

**NORTH BROWARD HOSPITAL DISTRICT
BOARD OF COMMISSIONERS'
REGULAR MEETING
Wednesday, June 29, 2016 – 4:00 p.m.
Broward Health Corporate—Spectrum Location
1700 NW 49 Street, Fort Lauderdale, Florida**

MINUTES

The Regular meeting of the Board of Commissioners of the North Broward Hospital District was held at 4:00 p.m. at Broward Health Corporate, Spectrum Location, 1700 NW 49 Street, Fort Lauderdale, Florida.

Notice of this meeting is attached to the official Minutes as EXHIBIT I. The official Agenda for this meeting, as presented for the consideration of the Board, is attached to the official Minutes as EXHIBIT II. Original registration sheets listing attendees, as well as those who wished to address the Board, are attached to the official Minutes on file in the Board of Commissioners' office.

Chair Rodriguez called the meeting to order at 4:05 p.m.

ROLL CALL

Commissioners:

Present: Commissioner Rocky Rodriguez – Chair
Commissioner Christopher Ure – Vice Chair
Commissioner Maureen Canada- Secretary/Treasurer
Commissioner Joel Gustafson - Board Member
Commissioner Sheela VanHoose– Board Member
Commissioner Linda Robison – Board member

The invocation was given followed by the Pledge of Allegiance led by Commissioner Sheela VanHoose.

**RECOGNITION OF THE CHILDREN'S DIAGNOSTIC AND TREATMENT CENTER
CHAMPION AMBASSADOR—Kasie Baldwin**

Dr. Ana Calderon introduced Kasie Baldwin who in the short five years of her life has endured an incredible and rigorous medical journey. Kasie has been a patient of Dr. Hernandez at CDTC as her Medical Home since she was born. Three years ago, she was diagnosed with Medulloblastoma, a relatively rare form of brain cancer. Her diagnosis required multiple visits to various specialists who worked together to determine the best course of treatment for this special young lady. Physical and occupational therapy became a constant in Kasie's life as well as trips to the neurosurgeon, outpatient cancer center and a myriad of other appointments that arose out of the need to attend to the many significant side effects caused by this malignancy.

During this treatment, Kasie bravely dealt with having to have a port implanted into her chest to facilitate medication and labs. Through it all, she did not complain and was recently rewarded with the exciting news that the port was no longer needed as Kasie is cancer free! Kasie recently

started elementary school and is meeting lots of new friends with whom she is now able to enjoy the activities of childhood.

This summer, Kasie plans to enroll in dance and gymnastics, two of her favorite pastimes.

RECOGNITION OF REGIONAL DAISY AWARDEES:

Ms. Grant informed the Board of Commissioners that the DAISY Foundation was established in 1999 by some members of the family of Patrick Barnes who died at the age of 33. The Barnes Family started this Foundation in recognition for the outstanding job that nurses do every day for patients. The DAISY award can be tailored to each hospital's unique culture and values. Ms. Grant said that this has been initiated at all four (4) medical centers and every two months a nurse is recognized at their respective medical center. In keeping with Commissioner Ure's request to recognize and recognize more, the leadership team thought it would be appropriate to bring the DAISY awardees to the Board every quarter.

Ms. Grant said that the nurses received daisies, a statue and Cinnabuns. Cinnabuns are very important because they were the favorite food of Mr. Barnes. The nurse shares the Cinnabuns with the other nurses on the unit and everyone has a good time.

The following employees were recognized as being the recipients of the DAISY Award: Tricia Guiterrez RN, Broward Health North; Minimole Joseph RN, BH Coral Springs; Mildred Caoili RN, BH Imperial Point; and Siobhan Deasey RN and Teresa Deasey RN, BH Medical Center. The CNOs read nomination letters for each of their regional DAISY awardees.

COMMENTS FROM AUDIENCE:

Chair Rodriguez reminded everyone that there is a 3-minute time limit when addressing the Board which will be followed.

Mr. John deGroot commented that he met Ms. Jasmin Shirley in the 1980s following the death of his brother who died from AIDS. He said that no one knew about AIDS at that time, no one wrote about it and no one cared about it but Ms. Shirley cared. Ms. Shirley represents the people who are about the patients. He said he listened to what was discussed at the Budget Workshop and the issues facing the District today and was struck by the irony that Florida has a Governor who is opposed to increasing the funding for healthcare, especially for hospitals and yet he appointed the Commissioners to this Board. He said that the issue that everyone is facing and ignoring is should one of the nation's largest public health systems use tax dollars to engage in unfair competition with the private sector. He does not believe that the Board has addressed this question from the public policy standpoint. According to Mr. deGroot, the District's tax dollars enable the District to engage in unfair competition with HCA's hospitals. He said that the District is undercutting the cost of healthcare at HCA tremendously thanks to their tax revenues.

APPROVAL OF MINUTES

1. Request approval of the Minutes of the Regular Meeting of the Board of Commissioners held May 25, 2016.

It was moved by Commissioner Ure, seconded by Commissioner VanHoose:

THAT THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS HELD ON MAY 25, 2016 BE APPROVED AS PRESENTED.

Motion carried unanimously.

MEDICAL COUNCIL AGENDA

2. BROWARD HEALTH IMPERIAL POINT

Distinguished Clinician: Dr. Alexander Parr

Dr. Howard Lewkowitz advised the Board that Dr. Alexander Parr is the newly appointed Vice Chief of the Department of Surgery at BHIP, as of May 1. He has been an active staff member at BHIP since June of 2008.

Dr. Parr is a general surgeon and one of his specialties is performing laparoscopic Heller Myotomies for patients with achalasia, difficulty with swallowing. After the procedure, most of these patients are able to regain function and are sent home the next day.

Dr. Lewkowitz then introduced Dr. Parr to the Board of Commissioners.

Dr. Howard Lewkowitz provided the following update:

- BHIP held a Beach Community Lecture- this was the conclusion of a six month lecture series entitled "The Importance of a Health Screening" which was about health care prevention and screening for various conditions.
- BHIP has an ongoing support with the Suicide Loss Survivor Support Group for Parents. They meet twice a month for support for those with suicidal family members.
- Dr. Hima Ghanta spoke at Broward College on the importance of colonoscopies and Edward Cornwell spoke about men's health and the Man Van.
- Lisa Chavez, PharmaTec Imperial Lifestyle Changes support group discussed Pharmacy Home Delivery Services.
- Man Van health screenings were held for both men and women.
- BHIP participated in the Chamber B2B Expo; Test Drive BMW Event; Broward College in Las Olas; American Express Corporate Offices; Broward College North Campus; & Lighthouse Seventh Day Adventist Church.

Dr. Howard Lewkowitz, Chief of Staff of Broward Health Imperial Point, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Changes and Additions; Medical Staff Reappointments; Allied Health Changes and Additions; and Allied Health Reappointments.

It was moved by Commissioner Gustafson, seconded by Commissioner VanHoose:

THAT THE BOARD OF COMMISSIONERS APPROVES THE RECOMMENDATIONS OF BROWARD HEALTH IMPERIAL POINT'S MEDICAL COUNCIL -- ITEMS 2 (A-D):

- A. Medical Staff Changes and Additions
- B. Medical Staff Reappointments
- C. Allied Health Changes and Additions
- D. Allied Health Reappointments

Motion carried unanimously.

