Alabama Electronic Security Board of Licensure
Board Meeting
Tuesday, March 8, 2016, 9:30 a.m.
AIDT Training Center
15 Technology Court
Montgomery, Alabama

John D. Orr, Sr., Chairman, called the meeting to order at approximately 9:35 a.m. at the AIDT Training Center, Montgomery, Alabama, as posted on the Secretary of State's website. Mr. Orr asked Lynne Taunton, AESBL Executive Secretary, to call the roll. Members present: John Orr, Sr., Kristi Jennings, Scott Hunter, Joe Marsh, and Sheriff Derrick Cunningham.

I. **Quorum:** A quorum was present. Bettie Carmack, Assistant AG and Board's Legal Counsel certified the quorum.

Minutes of February 9, 2016, Board Meeting: Mr. Orr asked members to review the minutes for the February 9, 2016, Board Meeting. Motion to approve the minutes was made by Mrs. Jennings. Second by Mr. Hunter. An individual vote was taken: Mr. Orr voted to approve, Mrs. Jennings voted to approve, Mr. Hunter voted to approve, Mr. Marsh voted to approve, and Sheriff Cunningham voted to approve. Motion carried.

II. **Report on FBI Audit / Telephone Conference / Meeting with ALEA**
Mrs. Taunton reported to the Board the events regarding the recent FBI audit on the Alabama Electronic Security Board of Licensure (AESBL). The AESBL was found to be out of compliance on several issues. A teleconference was conducted at the Office of the Attorney General. Present were: Mrs. Taunton, Sheriff Derrick Cunningham, Ms. Bettie Carmack, Ms. Janet Robinson, and Ms. Kathy Slay. Those present spoke to members of the FBI regarding the recent audit. FBI personnel includes: Rebecca Phillips and Toby Nice. The non-compliance issues center on policies not in place between the AESBL and the out-sourced administrative services with RT Management, Inc. A later meeting was

held at the offices of the Alabama Law Enforcement Agency (ALEA). Present at this meeting on Monday, March 7, 2016, were: AESBL Chairman John Orr, Mrs. Lynne Taunton, Ms. Bettie Carmack, Ms. Janet Robinson, and Ms. Kathy Slay. ALEA personnel included: Angela Washington (Auditor/Compliance Field Specialist) and Tracy Townsend (ACJIC Coordinator). This meeting was requested by Ms. Carmack in order for the AESBL and RT Management, Inc., to be proactive in regard to compliance with audit findings. Mrs. Washington and Ms. Townsend presented information needed for putting written policy procedures in place between the AESBL and RT Management, Inc. They informed those present that there is a 90 day grace period to come into compliance. All information was presented to the Board.

III. Review of Notes from Telephone Conference with FBI:

Ms. Bettie Carmack submitted detailed notes to the Board regarding the meeting with personnel from the FBI. The Board Members reviewed the notes presented. Three key issues contained in the notes are: (1) Criminal History Report Information (CHRI) cannot be disclosed to anyone other than the recipient. No mention can be made to an employer about denial due to specific criminal activity; (2) Delegation of duties between the Authorized Recipient (the Board) and the Contractor (RT Management, Inc.) must be clarified and strengthened. The Board must have a more active part in dissemination of CHRI; (3) The Board must enact strict policies between it and the Contractor. These policies must be in writing.

IV. Review of Contracts:

The Board Members reviewed the contract between RT Management, Inc., and the Alabama Electronic Security Board. It was suggested that language be added to the current contract to specifically indicate the agreement regarding the outsourcing of CHRI from the Board to the Contractor. Both the former contract between the AESBL and Alabama Public Safety (ABI) and the currently adopted contract between the

AESBL and the Alabama Law Enforcement Agency (ALEA) were included for comparison but not reviewed. Per Angela Washington with ALEA, the current contract is null and void, and a new one will be issued.

V. Review of ALEA (ABI) / FBI Materials:

Additional information was provided and reviewed. These items were discussed in the overview given by Mrs. Taunton at the beginning of the meeting.

