The documentation states that 10 Board members to be appointed whereas Mr. Miles notes listed 9. He stated that the language should read: The Attorney General will have two representatives, his designee and another representative who should be a licensee. The appointee for the Governor should be at his discretion. The three appointees for the President Pro Tempore should be licensees. The three representatives appointed by the Speaker of the House should be licensees. Mr. Miles would like to make a motion and vote recommending 9 members be appointed to the Board, unless other Board members are of the opinion that the proposed language should request 10 members.

MOTION BY MR. CONNER TO REQUEST 10 BOARD MEMBERS INSTEAD OF THE 9. THAT THE 10TH PERSON BE A LICENSEE APPOINTED BY THE ATTORNEY GENERAL. SECONDED BY MR. GRIMES. MOTION CARRIED.

Mr. Woodard advised that he was unsure that the Board could require the Attorney General to appoint licensees or non-licensees and that it was his opinion that the Attorney General would want to have the discretion to appoint a licensee or non-licensee. After much debate by a number of Board members Mr. Blanks, who had previously voted for ten members to be appointed to the Board with the tenth person being a licensee appointed by the Attorney General, made the following motion;

MOTION BY MR. BLANKS THAT THE ATTORNEY GENERAL APPOINT THREE REPRESENTATIVES TO THE BOARD AND THAT THE ATTORNEY GENERAL AT HIS DISCRETION APPOINT LICENSEES OR NON LICENSEES. SECONDED BY MS. BISHOP. MOTION CARRIED.

Mr. Miles, Mr. Burris and Mr. Pendry opposed.

As a result of the vote the proposed language will consist of 10 Board members. One public member appointed by the Governor, three licensees appointed by the Speaker of the House, three licensees appointed by the President Pro Tempore, two members appointed by the Attorney General who may be licensees or non-licensees, and the Attorney General or his designated representative, who may be a licensee or non-licensee.

Break 10:50

OLD BUSINESS:

Mr. Woodard advised that at the work session in March, Mr. Alexander raised an issue regarding dual registration for armed officers. If the issue involves armed security officers, the Board has allowed for a officer to hold dual registration which is for more than one company. Basically company A can hire the person and company B wants and agrees to hire them to. This person can hold both registrations, but the second registration will have the same expiration as the first. The issue was that company B was paying the same cost as company A (with exception of the \$5 for the state criminal history check) but not getting the full 12 months registration period. This is not addressed specifically in the rules. As it is right now, in order for company B to get a full 12 months registration period they will be required to re-certify the guard at the firing range .

Mr. Donaldson requested that recommendations be made and presented to the Screening Committee to address this issue.

MOTION BY MR. BURRIS TO DO A STUDY ON DUAL REGISTRATION AND SEND TO SCREENING COMMITTEE. SECONDED BY MR. GRIMES. MOTION CARRIED.

NEW BUSINESS:

ATTORNEY'S REPORT

Mr. McDarris presented the following report: See report

CONSENT AGREEMENTS & CIVIL PENALTIES:

1. Odessa Kimber - Consent Agreement of \$4,324.80 has been executed. She is making installment payments and is current on those payments.
2. Gregory S. Hillard - Consent and Approval letter were sent on February 23, 2006. We have not received a reply. Thus, the license has not been issued.
3. Tim McIntyre - Civil Penalty has been appealed.

OFFICE OF ADMINISTRATIVE HEARINGS & SUPERIOR COURT:

Mr. McDarris reported we have nine cases to be heard.

RULES:

Mr. McDarris stated that regarding 12 NCAC 07D .0405, the PI Ride-along provision that the Rules Review Commission objected to that rule based on lack of statutory authority. The Rules Review Commission stated that the proposed rule was unclear and ambiguous. Mr. McDarris suggested that the Board withdraw this rule.

Mr. McDarris stated that regarding 12 NCAC 07D .0807, the rule was adopted by Rules Review Commission and has now been published.

Mr. McDarris stated that regarding 12 NCAC 07D .0707, the rule had been filed for publication in the NC Register. It is before the Board for adoption.

MOTION BY MR. BLANKS TO SEND RULE 12 NCAC 07D .0707 TO RULES REVIEW COMMISSION. SECONDED BY MR. CONNER. MOTION CARRIED.

MISCELLANEOUS :

Mr. McDarris discussed the recent problems with applicants submitting Affidavits as a means to verify their experience. Mr. McDarris stated that we are having a recurring theme of past military individuals unable to supply records because of the confidential nature of their military assignment. There also have been situations where individuals have tried to obtain their records but the records had been destroyed. Mr. McDarris stated that Affidavits should be a last resort and screening

committee has requested that it only be used within certain criteria. Mr. McDarris will come up with a pre-approved formatted affidavit. Mr. McDarris requested authority by motion to look into that further and present it at the next meeting.

MOTION BY MR. CONNER FOR MR. McDARRIS TO DEVELOP AN AFFIDAVIT PROCESS AND PRESENT TO THE BOARD. SECONDED BY MR. MILES. MOTION CARRIED.

Mr. McDarris advised the Board that a Minnie Lewis had requested reimbursement through the recovery fund.

MOTION BY MR. BURRIS TO DEFER UNTIL NEXT MEETING FOR FURTHER CONSIDERATION. SECONDED BY MR. BLANKS. MOTION CARRIED.

Mr. McDarris advised that at a previous Board meeting the Board had voted to revoke the company business license of Secure Solutions. The matter was appealed by Secure Solutions and when the matter was presented at the Office of Administrative Hearings, the judge asked whether the issues could be settled between the two parties. Mr. Tim Batchelor, owner of the company is here to address the Board.