3. **BROWARD HEALTH CORAL SPRINGS**

Dr. Guy Zingaro provided the following update:

- BHCS's abstract for "Reduction of COPD Readmissions" was accepted by The South Florida Organization of Nurse Executives for a podium presentation at their "Best in Class" Showcase in Boca Raton on June 10, 2016. Speakers were Barbara Gershon, Quality Management Specialist, Lenie Clancy and Mary Monahan from Case Management.
- BHCS Joint Commission Survey for their Advanced Primary Stroke Program took place last Thursday, June 23rd. The surveyor was the Stroke Coordinator for Yale-New Haven Hospital (1500 beds). She was highly complementary of their program, the interdisciplinary team and the documentation. It was an excellent survey!

Dr. Guy Zingaro, Chief of Staff of Broward Health Coral Springs, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Appointments; Medical Staff Reappointments; Allied Health Appointments; and Allied Health Reappointments.

Dr. Zingaro requested that Dr. Bernard Zaragoza be included in the report. He was left off of the report in error. Dr. Zaragoza will remain as Inactive Status.

It was moved by Commissioner VanHoose, seconded by Commissioner Canada:

THAT THE BOARD OF COMMISSIONERS APPROVES THE RECOMMENDATIONS OF BROWARD HEALTH CORAL SPRINGS MEDICAL'S MEDICAL COUNCIL -- ITEMS 3 (A-D) AS AMENDED.

- A. Medical Staff Appointments
- B. Medical Staff Reappointments
- C. Allied Health Appointments
- D. Allied Health Reappointments

Motion carried unanimously.

4. **BROWARD HEALTH NORTH**

Dr. Darren Hoffberger provided the following update:

- BHN won the Studer 2016 Excellence in Patient Care Award by achieving and sustaining excellent results in Pain Management for 201+ beds.

- Comprehensive Cancer Center celebrated National Cancer Survivors Day by recognizing their cancer patients/survivors, caregivers, family members, friends and staff. At the event, one survivor – Pia Ferro - presented BHN with a donation check in the amount of \$5,000 from a fundraiser she organized herself to give back to the hospital that saved her life.
- St. Thomas Aquinas held their Strong Strides Stroke Awareness Field Day on April 30th. On June 3rd they presented a donation check in the amount of \$2,500 for the Ranse Jones Stroke Awareness Fund to be used for stroke education, awareness, treatment, care and support for the community.
- As a reminder, Dr. Hoffberger advised the Commissioners that on Thursday, June 30th in the Conference Center – BHN will be hosting an educational forum on addiction and recovery for healthcare professionals, law enforcement, first responders and the community. This is from the A&E series Intervention and two of their interventionists will be in attendance – Ken Seeley and Donna Chavous. Free 4 hours CEU for Florida nurses. Program starts at 8:00 am.

In addition, Dr. Hoffberger also informed the Commissioners that BHN had a nurse, Karen VanMatre who was with them for over 36 years and for family reasons moved to Michigan. She was one of the most humble, affable, likeable human beings anyone could ever come in contact with and everyone was saddened when she left. She was also in charge every year of the Nurses’ Recognition Dinner where administration recognizes the nurses who go above and beyond.

In honor of Ms. VanMatre the BHN Medical Staff has decided to have an award given out every year in her honor and will be called the Karen VanMatre Physician’s Choice Award. Dr. Hoffberger said they want to keep her as a legacy for BHN because of the tremendous work she had done not only for the hospital but also for the work she had done in the community.

Dr. Darren Hoffberger Chief of Staff of Broward Health North, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Additions, Changes and Resignations; Medical Staff Reappointments; Allied Health Additions, Changes and Resignations; Allied Health Reappointments.

It was moved by Commissioner Grant, seconded by Commissioner Robison:

THAT THE BOARD OF COMMISSIONERS APPROVES THE RECOMMENDATIONS OF BROWARD HEALTH NORTH’S MEDICAL COUNCIL --ITEMS 4 (A-E):

- A. Medical Staff Additions, Changes and Resignations
- B. Medical Staff Reappointments
- C. Allied Health Staff Additions, Changes and Resignations
- D. Allied Health Staff Reappointments

Motion carried unanimously.

Commissioner VanHoose asked Dr. Hoffberger if there was going to be a Joint Conference Committee meeting in the near future. Dr. Hoffberger said he would work with Dr. Westphal

in arranging that meeting. He did mention, however, that it is difficult to arrange for this meeting during the summer months since many of the doctors and leaders are on vacation. He was looking to hold this meeting sometime in September.

5. BROWARD HEALTH MEDICAL CENTER

In the absence of Dr. Louis Yogel, Dr. Michael Morrison provided the following update:

- As an academic institution BHMC in the last year graduated 44 Residents and Fellows and graduated the first set of Cardiology Fellows.
- BHMC has a total of 127 Residents; 55 Residents and Fellows coming on board. BHMC is a vibrant active academic institution.
- In terms of Nursing, BHMC is holding a training program for nurses that is being ably handled by the current CNO, Robyn Farrington and the new CEO.
- BHMC has had two liver transplants and the Organ Transplant program is up and running again.
- Dr. Morrison thanked the Board for approving the installation of the Ceiling Patient Life. This is extremely important for nurses because it helps with muscular injuries.

In the absence of Dr. Louis Yogel Chief of Staff for Broward Health Medical Center, Dr. Michael Morrison, Vice Chief, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Changes and Additions; Allied Health Changes and Additions; Community Health Services Changes and Additions; Medical Staff Reappointments; Allied Health Reappointments; and Community Health Services & Weston Urgent Care Center Reappointment.

It was moved by Commissioner VanHoose, seconded by Commissioner Ure:

THAT THE BOARD OF COMMISSIONERS APPROVES THE RECOMMENDATIONS OF BROWARD HEALTH MEDICAL CENTER'S MEDICAL COUNCIL-- ITEMS 5 (A-F):

- A. Medical Staff Changes and Additions
- B. Allied Health Changes and Additions
- C. Community Health Services Changes and Additions
- D. Medical Staff Reappointments
- E. Allied Health Reappointments
- F. Community Health Services & Weston Urgent Care Center Reappointment

Motion carried unanimously.

INTERIM CEO REPORT

Ms. Grant provided the following report:

- Ms. Grant made the Commissioners aware of a new program and activities that Broward Health (BH) must implement as it relates to nondiscrimination in Health Program Activities for the Lesbian, Gay, Bisexual and Transgender (LGBT) patient population. BH is required

to implement specific procedures by July 18, 2016. The list of procedures was outlined in the power point that was provided to the Board under the Regulatory Update.

- **BHMC Graduate Medical Education program;** initial accreditation for Pediatrics; Internal Medicine and Orthopedic surgery; they completed the June site visits for Hospice and Palliative Medicine Fellowship; there are scheduled for the ACGME site visits in July: July 20 transitional Year Internship; July 19-Sponsoring Institution; and on June 18, BHMC graduated 44 Residents and on June 23, they welcomed 53 new Residents.
- **Process Improvements and Gains in Operations Efficiency—Six Sigma Program Class of 2016** –Maria Trueba has been working with the business office staff, patient access and case managers to improve BH’s “Clean Claim Rate” reducing reworks, rejects and denials. There was a presentation where they handed out Yellow Belts, Certificates for all of the teams working at all of the four medical centers as well as the CBO. The potential financial impact of \$4.7 million in cash flow improvement meaning that they collected cash faster and \$600,000 in reduction of denials.
- **Construction and Major Facility Projects:** BHCS getting ready to start actual construction; BHIP ground preparation for cath lab modular unit, delivery expected 8/1, AHCA inspection in late August, Interventional Radiology renovations to begin mid-September; BHN OR Completion date is September 16, 2016, ED completion date October 21, 2016. This means that on October 21 BHN can begin seeing patients in the new ER department. However, they will be using the old entrance as the new front entrance is being refigured.
- **Cancer Research:** BHMC and University of Florida have an agreement that will provide access to the latest cancer research and treatment protocols for its patients and will allow BH’s patients to consent to national research trials. Ms. Grant thanked Kevin Fusco, Brian McAuley and Mark Sprada for their efforts in getting this agreement.
- **Quality Awards and Best Practice Recognition:** BHIP Journey to Pathways, highlighted by the American Nurses Credentialing Center; BHCS recognized as the Top Women’s Center by City News- by Coral Springs, Parkland, Coconut Creek, Margate and West Boca; BHMC selected by Florida Blue as a Blue Distinction Center for Knee and Hip Replacement; and BHN won Studer 2016 Excellence in Patient Care Award. Ms. Grant also recognized Tom Ellis from BHN Trauma Services for receiving national recognition as one of 1,079 Critical Care Registered Nurses who was being honored this year for 20 years of continuous certification by the American Association of Critical Care Nurses.
- **Community Activities:** BH hosted 261 classes and/or community events in May which touched 15, 389 lives.

