

## **RACS BOARD of DIRECTORS**

### **Meeting Minutes October 22, 2025**

Rockbridge Area Community Services Board of Directors meeting on  
Wednesday, October 22, 2025, 3:00 p.m.

#### **MEMBERS PRESENT**

Mr. Steve Funkhouser, Chair  
Mr. Christopher Plogger  
Dr. Michael Gilmore  
Mrs. Gail Mason  
Dr. James Gire

Ms. Lori Hicks  
Ms. Hannah Becker  
Ms. Karla Sprouse  
Mrs. Carolyn Kendall

#### **MEMBERS ABSENT**

Mrs. Ann-Ashby McKissick

Mr. Leonard Denicola

#### **ADMINISTRATION, STAFF and GUESTS PRESENT**

Kimberly Shaw, Executive Director  
Don Sherman, Director of Operations  
Lisa Zwecker, Director of Developmental Services  
Greg Hornback, Director of Clinical Services  
Michele Mathis, Director of Financial Services  
BreAnne Rogers, Executive Assistant and Communications Coordinator  
Dr. Jane Russell, Bath Community Hospital CEO  
Jonah Rioseco, Compliance Manager RACS

#### **CALL TO ORDER**

The meeting was called to order by Board Chair, Steve Funkhouser, at 3:03 p.m. and there was a quorum. Introductions were made by all in attendance.

#### **RECOGNITION OF STAFF ANNIVERSARIES**

*Kim reminded the board that staff will be formally recognized during all staff events during the year. Board members were encouraged to sign a card that would be given to staff that have met a milestone anniversary this year.*

#### **MINUTES**

The minutes from the August 27, 2025 meeting of the RACS Board of Directors were reviewed by the board. Dr. Gilmore motioned to approve the minutes and Chris Plogger 2<sup>nd</sup> the motion – carried unanimously.

#### **PUBLIC COMMENTS**

- None

#### **BOARD EDUCATION**

- None

#### **COMMITTEE UPDATES**

- Program Committee - Did not meet this month.

- Resource Committee Agenda Items - Chair Funkhouser reminded everyone that there was not a resource committee meeting today, so all resource committee meeting agenda items will be presented as part of this full board meeting.
  - Policies: Don referenced shared some insight on the policy updates.
    - 7-08: Protected Health Information and Health Insurance Portability and Accountability Act Regulations – Don shared that since new policies have been added it is no longer needed and will be replaced by section 14.
    - Don shared the language around each of the new HIPAA Policies in section 14: 14-09: HIPAA Compliance: Physical Safeguards; 14-10: HIPAA Compliance: Client Rights; 14-11: HIPAA Compliance: Medical Record Disclosures
    - 7-05: Dual Relationships – Don shared updates on the language changes and removal of most of the guidelines.
    - Don discussed the removal of 9-02: Facility Access Controls, as well as requesting removal of 9-04: Information Access Controls – both of these are older and outdated policies.
    - 9-10: The Ethical Use of AI in Agency Business – Chair Funkhouser inquired about AI and how RACS is using it currently. Greg, Don and Kim chimed in that at this time it is used sometimes to draft correspondence, locate documents, etc., but not being used for treatment or on client data at RACS currently.
    - 10-13: Performance Contract – Don reminded everyone that this is part of the state contract and obligations to comply with DBHDS. This policy was an older policy and unnecessary due to it being included in the state requirements. The request is to remove this policy.
    - 6-13: Animals at Work – Don shared that the policy has been updated to comply with the law. Karla shared that she likes that group home residents can have pets.
    - Any questions raised were answered by Don.

