



COMPETITIVE BID

FOR

EXTERNAL AUDITING SERVICES

20-EAS/JS

February 7, 2020

HEALTH CARE DISTRICT OF PALM BEACH COUNTY
1515 N. FLAGLER DRIVE, SUITE 101
PALM SPRINGS, FL 33401

PART 1 GENERAL INFORMATION

1-1 Purpose of Competitive Bid

The Health Care District of Palm Beach County, Florida (hereinafter the District), is requesting that qualified firms (hereinafter also referred to as Respondents) submit bids for consideration to serve as External Auditor for the District. The successful Respondent will have documented healthcare experience providing such services.

The District is a political subdivision of the State of Florida which was established as an independent taxing district by special law approved by Palm Beach County voters (Palm Beach County Health Care Act, 1988).

The District was founded in 1988 to ensure access to a comprehensive health care system and the delivery of quality services for the residents of Palm Beach County. The District accomplishes its mission through various programs and services, including an integrated Trauma System, School Nurse program, Skilled Nursing Facility, and Lakeside Medical Center, its hospital located in rural, western Palm Beach County. The District also offers health coverage to eligible uninsured Palm Beach County residents as well as operates Federally Qualified Health Centers to provide primary and preventive medical and dental services for medically needy patients. Additional information about the District is available on its website, www.hcdpbc.org.

1-2 Competitive Bid Submission

Bids must be received by 5:00 P.M. local time on the date listed in the Competitive Bid Timetable (Section 1-5) Competitive Bids received after the deadline will not be considered. Competitive Bids must be emailed to purchasing@hcdpbc.org Please submit your bid with a request for delivery receipt of your email.

1-3 Competitive Bid Withdrawal

Respondents may withdraw their Competitive Bids by notifying the District in writing, at any time prior to the proposal response time deadline. Respondents may withdraw their proposals in person or through an authorized representative. Respondents and authorized representatives must disclose their identity and provide receipt for the proposal. Proposals, once opened, become the property of the District and will not be returned to the Respondents.

1-4 Competitive Bid Disclosure

All Competitive Bids received shall be subject to public disclosure consistent with Florida's Public Record Act, Chapter 119, Florida Statutes and specifically section 119.070(1) (b), Florida Statutes, regarding competitive solicitations. If a Respondent believes its Competitive Bids (or any portion thereof) is exempt from public disclosure beyond the limited exemption set forth in section 119.071(1)(b), Florida Statutes, the Respondents must invoke, in writing, the exemption(s) to disclosure provided by law in their Competitive Bid by providing the specific statutory authority for claimed exemption(s), identifying the data or other materials to be exempted, and stating the reasons why such exemption from public disclosure is necessary. Failure to do so may result in the Respondent waiving an applicable exemption (if any).

The District has the right to use any or all information/material submitted in response to this bid. Disqualification of a Respondent does not eliminate this right.

The selected Respondent will be offered a contract for 5 years. The standard District contract will be utilized. However, the District, in its sole discretion, reserves the right to negotiate terms and conditions with the successful Respondent.

1-5 Competitive Bid Timetable

The District and Respondents shall adhere to the following schedule in all actions concerning this Competitive Bid:

Event	Date
District issues Competitive Bid	February 7, 2020
Competitive Bid Due Before or Until 5:00 PM Local Time	February 28, 2020

1-6 Delays

The District may delay or modify scheduled event dates (Section 1-5) if it is to the advantage of the District to do so. The District will notify Respondents of all changes in scheduled due dates by posting changes on the District website (www.hcdpbc.org).

1-7 Oral Presentations and/or Interviews

At its sole discretion, the District may invite all or a short-listed Respondents to conduct oral presentations or interviews. Presentations or interviews provide an opportunity for Respondents to clarify their Competitive Bid for the District. The District will schedule any such presentations or interviews.

1-8 Acceptance or Rejections of Bids

An evaluation team comprised of District staff and other relevant members as determined by the District will evaluate the Competitive Bids to select a firm. The District, in its sole discretion, reserves the right to select one or multiple Respondents and to negotiate terms with such Respondent(s).

The District will make every effort to seek clarification but reserves the right to reject bids for non-compliance with the stated requirements.