Ms. Grant thanked Mr. Art Wallace and Mr. Ken Warner for the outstanding job they have been doing in preparing the budget. She also thanked Mr. Kevin Fusco for helping with the Strategic Initiatives and coordinating everything with the CEOs.

Ms. Grant also informed the Commissioners that Dennis Stefanacci is actually retiring tomorrow. Ms. Traci Shur will be the interim President of the Foundation; however, Dennis will be coming back one week each month as a consultant.

CFO REPORT

Mr. Wallace reported that the month of May was good financially.

- BH had a loss from operations of \$12,516,000 vs. a budgeted loss of \$12,898,000-- favorable on operations by \$382,429,000 and improved over last year’s May results in

access of \$2 million. YTD loss of operations is \$139.8 million vs. a budget of \$137.9—unfavorable by \$1.8 million but significant improvement from November and December 2015.

- Investments were good for the month—unrealized gains and losses of \$4.1 million; dividend and interest income of \$2 million—favorable to budget in access of \$4 million. YTD there is a loss of \$1 million. This has really come back in relationship to where BH was in the fall and winter months.
- Additional income from the SFCCN due to the error in premium distribution to all of the Medicaid HMOs across the state by AHCA. BH has already recorded \$2 million of that income. There is a total potential at the SFCCN of \$3.6 million more which half would be BHs; however, it is in need of some appropriations but should be forthcoming within 90 days.
- Bottom line BH had a gain excess of revenue over expenses of \$5,370,000 vs. a budget of \$1,452,000-ahead of budget by \$3.6 million. YTD loss is \$26.9 million vs. a budget of \$6 million-unfavorable by \$20 million.
- On a positive note: BH received confirmation from the Salah Foundation that BH has met all of the requirements of their Challenge Grant of \$10 million and will be recording that pledge receivable in the month of June.
- Cash collections for the month of May were very strong—\$83.2 million. Mr. Wallace said that adding up the last three months of cash collections, they would exceed any other conservative three month period in anything that he has looked at.

Mr. Wallace said they have been working very hard on the budget as presented today and thanked Ken Warner for his hard work.

CHIEF INTERNAL AUDITOR

Ms. Vinnette Hall reported that last week they held their Audit Committee meeting. Primary item was the report from KPMG and their proposed fiscal year's 2016 Audit Plan as well as their Engagement Letter relating to the 2016 audit. The Engagement Letter includes a significant increase in fees due to an expansion and scope of the audit related to issues facing the District. The Engagement Letter is on the Consent Agenda for approval.

The external auditors have indicated that they went back and started to do their planning and they are expected to be on site next week pending the approval of the Engagement Letter.

In addition, the Audit Committee identified a couple of areas where there were opportunities for improvement in tracking and monitoring payments on physician contracts. They will continue to monitor action plans and management in those areas and will also be working on and finalizing the 2017 Audit Plan

GENERAL COUNSEL REPORT

In the absence of Ms. Lynn Barrett, General Counsel, Mr. Val Auberg Senior Associate Counsel reported

- They continue to work with physician contracts and, more specifically, the contracting process. He has been reaching out to contracts administration and partnering with them to improve the Meditract System which is a work in progress.
- Continuing with the trend on decreasing legal expenses which is going in the right direction.

- They have begun interacting with Compliance. The first annual report to the CIA is coming up and compliance has asked legal to assist them in helping to draft that report. They have a tentative phone call with compliance tomorrow to get some guidance on issues in terms of the manner and content of the first report.

Mr. Val Auberg asked for two Shade Sessions in July to seek guidance from the Board of Commissioners with regard to litigation matters.

It was moved by Commissioner VanHoose, seconded by Commissioner Ure:

That the Board of Commissioners approves holding two Shade Sessions in July.

Motion carried unanimously.

It was noted that the Shade Sessions will take place following the July 27th Board meeting.

At 4:55 p.m. there was a request for a short recess of the public meeting.

At 5:05 p.m. The Board of Commissioners reconvened the public meeting.

BROWARD HEALTH FOUNDATION UPDATE

Mr. Dennis Stefanacci informed everyone that he was engaged by Mr. Nask to develop the BH Foundation. The term was originally for 5 years but he has been a lot longer. He said he has had a great time and a lot of fun. Ms. Shur is going to be the interim President/CEO. Mr. Stefanacci advised everyone that they are going to wait to hire a new President of the Foundation until a new CEO comes on board so that person is engaged in the hiring of that position. Mr. Stefanacci said he will be consulting until such time as a new President is hired. He said that they have worked hard in reestablishing the Foundation and that has been done with the help of a great Foundation Board of Directors and staff. Mr. Stefanacci said he would be working on a few big projects and he thanked everyone for their help and support. He said this has been an unbelievable experience and appreciated the opportunity to serve at Broward Health.

Ms. Traci Shur commented that having the awesome responsibility of being the interim President and CEO for the Broward Health Foundation, she wanted to thank the Board of Commissioners, Pauline Grant and the Foundation Board of Directors for their vote of confidence. The Foundation has come a long way, especially these last 5 years and there is still much success to be realized to ensure that the Foundation continues to support the mission and vision of Broward Health.

As they begin the new fiscal year with Nathan Landsbaum their new board chair, Ms. Shur wanted to take a moment to make everyone aware of the many wonderful things that have been funded by the Foundation this past year. They, of course, always talk about their huge accomplishments like the funding of the new children's hospital, but everyone should know what the Foundation has quietly supported that you might not know about.

For example they funded the following:

- BHMC the refurbishment of patient waiting rooms, completed the adult infusion center and comprehensive cancer center; funded staff to attend the pediatric cancer conference; purchased breast pumps for the maternity unit, maintained the fish tank in pediatric

oncology and funded both their music and art therapy programs; purchased new orthopedic drills and new DaVinci scopes, purchased new bikes and refurbished the Wellness Center and purchased the Simpad System, a heart sound simulator for nurses training.

- BHIP the Man Van through a gift from Florida Blue; at BHN, we provided upgrades to the comprehensive cancer center that included computers, printers, and other patient comfort items; funded a crisis respite care program for Alzheimer's patients; and maintained the virtual hospital for ongoing medical education.
- BHCS Camp Coral Kids for diabetes along with the cuddle pet delivery program; helped fund the renovation of the ED and purchased 8 swing –a-way chairs and a sonosite system which is a specific ultrasound for IV and central line inserts for the Emergency Department. The Foundation also funded all charity patient care, medical supplies and durable medical equipment for our gold coast hospice patients, and purchased new upgraded printers for easier discharge paperwork for Community Health Services, in addition to a high capacity patient scale.