Mr. Liggins presented the case, advised that the company had significant registration violations. Mr. Bachelor advised that he had relied on his management team to take care of the company and he has since taken over and fired all management team responsible for the problems. Mr. Bachelor also presented a management plan to the Board as to how he plans on ensuring that the company does not have registration violations in the future.

MOTION BY MR. BURRIS TO GO INTO CLOSED SESSION PURSUANT TO G.S. 143-318.11(a)(3). SECONDED BY MR. BLANKS. MOTION CARRIED.

MOTION BY MR. BURRIS TO PROPOSE A SETTLEMENT BY CONSENT ORDER OF THE APPEAL THAT WOULD PROVIDE FOR DISMISSAL OF THE APPEAL ON THE CONDITION THE REVOCATION BE WITHDRAWN AND MOVE THAT THERE BE A ONE (1) YEAR SUSPENSION OF THE COMPANY BUSINESS LICENSE. THE COMPANY MAY REAPPLY IN MAY 2007 FOR LICENSE WITH THE CONDITION THAT THE NEW QA APPEAR BEFORE THE BOARD TO REVIEW HIS OPERATIONAL COMPLIANCE PLAN AT THAT TIME FINAL DECISION WILL BE MADE WHETHER TO AWARD A LICENSE. SECONDED BY MR. BLANKS. MOTION CARRIED.

Mr. McDarris advises that Mr. Danny Barham NC Detective Agency, Inc. would like the opportunity to address the Board again to discuss his case for a proposed settlement.

MOTION BY MR. CONNER TO NOT ENTERTAIN ANY FURTHER DELIBERATION WITH MR. BARHAM AT THIS TIME. SECONDED BY MR. BLANKS. MOTION

CARRIED.

Mr. Miles and Mr. Burris opposed

DIRECTOR'S REPORT

Mr. Woodard reported that the operating budget as of 03/01/06 was \$355,136.09 and the PPS Recovery Fund Balance as of 03/1/06 is \$56,368.56. He next summarized the administrative actions taken by staff since the last meeting, as appearing in his written report.

Mr. Woodard reported that he joined PPS on April 9, 1999. Since then we have issued 14,381 new wall licenses, 31,240 denial notifications, 154,453 registration cards, total number of almost 257,000. 196,000 applications that have been through the process during that period. Mr. Woodard stated that if you add everything together including background investigations, 500 background investigations a year, 150 complaints a year. This reflects how busy the staff really is and the job that they have done. Mr. Woodard stated that PPS is a very hard working group that sometimes is criticize, but that he would like to recognize them for their hard work.

Mr. Woodard announced his leaving and assuming the position of Director of Criminal Justice Standards with the Department of Justice. He stated he would be dealing more with the law enforcement side of the Criminal Justice Agencies which includes corrections, probation, parole, and juvenile justice. He stated that May 22nd will be the first official day of work in the new position. There will be an Interim Director appointed for PPS. He stated he spoke with his boss Kristi Hyman, the Attorney Generals Chief of Staff and that he had recommended that Terry Wright be the Interim Director. The decision regarding the Interim Director will be made in the next few weeks.

Mr. Woodard stated that we are now fully staffed. However, we do see a need to add a Clerical Position to assist the Field Services section. Shannon Hunt, our Information Assistant has been assisting with the clerical duties in the Field Services Section however, as we become fully staffed her job is becoming more hectic and we would like to free her up to perform other task such as keeping the web site up to date. We currently have some of the registrations forms on the web and eventually she will be placing various licensing forms on the web as well.

Mr. Woodard updated the Board on the previously discussed proposed new ID card system. He advised that the Department of Justice has a new Information Technology (IT) Director who has met with Mr. Woodard regarding our ID card project. They have reorganized that whole division. The project is currently on hold. They have however started looking at other projects now. There is an issue as to whether outside vendors will be allowed to provide this service. The new IT Director is of the opinion that her office should handle this project. If the DOJ IT section decides to handle this project the project would probably be delayed somewhat due to their various commitments. We have discussed the project and will be getting back with the IT Director to discuss the issue further. There is an issue of allowing an outside vendor to connect to our current computerized system.

Since the Department of Justice Information Technology Department maintains our system they have input into the decision making process. The outside vendors that have systems that we could use have contracts allowing them to maintain their own equipment. Our IT section would prefer to do this development of the system and maintenance in house, while we would still have to purchase the equipment to use along with the system. The new IT Director has assigned an analyst to look at our project.

Mr. Woodard advises that our office lease is up, we have the option to renew for 5 years. The indications are that we will be doing that, but it has to go through the state property process. They are negotiating the lease at present, within a month or so it should be resolved.

MOTION BY MR. MILES TO CREATE A CLERICAL POSITION TO SUPPORT THE FIELD SERVICES SECTION. SECONDED BY MR. BLANKS. MOTION CARRIED.

MOTION BY MR. GRIMES TO ACCEPT THE DIRECTORS REPORT. SECONDED BY MR. BLANKS. MOTION CARRIED.

MOTION BY MR. BLANKS TO GO INTO CLOSED SESSION PURSUANT TO 143.318.11(a)(6). SECONDED BY MR. BISHOP. MOTION CARRIED.

Executive session 1:05

Mr. McDarris advised that during executive session that a personnel matter was discussed. No action was taken

MOTION TO ADJOURN BY MR. DONALDSON.

1:15 Adjourned.

Terry M. Wright
Interim Director

Jennifer P. Mooney
Reporter