Chair Funkhouser requested a motion from the board to accept the policy changes as presented. Lori Hicks moved to accept and 2<sup>nd</sup> by Dr. Gilmore – carried unanimously. **The board unanimously accepted changes to Policies 14-09: HIPAA Compliance - Physical Safeguards; 14-10: HIPAA Compliance - Client Rights; 14-11: HIPAA Compliance - Medical Record Disclosures; 7-05: Dual Relationships; and 6-13: Animals at Work; and 9-10: The Ethical Use of AI in Agency Business.**

Chair Funkhouser requested a motion from the board to accept the policy removals as presented. Karla Sprouse moved to accept and 2<sup>nd</sup> by Carolyn Kendall – carried unanimously. **The board unanimously accepted removal of Policies 7-08: Protected Health Information and Health Insurance Portability and Accountability Act Regulations; 9-02: Facility Access Controls; 9-04: Information Access Controls; and the 10-13: Performance Contract.**

- August and September 2025 Financial Reports: The financial reports were reviewed. Any questions raised were answered by Michele. There was some discussion on future payoff of facility mortgage. Chair Funkhouser

requested a motion to accept the financial reports as presented. Dr. Gilmore moved to accept and 2<sup>nd</sup> by Karla Sprouse – carried unanimously. **The board unanimously accepted the August 2025 and September 2025 financial reports.**

## **SECURITY REVIEW UPDATES**

- None at this time.

## **EXECUTIVE DIRECTORS' REPORT**

- Kim highlighted several key points in her ED report. In addition to Kim's report, she shared some insight on the Housing Symposium that was held at the VA Horse Center.
- Kim shared that the Board P&P Manual that she referenced in her report will be revisited with the board during the December meeting.
- The Management Team's Retreat went well, and the speakers did a great job.
- Kim noted that DBHDS seems to be working towards a complete reimbursement-based model.
- When Kim asked if anyone had any questions, Chair Funkhouser asked about the VMI basketball interest listed in Kim's reports. Kim shared that the prevention team is partnering with VMI for youth related activities and the group home participants are also planning to attend a practice as well.
- Karla shared that the community table participants inquired about when Rain would be coming back to visit again and shared that her presence was well received.
- Lori inquired about Recovery Court. Greg said that the team has come together well and that he is excited about the progress.

## **UNIT DIRECTOR'S UPDATES**

- All of the directors gave updates in addition to their written reports.
- Greg shared that a veteran peer has been hired and started this past Monday. He also shared that a driver has been hired to help make services more accessible.
- Greg shared that RACS has 3 full-time staff in ES but that one of the staff members will be out on maternity leave for a few months and that the ES manager recently resigned. Will be filling the shifts with other staff for the time being.
- Don shared that RACS has a new compliance manager who has CSB and compliance experience.
- Don shared that he is continuing to work with the IT vendor to renegotiate the contract and that the vendor has agreed to reduce the price by reducing workstations and licenses.
- He also noted that the state reporting software change is continuing without any issues and going smoothly so far.
- Don stated that he is currently paying attention to the behavioral health redesign – lots of meetings to prepare for next steps.
- Lisa shared that both group homes are full right now and new Support Coordinator Manager has been hired and will be starting November 3<sup>rd</sup>.
- Kim gave a shout out to the Magnolia Center staff who are stepping up to the challenge of gaining a lot of new participants.
- Kim shared that Michele has been working on training her new Financial Operations Manager.
- Michelle shared that they are converting accounting software and hope to go live on January 1<sup>st</sup>.

## **BOARD MEMBERS' COMMENTS**

- Karla shared that Community Table is preparing for increased numbers due to reduction in SNAP benefits. She also shared that Spencer Home Center is taking food donations.
- Dr. Gilmore shared that Virginia has enough money for SNAP until November.
- Kim shared that November 20<sup>th</sup> there will be a Community Thanksgiving Meal at the VA Horse Center. It will be open to all. She also shared that Rockbridge Church will be offering lunch tomorrow for those that are impacted by the government shutdown.
- Lori shared that they also offer a community dinner at the firehouse in Bath County at Thanksgiving. She shared that they are expecting over 140 this year.

## **CHAIRPERSON'S COMMENTS**

- N/A

## **CLOSED SESSION**

- N/A

Chair Funkhouser adjourned the meeting at 4:12 p.m. The next meeting of the Rockbridge Area Community Services Board will be at 3:30 p.m. on December 3, 2025 at **Rockbridge Area Community Services, 241 Greenhouse Road, Lexington, VA 24450**.