In current Foundation news, I am pleased to inform everyone that the Employee Giving Campaign was successful in raising almost \$200,000 this year.

Those monies will be allocated to:

- KIDS Campaign
- Renovation of Outpatient Area at BHN
- Various items at BHCS including a television for the Outpatient Occupational Therapy Clinic, tube carriers for laboratory specimens, benches in the sitting area for families in the Emergency Department, new bathroom mirrors for the Mother-Baby Unit, and an interactive digital Concierge Board
- Renovation and refurbishment of the Chapel at BHIP
- Upgrades throughout BHCHS
- Supplies at CDTC to be used for special needs clients served in the Early Steps, Primary care and Dental care clinics.

COMMITTEE REPORTS:

Board Compliance meetings:

Commissioner Gustafson reported that he has three Committee meeting minutes for approval.

June 15, 2016—Commissioner Gustafson reported that all of the Commissioners were sent a copy of those minutes and the only actionable item from that meeting is Item 8 as listed on the Consent Agenda.

May 18, 2016 with Corrections and

June 27, 2016 --The June 27, 2016 minutes are still waiting to be transcribed. However, at that meeting there were two items recommended for approval. 1) approval of the revised May 18th, 2016 Compliance meeting minutes with corrections; and 2) approval for the recommendation that an internal investigation be conducted by Carlos Perez with regard to the allegations in the anonymous email unrelated in any way to the IRO.

Commissioner Gustafson requested a motion to approve the May 18 Board Compliance Committee meeting minutes with the attached corrections.

It was moved by Commissioner Robison, seconded by Commissioner Rodriguez:

That the Board of Commissioners approves the minutes of the May 18th Board Compliance and Ethics meeting as proposed and distributed.

Commissioner Ure asked for clarification purposed, if the minutes they are voting on now would be the minutes once all of the corrections are incorporated so there would only be one set of minutes with no attachments. Commissioner Gustafson replied yes.

Motion carried—5 – 1 Commissioner Canada voted no.

Commissioner Gustafson asked for a motion to approve the action taken at the June 27th Board Compliance meeting with regard to the motion recommending that an internal investigation be conducted by Carlos Perez with regard to the allegations in the anonymous email unrelated in any way to the IRO.

It was moved by Commissioner VanHoose, seconded by Commissioner Robison:

That the Board of Commissioners approves the motion at the June 27th Board Compliance and Ethics meeting recommending that an internal investigation be conducted by Carlos Perez with regard to the allegations in the anonymous email unrelated in any way to the IRO.

Motion carried 5-1; Commissioner Canada voted no.

Commissioner Gustafson stated that the June 27th Board of Compliance full minutes will be presented at the July 27th Board of Commissioners meeting for approval.

Commissioner Gustafson asked for approval of the minutes for the June 15, 2016 Board Compliance and Ethics Committee meeting as presented.

It was moved by Commissioner Rodriguez, seconded by Commissioner VanHoose:

That the Board of Commissioners approves the minutes of the June 15, 2016 Board Compliance and Ethics meeting as presented.

Motion carried unanimously.

Human Resources Committee

Commissioner Ure advised the Board that the HR Committee met on June 23, 2016. They had an update from Diversified Search and the minutes have been distributed to all Commissioners. The only actionable item was the approval of the Proposed Job Description for the new CEO which was prepared by Diversified and vetted by Staff for factual accuracies. This is Item 13 under the Discussion agenda. Unless there were any questions, Commissioner Ure asked for approval.

It was moved by Commissioner Gustafson seconded by Commissioner VanHoose:

That the Board of Commissioners approves the minutes of the Human Resource Committee meeting dated June 23rd, 2016 as presented.

Motion carried unanimously.

Audit Committee

Commissioner Ure informed the Commissioners that the Audit Committee met on June 22, 2016. On the Consent Agenda is the approval of the KPMG Engagement Letter, which he requested be moved to the Discussion agenda. He said that other than the considerable debate over the additional fees from KPMG, there was nothing new to add. Commissioner Ure requested approval.

It was moved by Commissioner Gustafson, seconded by Commissioner VanHoose:

That the Board of Commissioners approves the minutes of the Audit Committee meeting dated June 22, 2016 as presented.

Motion carried unanimously.

Finance Committee

Commissioner Canada stated that the Finance Committee met on June 22, 2016. The only actionable item was the Interim Financial Statement which was discussed in detail by Mr. Arthur Wallace. It is listed on the Consent Agenda for approval. Commissioner Canada requested approval.

It was moved by Commissioner Canada, seconded by Commissioner VanHoose:

That the Board of Commissioners approves the minutes of the Finance Committee meeting dated June 22, 2016 as presented.

Motion carried unanimously.

Legal Affairs Committee

Commissioner Sheela VanHoose informed the Board that the Legal Affairs Committee was held on June 22, 2016. There were two topics of discussion: 1) Lobbying Policy and Procedure conversation which was held over several months but they now have a working draft. Today, June 29, another Legal Affairs Committee meeting was held and at that meeting they finalized the policy and procedure. This item is on the Consent Agenda for final approval. Commissioner VanHoose commented that for the public this is amending an existing policy on lobbying. It addresses how lobbyist will register; it has a revolving door policy for staff and Commissioners so that there is a lobbying ban for two (2) years once they separate from the District

2) General Counsel's Annual Goals and Matrix following the HR Evaluation. This item is also on the Consent agenda for approval. Commissioner VanHoose requested a motion to approve the minutes.

Commissioner Robison stated that there were some corrections that need to be made to the minutes—typographical errors.

It was moved by Commissioner VanHoose, seconded by Commissioner Gustafson:

That the Board of Commissioners approves the minutes of the Legal Affairs Committee meeting dated June 22, 2016 as amended.

Motion carried unanimously.

CONSENT AGENDA

Chair Rodriguez asked if there were any items that needed to be pulled from the Consent Agenda for further discussion.

Commissioner Ure asked that Item 9 be pulled.

Commissioner VanHoose asked that item 8 be pulled

Commissioner Canada asked that Item 7 be pulled.

Chair Rodriguez asked for a motion to approve Items 6 and 10 as listed on the Consent Agenda.

6. Acceptance of the Interim Financial Statement for the Month of May 2016
10. Approval of the Lobbying Policy and Procedure

It was moved by Commissioner VanHoose, seconded by Commissioner Robison:

THAT THE BOARD OF COMMISSIONERS APPROVES ITEMS 6 AND 10 AS LISTED ON THE CONSENT AGENDA.

Motion carried unanimously.

THESE ITEMS WERE PULLED FROM CONSENT AND PLACED ON THE DISCUSSION AGENDA.

7. Approval of General Counsel's Goal Setting and Matrix

Regarding the matrix, Commissioner Canada commented that there is not much in the matrix. She explained that she had several people approach her and ask why there were not more of scoring outcomes for Ms. Barrett's review and she thought this would be a good opportunity to share that information with the Board. Commissioner Canada indicated that during Ms. Barrett's review, she had mentioned that she would have liked to have seen more of a scoring type of opportunity for better recording of actions associated with the goals. She asked if there could be an opportunity for further discussion on that subject.

Commissioner VanHoose mentioned Ms. Wong and her department were very helpful in drafting the goals that are before them. She then asked Ms. Dionne Wong to come forward and address the Board with regard to this matter. She then directed any questions to Ms. Wong.

