

MINUTES

North Broward Hospital District Board Of Commissioners
1700 Northwest 49th Street, Suite #150, Ft. Lauderdale, 33309

AUDIT COMMITTEE 10:00 a.m., April 3, 2019

CALL TO ORDER 10:07 am

COMMITTEE MEMBERS

- √ Commissioner Christopher T. Ure/Chair
- × Commissioner Andrew M. Klein (not present)
- × Commissioner Nancy W. Gregoire (not present)
- √ Audit Consultant Member Scott Porter
- √ Audit Consultant Member James Petkas

ADDITIONALLY PRESENT Commissioner Stacy L. Angier (WebEx), Commissioner Ray T. Berry, Gino Santorio/President/CEO, Alex Fernandez/CFO, Jerry Del Amo/Managing Senior Associate General Counsel, Brett Bauman/Associate General Counsel

PUBLIC COMMENTS None

APPROVAL OF MINUTES

1. Approval of Audit Committee meeting minutes dated March 21, 2019.

MOTION It was *moved* by Mr. Porter, *seconded* by Mr. Petkas, to:

APPROVE THE AUDIT COMMITTEE MEETING MINUTES DATED MARCH 21, 2019.

Motion *carried* unanimously.

TOPIC OF DISCUSSION

2. Review proposal to select Request for Consulting Services to include approval of scope, expected deliverables and vendor requirements – Christopher T. Ure

Mr. Porter walked the committee through the sections of the *Request for Consulting Services* document, highlighting scope, timeline, criteria, pricing and evaluation process.

In an effort to see the proposing firm's thought process, Commissioner Ure stated he would like a section added, so that the firms could list what they felt should be considered within their proposals, although it may not have been included or required in the application

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section of *Scope of Services*. He also wanted an emphasis put on local businesses and certified diverse vendors.

Committee discussion ensued regarding revisions to the document provided by Mr. Porter and Broward Health staff.

Discussion ensued regarding whether or not the Audit Committee had been given the authority to act on it's own in engaging services.

Commissioner Ure stated that he wanted one committee member to work with staff in evaluating responses for the firms. He also wanted the selection to be narrowed down within 30 days to approximately three (3) firms and a final selection made shortly after so that the audit could commence by June 1, 2019.

Alex Fernandez, CFO, proposed that staff work with a delegate of the committee at full transparency and without any interference. He further stated that the RFP process could be expedited being it would be capped under \$250k.

Commissioner Ure stressed the importance of the Audit Committee having independence and autonomy to carry out certain important functions on a regular basis.

Mr. Santorio suggested that it be put in writing that the Audit committee has the authority to act and engage in services.

Commissioner Angier requested that a final copy of the *Request for Professional Services* document be available to the full Board for review.

The Committee listed modifications below to be made to the *Request for Professional Consulting Services* document.

- Section E, page 5, **District Cost Estimate**: add the language, "The District expects this to be a flat fee proposal (see section 9).
- Section 3a, page 6, **Proposal Submission Instructions and Requirements**: on the last sentence modify language from, "...at the discretion of the City of Boynton Beach", to, "...at the discretion of the District".
- Section 3b, page 6, **Proposal Section and Title Chart**: change language on item 8 to read, "Identification of Anticipated Problems and Additional Suggestions for Scope".
- On entire document, pages 1-12: Change language from, "**RFP**", to, "**Request for Professional Services**".
- On the calendar, page 5, **Estimated Timeline**: date should read, Request for Professional Services released April 5, 2019.

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- On the calendar, page 5, **Estimated Timeline:** Receipt of Written Questions Due April 19, 2019 by 4:00 PM.
- On the calendar, page 5, **Estimated Timeline:** Q&A Posted to Website April 23, 2019.
- On the calendar, page 5, **Estimated Timeline:** Proposals Due April 29, 2019.
- On the calendar, page 5, **Estimated Timeline:** Audit Committee Meeting: Proposals Evaluated and Firm Selected for Interviews May 6 – May 10, 2019.
- On the calendar, page 5, **Estimated Timeline:** Audit Committee Meeting: Audit Committee interviews May 13 – May 17, 2019.
- On the calendar, page 5, **Estimated Timeline:** Remove June 19, 2019, District Board Consideration and Award.
- On the calendar, page 5, **Estimated Timeline:** Remove June 21, 2019, Non-Selection Notices mailed.
- On the calendar, page 5, **Estimated Timeline:** Modify second reference of June 21, 2019 date to read, Firm Selection Made on or before May 29, 2019.
- Delete Section 4c, page 9, Evaluation Criteria Summary
- Item C, page 9, keep first sentence under title, **Evaluation Criteria Summary.** Delete the box listing Criteria and Weight (max points).
- Delete Point references from remaining sections on pages 9 and 10.
- Page 10, under **Price Proposal:** delete the point max, delete all language listed under Price Proposal and revise with Price will be considered but not the determining factor.

Mr. Dan Lewis, Governance Consultant, advised Commissioner Ure to allow the staff the responsibility of managing the proposal process for legal and compliance reasons. Staff should disseminate, collect and communicate information lawfully, then bring the results back to the Audit Committee for selection. Mr. Lewis also advised the committee to embrace the procurement policy for the enjoyment of it's confidentially under state statute. Otherwise the entire process would be public record.

Commissioner Ure requested a summary of the proposals be delivered to the committee along with the full responses.

MOTION It was *moved* by Mr. Porter, *seconded* by Mr. Petkas, to:

APPROVE THE PROPOSED REQUEST FOR QUOTATION DOCUMENT WITH CHANGES DISCUSSED AT THIS MEETING, AND THAT SUCH DOCUMENT BE PUT INTO THE FORMAT TYPICALLY USED BY BROWARD HEALTH IN COMPLIANCE WITH PURCHASING POLICY AND THEN SUBMITTED FOR PUBLIC DISTRIBUTION BY APRIL 5TH, 2019.

Motion *carried* unanimously.

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Discussion ensued regarding the scheduling of external auditors, Warren Averett, to present their year-end audit. An extension to their contract was also discussed.

MOTION It was *moved* by Mr. Petkas, *seconded* by Mr. Porter, that:

AUDIT COMMITTEE MEMBER, SCOTT PORTER, BE DELEGATED TO WORK WITH BROWARD HEALTH STAFF TO FORMULATE RESPONSES TO QUESTIONS RECEIVED, WITH STAFF INPUT AND MR. PORTER'S REVIEW.

Motion *carried* unanimously.

ADJOURNMENT 11:25 am

MOTION It was *moved* by Mr. Porter, *seconded* by Mr. Petkas, to:

ADJOURN THE AUDIT COMMITTEE MEETING.

Motion *carried* unanimously.

Respectfully submitted,
Commissioner Ray T. Berry, Secretary/Treasurer