VI. Example of Contract between Private Company and ALEA:

Included was a sample template of a possible contract that could be used between RT Management, Inc., and ALEA. At the March 7, 2016, meeting, Angela Washington informed those present that ALEA could provide sample templates of all items required.

Motions:

1. Motion to agree with ALEA's recommended actions regarding dissemination of CHRI between RT Management, Inc., and the Alabama Electronic Security Board of Licensure was made by Mr. Hunter. Second by Sheriff Cunningham. Mr. Hunter voted to approve, Sheriff Cunningham voted to approve, Mr. Orr voted to approve, Mr. Marsh voted to approve, and Mrs. Jennings voted to approve. Motion carried.

2. Motion to form a committee to adopt the policies and procedures recommended by ALEA was made by Mr. Marsh. Second by Sheriff Cunningham. Mr. Marsh voted to approve, Sheriff Cunningham voted to approve, Mr. Orr voted to approve, Mr. Hunter voted to approve, and Mrs. Jennings voted to approve. Motion carried.

3. Motion to keep Ms. Janet Robinson as the audit contact between the AESBL / RT Management, Inc., and ALEA was made by Sheriff Cunningham. Second by Mrs. Jennings. Sheriff Cunningham voted to

approve, Mrs. Jennings voted to approve, Mr. Orr voted to approve, Mr. Marsh voted to approve, and Mr. Hunter voted to approve. Motion carried.

VII. Executive Session:

Mr. Adam Christian, attorney for Vivint, Inc., requested to appear before the Board to voice an appeal for Administrative Complaint# 2015-11-23-01, Ware vs. Alder Holdings LLC.

Sheriff Cunningham left the meeting at 10:31 a.m. Before exiting, he recused himself from the Alder Holdings case since he reviewed it in Committee.

A motion was made to go into Executive Session by Mr. Marsh. Second by Mr. Hunter. An individual roll call vote was taken: Mr. Marsh approved, Mr. Hunter approved, Mr. Orr approved, and Mrs. Jennings approved. Motion carried. Legal counsel Bettie Carmack declared the Board was in Executive Session at 10:35 a.m. The Board agreed it would come out of Executive Session in approximately one hour.

A motion was made to return to General Session by Mr. Marsh. Second by Mr. Hunter. An individual roll call vote was taken: Mr. Marsh voted to approve, Mr. Hunter voted to approve, Mr. Orr voted to approve, and Mrs. Jennings voted to approve. Motion carried. Ms. Carmack declared the Board was back in General Session at 11:58 a.m.

A motion was made to keep fine in place for Alder Holdings LLC, but for legal counsel to revise the order to remove revocation language along with the date range stated. Motion made by Mr. Marsh. Second by Mr. Hunter. Mr. Marsh approved, Mr. Hunter approved, Mr. Orr approved, and Mrs. Jennings approved. Motion carried.

Additionally, the Board recommended that Alder Holdings LLC submit all training needed on 15-20 applicants awaiting licensing as soon as possible.

VIII. Other Business:

A. AESBL Inspector Mike James resigns from contract:
Ms. Janet Robinson reported that Alabama Regulatory Investigations is resigning from contract effective April 1, 2016. Mr. James will no longer be performing investigative services. The AESBL staff will launch a new RFP bid.

B. Status of Locksmith Definition:
Mrs. Jennings reported that Alarm Association lobbyist Bill Cobb does have the proposed locksmith definition, but Mrs. Jennings will need to contact him to find out the status of it being introduced to the legislature.

C. Advertising Committee:
Mrs. Taunton reported that the Committee needs to look further into establishing a contract for an advertising campaign.

D. Education Committee:
Mrs. Jennings reported that the Education Committee needs to schedule an additional meeting.

E. Next Scheduled Board Meeting:
Tuesday, May 10, 2016

Adjourn:
Motion to adjourn was made by Mr. Marsh. Second by Mr. Hunter. Mr. Marsh voted to approve, Mr. Hunter voted to approve, Mrs. Jennings voted to approve, and Mr. Orr voted to approve. Motion carried. The Board adjourned at 12:15 p.m.

Approved by the Board on April 14, 2016.

John D. Orr, Sr., Chairman

Lynne Taunton, Executive Secretary