Ms. Wong explained that pursuant to the HR Committee, she went ahead and provided Ms. Barrett with an outline of items that she should consider. In conjunction with that

was the expectation that she would work with the Board members, specifically at the Legal Affairs committee, to develop potential metrics. Ms. Wong indicated that there is certainly an opportunity to discuss what the metrics should look like. There was a discussion about actionable, deliverable and measurable items from the HR Committee.

Commissioner VanHoose asked Ms. Wong what her recommendations would be from an HR perspective in keeping with the integrity of the process. She commented that when it comes to the annual evaluation the Commissioners will have the actual evaluation form with scoring measures; however, in terms of the goals that they have in front of them today and matching them with metrics, she asked for Ms. Wong's recommendations.

Ms. Wong said she has not looked at the form since she profited it to Ms. Barrett. But when the next employee survey is taken, Ms. Wong indicated that one measurable item with regard to her department could be what her scores are relative to the organization. With regard to contracts, there could be an estimate of where contracts are in the process as well as the volume and the Board could also consider setting timelines barring any unforeseen circumstances. Those could serve to mitigate some unintended consequences but they could be metrics that are created similar to a scorecard. Ms. Wong stated that Ms. Barrett would be in the best position in terms of assisting and guiding what she believes those metrics could be.

Commissioner VanHoose indicated that in their goal setting documents there were things like reporting monthly analysis and creating a business model. She asked if those would be sufficient for a typical HR process metrics or was Ms. Wong suggesting a metric e.g. having a number of contracts done by a specific date.

Ms. Wong commented that she created a framework predicated on the job duties and responsibility as set forth in the job description as well as aggregating input that she pulled from the Board's expected input relative to the performance appraisals. For example, let us say that Commissioner VanHoose identified an area in collaboration and that made it into the goal setting. Ms. Wong stated that the District has a definition in its Star Values but how it should look in the Board's view as well as Ms. Barrett's understanding of what it should look like operationally and outcome would be a discussion for the Board to have with Ms. Barrett.

Commissioner Canada commented that she would like to have that discussion.

Commissioner VanHoose thought this was more of an HR conversation rather than a Legal Affairs conversation. She asked Ms. Wong for her opinion. Ms. Wong stated that another HR committee could be held to discuss with a little more granularly the scorecard; however, she believed some of the items were already identified. For example, monthly updates as far as where the department was performing relative to the budget and if there was a variance and what was the basis for the variance. If the Board decided that it was a reasonable spend or if the Board believed that the spend was exceeding the budget then they would get an opportunity to really delve into the basis. At that point, the Board could agree that it was a reasonable expendable based upon the circumstances or it was not. Then the question would be posed to Ms. Barrett; what did she plan to do relative to correcting the overages. This would not only provide information but it would also provide a reasonable justification. These are measurable things and not everything is a tangible matter. Ms. Wong recommended that the Board should try and create as

much framework and objective measures that can be evidenced-metric driven as possible so that they have that information or expectation to rely upon when looking backward as to how the person performed.

Commissioner VanHoose recommended that the Board considers approving the goals so that the general counsel's office could move forward with goal setting. Commissioner VanHoose felt that Ms. Wong needs to be a part of that process of creating the metrics with the Board since it is a human resource process and how they quantify those goals and actions. She also felt that this is what Commissioner Canada was looking for. Commissioner Canada agreed.

Commissioner VanHoose indicated that she would be supportive of approving the goals today and asked Commissioner Ure if the HR committee could take on creating the scorecard.

Commissioner Robison offered to help Commissioner Ure with certain things from a legal standpoint. For example, if they were going to say "are all the contracts completed in the legal department", they are never going to be done. Having to negotiate on behalf of the physicians or on the other side of physicians, she said once you get to negotiating what can be done under the law and what cannot be done under the law, it gets hung up. No matter how good the person or staff is in the legal department in pushing it, it just gets hung up and sometimes it does not get moved until some administrator says, they need that contract.

Commissioner Robison said that anything that they do that is too abstract and too objective will not take into account the legal nature of how hard it is to make sure that all the compliance, stark, administrative, fraud and abuse issues are dealt with as well as all of the things you can and cannot do with physicians. That is where the problems are. With regard to other contracts where there is not sensitivity with physicians, they may be able to come up with a timeframe that from the time the information is provided and the draft goes out. Commissioner Robison said if they are asking if they are all done 100%, it just is not going to happen.

Ms. Wong suggested having a discussion for instance of creating processes with the understanding that the circumstances vary based upon duties and responsibilities i.e., physician contracts would be different from contracts for supplies and then determine what are the reasonable expectations. She also said that the goal setting process which is a collaborative process allows for important dialogue and education between the employee and manager.

Commissioner Ure commented that one of his concerns has been from an HR perspective was that her annual review is 60 days away and he did not know what the timeframe was in terms of once someone has been here 12-months is there a certain timeframe in which they need to do an annual review. In lieu of not providing any direction at this point, which was an issue from when Ms. Barrett was hired perhaps they can give her direction and recognize that they have an annual review knocking on the door. To answer Commissioner Ure's first question, if the Board is obligated to conduct an annual review for Ms. Barrett, Ms. Wong replied that the answer was yes. She informed them that it is guided by two principles, the applicable HR policy and Ms. Barrett's contract which requires that she receive an annual performance and or receives it pursuant to the

applicable or governing HR policy. However, Ms. Wong indicated that the second matter should be a discussion as to the timing of a six month review that is really closer to a one year review where there are still outstanding questions as it relates to formulating and agreed upon goals, metrics and what that should look like and what are those expectations. She suggested that the Board needs to look at this in a reasonable light and make some recommendations.

Commissioner Ure said his point was that they are going to turn around and do this exercise again in a couple of months and he does not like to keep moving forward without any direction.

Commissioner VanHoose said that the Board is still approving goals for Ms. Barrett and the general counsel's office to strive for in the meantime. If she were Ms. Barrett, she would want to know when she sits down for her annual evaluation with these goals in mind, how each of the Commissioners would rank these priorities. Commissioner VanHoose felt that they almost set her up for failure by giving her goals and not telling her what their priorities are within these goals. She thanked Commissioner Canada for bringing this up and believes it is a good point in the completion of an HR process.

Ms. Wong informed the Board that when she formulated the document it was really a document for her to review to start a conversation with the individual Board members.

In her opinion, Commissioner Canada feels that the metrics are the good and the bad. It is recording what has actually happened and transpired and what Ms. Barrett and her department has been able to accomplish since her department touches every department in the system. It is important for it to be measurable in such a manner.

It was moved by Commissioner VanHoose, seconded by Commissioner Gustafson:

THAT THE BOARD OF COMMISSIONERS APPROVES THE GOALS AND FOR THE HUMAN RESOURCE COMMITTEE TO QUANTIFY THE METRICS.

Motion carried unanimously.

8. **Motion made at Board Compliance Meeting 5/15/2016 relating to investigation;**

Approve motion to table the current staff recommendation until the Board's direct reports, CEO, General Counsel and Internal Auditor work, collaboratively together and return a recommendation to the June 27th Board Compliance Meeting. Motion seconded by Commissioner Canada.

Commissioner VanHoose pulled this item because the motion needed to be amended. Mr. Val Auberg said that the motion was subsequently ruled upon at the Board Compliance & Ethics meeting held on June 27th that the investigation would be conducted internally by Mr. Carlos Perez. Item 8 is being pulled and removed.

Commissioner Ure said that the Board had asked him to come back with some suggestions for the Audit committee's independent member. He said he had two resumes that he would like to present to the Board. Chair Rodriguez asked if he wanted to walk this item on to the agenda.

Commissioner VanHoose asked if the outside member is contingent on the KPMG engagement. She was told it was not –it was a separate issue. Commissioner VanHoose then said personally she did not like the idea of walking on a resume. She asked if this was something that they could review at Audit.

Commissioner VanHoose feels that in general they need to think about the committee process and to make sure that the committees are vetting things out and making recommendations to the full Board. She felt that this item should be sent back to the Audit Committee and vetted out in committee then have a recommendation at the committee level come back to the full Board vs. debating it for the first time at a Board meeting. Commissioner Ure confirmed that the resumes for the independent auditor would be going to the Audit Committee for a recommendation. Commissioner Ure mentioned that he would not have brought this up but he was directed by the Chair to bring resumes to the Board.

9. Approval of the KPMG Engagement Letter.

Commissioner Ure said he pulled this item because he wanted to discuss it since he just received today a list of several items identified by KPMG. He said he knew that the Audit Committee had not seen this list but was not sure if any other Commissioner had seen it. Commissioner Robison said that she had never seen this list until today.

With the request and requirements from KPMG which is a list of nine (9) items, this is something that he has been requesting from KPMG for quite some time. This is also something that the Audit Committee had been requesting even before he was Chair. In looking at this list, he found that it was populated with a lot of items, if not all of the items except for one, which has not been in the public domain in terms of an issue going back as early as March of this year. He found this to be a little upsetting since this is something that he has been asking for and it has caused him to revisit the additional \$378,000 that KPMG is requesting to address this year's audit. Commissioner Ure suggested that this item go back to the Audit Committee with a couple of charges 1) to have KPMG breakout their budget—in their Engagement Letter there is one line with \$380,000—he would like to see how that is broken out between each item and 2) charge the Audit Committee with evaluating options with respect to the audit and each of the independent items.

Commissioner Canada felt that one of the reasons this list was not available back in March was that many of these items have taken place since March. She said that Broward Health has been embroiled in quite a few investigations as of late and the feeling that KPMG has come up with this list is due to some uncertainties that have occurred in the last several months. She understands the uncertainty of getting the audit done; however she felt that having it go back to the Audit Committee to be revisited now that it has been placed on the Consent Agenda for approval, was in her opinion a waste of time. KPMG is not a new external auditing company for BH. It is a company that BH has worked with and a company that they trust and a company that needs to complete their work within a certain timeframe. Commissioner Canada said for Broward Health to stop now at this particular point would be an error in their judgment.

Commissioner Robison advised the Board that the way auditors normally do their audit is that they get letters certifying from the lawyers who have been used by the District, in this case, the attorney's responses to the auditors' request for opinions. Those opinions have on them the likelihood of whether there is an adverse effect or not an adverse effect. In her 40

years of working on public company audits, this is the first time Commissioner Robison has ever seen where auditors would want these individual meetings. She feels that they do not have a right to these individual meetings but they do have the right for the information and They are not charged with doing investigations that are legal issues but they are charged with having the information in which to make their determination. If KPMG is doing legal work for the District, then the District needs to send a list of the contact information for the attorneys to KPMG so that they can send out auditor letters. Commissioner Robison asked if that had been done. Mr. Auberg said he did not believe that was done.

Mr. Auberg advised the Board that in reviewing the amendment, the June 22nd Engagement Letter had a comment on an unintended scope that basically broadened the scope without giving a clear definition. He said that this amendment is tied into the original February 5th Engagement Letter which was distributed to the Commissioners. Mr. Auberg felt it was important for the Commissioners to review the February 5th Engagement Letter and directed them to page 4 of 9 where it states:

Management of VBH also acknowledges and understands that it is their responsibility to provide us with 1) access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters; 2) additional information that we may request from management for purpose of the audit; and 3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

Mr. Auberg said he was not sure what list they were referring to but from his understanding some of the items on that list include external members' entities where they have no authority to direct them to cooperate with KPMG. Furthermore, in looking at the original Engagement Letter and comparing it with the amendment, it would infer that the list is somehow tied to the amendment when in fact there was not an exhibit attached to the amendment. It also seems to imply that BH is obligated to provide in scope for an investigation which he believes is problematic. Mr. Auberg indicated that at minimum what should happen is that KPMG should refine their scope and recommended that this be sent back to the Audit Committee for clarification as to what KPMG expects from BH. If all they are asking for is documentation then that is not a problem but to compel third parties who are not part of the District to cooperate in terms of their investigation he felt would be problematic.

Commissioner VanHoose had one comment in regard to the investigation component because she asked several times during the Audit Committee if KPMG was going to doing an investigation. The answer would always be they are doing an investigation but it always began with no there is no investigation. She heard that several times last week and also in re-reading the minutes, KPMG responded that they would not be doing an investigation. Commissioner VanHoose always felt that BH would be employing someone to do the investigation. She also had no idea of the list that they were referring to.

Mr. Arthur Wallace informed the Board that he sent out an invitation to all six Commissioners on June 7, 8 or 9, asking each of them to either meet with him in person or by conference call to discuss the items on the list. He heard from three Commissioners but did not hear from the other three Commissioners.

Commissioner VanHoose asked if the conference call that she had with Mr. Wallace and Ms. Hall discussed the items on the list that the Commissioners are referring to. Mr. Wallace replied

yes. Commissioner VanHoose stated that during the conference call she did not have a list in front of her. Ms. Hall said that the list had not been typed at the time of their conference call. She later typed the list so it could be distributed to the other Commissioners.

Chair Rodriguez said an email was sent to all of the Commissioners requesting an Audit Committee and he responded to Mr. Wallace that Commissioner Ure was Chair of the Audit Committee and that he should work with him. In difference to Commissioner Canada comments, Chair Rodriguez said that the items on that list were never discussed at the last Audit Committee meeting. He stated that he received the list today as he was walking into this meeting. Chair Rodriguez indicated that he will never support this. Most of the items on this list have already been taken care of and this is nothing but a waste of taxpayer's money. He does not want to spend another dime with KPMG and if they are not capable of fulfilling their mission according to the original contract then perhaps it is time for BH to move on and start looking elsewhere.

Commissioner Canada mentioned at the last meeting of the Audit Committee meeting they approved an additional \$400,000 for a scope of work. She asked if it was not for this list of items then what scope of work did they approve the additional money for. Commissioner Ure said there was an audit plan that was presented that was not itemized. There were no specific items listed. Commissioner Canada questioned why it bothered them that the auditors want to ask for specific things and what is it about the specific group of items that they do not like. The Audit Committee has already agreed to spend the additional dollars

Chair Rodriguez said that when he voted to bring this item to the Board, he thought it was for discussion purposed only. Chair Rodriguez reiterated that he would never have approved \$385,000 on top of the \$400,000. Commissioner Canada again said that they did.

Commissioner Ure indicated that there was a tremendous amount of discussion about identifying the manner in which that \$385,000 can be reduced in a variety of different ways including utilizing internal resources as well as KPMG agreeing that should their hours be reduced in a way that they would not be charged. If Commissioner Ure had been presented with a list of specificity like this, he would have required them to breakout their \$385,000 and their 1,075 hours into each individual item for a variety of reasons. Commissioner Ure also said that to his previous point that most of these items were in the public domain and known to all. At the time of the meeting that they had in early April with KPMG where they had a very detailed discussion about requesting some type of a list of enhanced procedures. When he got this list today and he sees meeting with the IRO, Berger Singerman, the Inspector General, Wayne Black, and a call with Robert Martin who left BH on January 8th, Berger Singerman ended in March and the IRO has been on board since October/November caused him concern. He also questioned why Number 9 would be an additional procedure when providing a list of contact information of all attorneys used by the District is a standard procedure.

Commissioner Ure asked who received this list today. Commissioner Robison and Chair Rodriguez responded they did. He then asked when everyone else got a copy of the list.

Commissioner VanHoose said she never received a written copy but she did respond to the conference call request. She had the call with Ms. Hall and Mr. Wallace regarding the items which were just read into the record. She also felt that they have had some of these conversations last week because in reading through the Audit minutes, there was some reference to some of those items. Commissioner VanHoose said that she understood the scope because one of the comments during the meeting when talking with Ms. Hall was that working together

with legal, compliance and audit they could put together a thorough list of what needed to be covered that were currently open so that the Board could review it. Her question is are they now looking for the Board to separate from KPMG or asking the Commissioners to sit down with KPMG and ask for more specifics. These are two very different conversations.

Commissioner Robison asked who prepared this list. Who actually typed this list? Ms. Vinnette Hall said she typed up the list. Commissioner Robison asked where she got the information to do the list. Ms. Hall said that KPMG met with Ms. Hall and Mr. Wallace and discussed these requests. Commissioner Robison said that there were things on the list that she had never heard of. She realizes she is new to the Board but she has never seen some of these things or heard of any of these in any programs or materials that she has received since being on the Board. With regard to Number 9 this is what accountants normally receive early on so that they can send out their letters requesting information from the attorneys and then they ask for these risk assessments and then they ask for it again when they finish the engagement. With regard to the discussions with anyone inside, she thought that they could but BH needs to know what they are doing. Commissioner Robison said it seemed to her that she did not see anything on the list except for a meeting with Greenberg Traurig relating to allegations from a former compliance employee. She asked how did they pull these items out; why and what is the significance of them; and why does BH have to almost double their audit fees to take care of these. Commissioner Robison commented that if there is a question that they have when they are doing their final time in, then they can raise some issues. Again, she reiterated that this is the first time that she has ever see this list and has more questions about what is on it. She believes that the only thing they can do for the District is to go back and meet with KPMG and ask what Commissioner Ure suggested, ask KPMG where does this \$378,000 come from and why is it more difficult when they have the materials that are out there in the public.

Commissioner Robison said that KPMG is entitled to No. 9 and they sometimes have questions from those responses. When they do they usually call up the General Counsel or CFO to get further information. They do not get carte blanche meetings with individuals whose names have appeared in the press. She suggested that the Audit Committee have a special meeting with KPMG to try and get this resolve quickly.

Commissioner Canada said that she followed up with a conference call with Ms. Hall and she did get the list. She would like to know if there was anything additional on the list that Commissioner Ure did not read that KPMG wanted to look at. Commissioner Ure felt that Commissioner Canada wanted him to read that on the list there were allegations relating to him concerning Hill and Knowlton and Diversified. She asked if that would be out of the scope that he was referring to. Commissioner Ure was not speaking about the scope but an Audit Plan that was presented that had particularly undefined items. They had asked a number of questions about defining the items and that is when the Inspector General came up for example. KPMG gave examples of things they did not say here is a list of their requirements. Commissioner Ure stated that the Audit Committee does not approve anything; they recommend to the Board. When he is presented, when walking into a Board meeting, something that he would have preferred to have had in advance of the Audit Committee meeting, it causes him to pause, change his mind and ask for a little more specificity.

In a response to Commissioner VanHoose's question as to whether Commissioner Ure was suggesting the removal of KPMG, he stated he was not calling for their removal. However, what he did say was that he would like the Audit Committee to be charged with two things: 1) is to work with KPMG to refine the scope of their enhanced procedures and to provide a breakdown

of that \$380,000 into those items; 2) to charge the Audit Committee with looking at options of how they can reduce the cost of the audit. Commissioner Ure personally feels that they owe this to the taxpayers and he cannot support the approval of the Engagement Letter as it is presented now.

Commissioner VanHoose asked staff that if the Commissioners are not connecting with them, to please try and reconnect with them. She can understand where they feel that they have been blindsided. She also mentioned that there is an item on the Consent agenda for the approval of the Engagement Letter which she thought was an estimate of what those hours would look like and what the potential cost would be and is an extension of a previous Engagement Letter because KPMG has been working with BH for a long time. Commissioner VanHoose asked her colleagues to consider approving the Engagement Letter under the condition that the Audit Committee sits down and works with KPMG on more specifics and maybe that would be negotiating down the cost or scope of the work. Commissioner VanHoose said this was just a consideration.

Chair Rodriguez said that this needs to go to the Audit Committee first and he was not ready to approve anything today.

Commissioner Canada said she thought the Chair of Audit, Commissioner Ure, has a conflict for him to weigh in on the discussion with regard to him being investigated.

Chair Rodriguez said he was a sitting Commissioner and unless he is removed by the Governor he has the right to do so. Commissioner Canada felt that as the sitting Chair of the Audit Committee she did not understand how based on what was going to be requested and discussed at the Audit Committee was it not a conflict for him to discuss his particular item on that list.

Commissioner Robison asked who received this list in advance of today. Commissioner Canada said that she wrote them all down when she had the conference call with Mr. Wallace and Ms. Hall. She again asked if anyone else had the list. Commissioner Gustafson said he did not believe he had a list but he was informed about some of the items.

Commissioner Ure said in looking at the Committee reports, he was present at every single one of them. People call him and he is supremely good about returning calls and particularly good about returning emails. Commissioner Ure said he did not get an email notifying him that they would like to discuss KPMG's list with him so that he could understand and be informed of the items before attending the Audit Committee. Commissioner Ure felt very strongly that if he had been presented with this list there is no way in the world that he would have let KPMG walk out with the feeling that everything was fine.

With regard to Commissioner VanHoose's comment, Commissioner Robison said there is no way that they can approve an Engagement Letter that has a line item of an estimated change in scope in the amount of \$378,000 without knowing if this is indeed what they had for the change in scope. She did not know what the change in scope is and does not see it in there in a way that she can understand what they mean. Commissioner Robison works with KPMG a lot and she does not have an issue with them but feels that BH needs to know that if they type this up this is indeed what they had in mind and what they propose to do with respect to the allocation of hours. She said it may be that it will not be that much but BH will not know. With regard to Item 9 on the list, it is a no brainer but with regard to the other items KPMG can read the reports like everyone else. Commissioner Robison said as an attorney, who completes these letters has never

had an accountant not come back to her saying that they need more information but that is more information once the attorney tells them what the issue is. She is totally baffled by this because it is almost doubling the size of the audit.

Ms. Hall stated that when they met with KPMG it was not intended for them to tell BH that this is basically the things that they wanted to do and wanted to be provided when the audit starts. This was not an outline of their scope. When KPMG came to the Audit Committee they presented their Audit Plan—this was not their Audit Plan. Ms. Hall advised the Commissioners that this is a list that is identifying areas that KPMG would like to see additional work done by BH and then have BH provide to them that information so that they can meet with those people to review that information. The two things are not meant to be the same.

Commissioner Robison asked what was the estimated change in scope number and what does it mean and what does it go to. Ms. Hall said that they did not provide details of what the estimated scope and procedures are. To Commissioner Ure's point, Ms. Hall said that they asked the same questions but according to the IRO they cannot ask for a detail plan because it would affect their independence.

Commissioner Ure commented that was part of his point. He does not feel that KPMG can compel a third party to have a meeting. He wants to understand how 1,075 hours and \$378,000 that is being proposed is broken out amongst this list of items because if they do not meet with the IRO then it is zero and he does not know what that would mean. Commissioner Ure does not believe this is an unreasonable request and when he sees a list that was prepared in a meeting with KPMG that adds more specificity, he would like to get a little more specificity has to how that number is broken out. Commissioner Ure also charged the Audit Committee with identifying options and ways in which they can reduce the overall cost. KPMG is proposing to double the audit and that is significant to say the least.

Commissioner VanHoose thanked Commissioner Robison for clarifying the engagement piece. She believes that it is reasonable to have further conversation with KPMG and solidify a little more granularly of what BH is looking for in scope which is something that came up over and over again at the Audit Committee. KPMG said that they could not provide a list but would work with the team to receive a list and then they could work from there. She believes the first step would be going back to the Audit Committee. She then made a motion to table this item.

Commissioner VanHoose moved, seconded by Commissioner Robison;

THAT THE BOARD OF COMMISSIONERS TABLES THIS ITEM AND SEND IT BACK TO THE AUDIT COMMITTEE.

Motion carried 5-1 Commissioner Canada voted no.

Commissioner Canada asked if there was going to be further discussion regarding the conflict issue that she mentioned. Chair Rodriguez said there was no conflict issue.

Commissioner Ure stated should there be some request of the Audit Committee which would create a conflict as it relates to him, he would absolutely recuse himself but that is not the way it was presented. It was presented as KPMG's request and requirement. He feels that it is not his place to tell KPMG what to do but all he wants is to understand how they are breaking out 1,075

hours and \$378,000 in addition to identifying some ways in which that overall cost to the taxpayers can be reduced.

11. Approval of the attached slate of individuals as Board of Directors of the Broward Health Foundation for the Fiscal Year 2016-2017 term beginning July 1, 2016.

Mr. Nathan Landsbaum, the incoming Chair of the BH Foundation said he appreciates the opportunity to serve in this capacity. On behalf of the Executive Committee of the Foundation, he would like to recommend to the Board of Commissioners approval of the attached slate of the individuals to serve as members of the Board of Directors for the fiscal year 2016-2017 beginning July 1, 2016.

It was moved by Commissioner Canada, seconded by Commissioner Ure:

THAT THE BOARD OF COMMISSIONERS APPROVES THE SLATE OF INDIVIDUALS AS BOARD OF DIRECTORS OF THE BROWARD HEALTH FOUNDATION FOR FISCAL YEAR 2016-2017 TERM BEGINNING JULY 1 2016.

Motion carried unanimously.

12. Approval of the Scoring Committee top Five ranked firms for the Pre-Qualified Term Contractor 2016-2019 program as follows: 1) Turner Construction; 2) Gerrits Construction; 3) DPR Construction; 4) Thornton Construction; and 5) Associated Craftsmen of America.

Mr. Richard Polemeni recommended the slate of term contractors for the 2016-2019 term. The pre-qualified term contractor is a successful program to procure construction services for projects up to \$2 million. The Selection committee heard all presentations on June 7th and 8th from 10 contractors. The Selection Committee convened on June 8th at 1:30 p.m. and independently scored and ranked all 10 contractors. He asked approval of the Selection Committee's recommendation that the top 5 ranked be awarded the contract for the pre-qualified term contractor 2016-2019 program as listed in the exhibit.

It was moved by Commissioner Gustafson, seconded by Commissioner Robison:

THAT THE BOARD OF COMMISSIONERS APPROVE THE SCORING COMMITTEES TOP FIVE FIRMS FOR THE PRE-QUALIFIED TERM CONTRACTOR 2016-2019 PROGRAM AS FOLLOWS: 1) TURNER CONSTRUCTION; 2) GERRITS CONSTRUCTION; 3) DPR CONSTRUCTION; 4) THORNTON CONSTRUCTION; AND 5) ASSOCIATED CRAFTSMEN OF AMERICA.

Motion carried unanimously,

13. Approval of the Proposed Job Description for the new CEO

Chair Rodriguez asked if all of the Commissioners received the packet from Diversified. All responded that they did. Commissioner Ure asked if someone confirmed that all of the information has been checked to see if it was factually accurate.

Chair Rodriguez asked Ms. Wong SR.VP/CHRO to come forward and confirm that this was the corrected material.

Ms. Wong confirmed that this was the version that the Broward Health team worked on. Input was solicited from the CEOs and Marketing reviewed it in terms of information ensuring that it is accurate and up to date; a few changes were made and some additional items were added. This was sent to Lisa Dillon Brown and John Mestepey on Friday afternoon. Unfortunately, the document was corrupted but they did transmit both the red-lined version and what was proposed with the edits for accuracy and completeness. Diversified reviewed it and it is being presented today. Ms. Wong said she understands that there are a few formatting problems requiring a few cosmetic changes but the document at this point is what Diversified as well as Broward Health would agree is accurate.

It was moved by Commissioner Gustafson, seconded by Commissioner Ure:

Discussion:

Commissioner Canada mentioned that in the very back of the packet, it mentions Fort Lauderdale and how wonderful Fort Lauderdale is; however, the District's system goes beyond the boundaries of Fort Lauderdale. They also need to mention communities like Coral Springs and North Broward so perhaps those people who might be interested in submitting an application would understand geographically the size of the community in which this position would serve.

Ms. Wong said that in fairness to Commissioner Canada's remarks they did not focus on that one piece; however, she will certainly speak with Diversified to ensure that it is expanded to include Broward County with a focus on the two-thirds which is the District's service area.

Commissioner Robison agreed with Commissioner Canada's comments and suggested that they might want to use the greater Metropolitan area that includes Fort Lauderdale and all of the major cities in the County.

Ms. Wong will inform Ms. Dillon Brown and Mr. Mestepey of the Board's input and she believes the expectation once approved by the Board will be that a final document will be ready for the beginning of next week and they will proceed with publishing for marketing purposes.

Commissioner VanHoose said she thought it was great that Diversified spent so much time with their stakeholders and that they included comments from stakeholders. She believes is important for all of the candidates to know exactly what has been said in these meetings and around the community. This was a very important part of this entire process.

THAT THE BOARD OF COMMISSIONERS APPROVES THE PROPOSED JOB DESCRIPTION FOR THE NEW CEO AS PRESENTED.

Motion carried unanimously.

COMMENTS BY COMMISSIONERS

Chair Rodriguez informed the Board that he has been a member of the Broward County Substance Advisory Board for more than 31 years. Today he attested to what happens when there is persistence and resilience. This morning at 9:00 a.m. and after 17 years in the making they finally broke ground for the new Broward Addiction Recovery Center facility.

He said that they moved the building 17 times, the doors 350 times but there are people in Broward County today that are going to return to society clean and sober because they now have a state-of-the-art facility

Commissioner VanHoose commented that there was a lot of hard work and collaboration not only from the Board but staff in creating a lobbying policy. There have been a lot of conversations over the past couple of months and to see it all come together is very exciting. She mentioned that Ms. Grant has an entire plan on how to roll this out to the community. Commissioner VanHoose thanked everyone for the hard work and asked everyone to spread the news, if you want to lobby Broward Health, make sure you register with Ms. Charlotte Mather Taylor because this District deserves better.

NEXT REGULAR BOARD MEETING The next regularly scheduled Board of Commissioners' meeting will be held on July 27, 2016 at 4:00 p.m. in the Corporate Office, 1700 NW 49 Street, Spectrum Complex, Fort Lauderdale, Florida.

Meeting adjourned at 6:20 p.m.

Respectfully submitted,
Commissioner Maureen Canada,
Secretary/Treasurer

BY: Maryanne Wing

A FULL RECORDING OF THIS MEETING IS AVAILABLE ON TAPE