1-9 Sworn Statement on Public Entity Crimes

The Respondent shall be required, pursuant to section 287.133, Florida Statutes, to execute the attached "Sworn Statement on Public Entity Crimes" (**Exhibit "A"**) upon submission of its Competitive Bid. By executing this sworn statement, the Respondent is affirmatively stating that neither it nor an affiliate (as defined by the statute) has been convicted of a public entity crime within the last thirty-six (36) months and that it is not barred from entering into a contract with the District. The Respondent further acknowledges that any misstatement or lack of compliance with the statute shall result in the contract being null and void and/or subject to immediate termination by the District. In the event of such termination, the District shall not incur any liability for any services or materials furnished by the Respondent.

1-10 Code of Ethics

This Competitive Bid is subject to the State of Florida Code of Ethics for Public Officers and Employees (Part III, Chapter 112, Florida Statutes). Accordingly, there are prohibitions and limitations on the employment of District officials and employees and contractual relationships providing a benefit to the same. If any Respondent violates or is a party to violation of the Code of Ethics with respect to this Competitive Bid, such Respondent may be disqualified from selection; a resulting contract may be terminated; and, may be further disqualified from bidding on any future work, goods, or services for the District. Respondents are highly encouraged to review the Code of Ethics in order to ensure compliance with the same.

1-11 Conflicts of Interest

The Respondent shall be required to complete the attached "Conflicts Disclosure Form" (**Exhibit "B"**) upon submission of its Competitive Bid. Respondents must disclose in their Competitive Bid the name of any officer, director, or agent who is an elected official, appointed official or an employee of the District. Further, Respondents must disclose the name of any elected official, appointed official or employee of the District, who owns directly or indirectly, any interest in the Respondent's firm or any of its branches. Respondents must complete this form even if they have no conflicts to disclose.

In addition, Respondents will be disqualified from selection if Board Members for the Respondent organization are employed by or serve on a District or District subsidiary Board or Committee.

1-12 Non-Collusion

By submitting and signing a Competitive Bid, the Respondent certifies that its Competitive Bid is made without prior understanding, agreement, or connection with any corporation, firm or person submitting an offer for the same materials, services, supplies, or equipment and is in all respects fair and without collusion or fraud. No premiums, rebates, or gratuities are permitted, either with, prior to, or after any delivery of material or provision of services. Any violation of this provision may result in disqualification from selection; contract cancellation; and/or, return of materials, or discontinuation of services and possible removal from the District's Vendor/Bid List(s).

1-13 Subcontracting

Respondents submitting Competitive Bids may subcontract portions of the engagement to subcontractors. The name of the proposed subcontractor(s) must be clearly identified in the Competitive Bid. Once contract negotiations have begun, no additional subcontracting or changes in subcontractors will be allowed without express prior written consent of the District.

PART 2
PROJECT DESCRIPTION AND SCOPE OF REQUIRED SERVICES

2-1 Background

The Health Care District of Palm Beach County has been the hub of the health care delivery system in the county for the last quarter of a century. Established through a voter referendum in 1988, the District provides a broad range of health care services. The mission of the District is "to be the health care safety net for Palm Beach County." The District funds and operates the following core programs:

- Since 1994, the District has provided health coverage programs for uninsured, low-income residents of Palm Beach County through a network of physicians, hospitals, pharmacies, and ancillary health care providers.
- The District's Trauma Agency oversees and coordinates the integrated system, which comprises over 290 participating providers. The Agency monitors the local EMS providers, the county's two trauma centers and acute care hospitals for compliance with state trauma statutes and a local trauma ordinance.
- The District owns and operates two Trauma Hawk air ambulances that provide safe air transportation and high quality patient care to trauma and medical patients from incident scenes and hospitals to tertiary centers in a timely and efficient manner. The Trauma Hawk Aeromedical Program is a licensed and certified Air Carrier authorized by federal, state and local authorities to provide air ambulance service.
- The District provides more than 200 Registered Nurses at 168 public schools in Palm Beach County. They provide first aid, medication administration, and case management for chronic health conditions, counseling, and other health services to over 190,000 students.
- The Edward J. Healey Rehabilitation and Nursing Center ("Healey Center") is a 120-bed nursing home that serves adult residents who need specialized long-term or short-term care as a result of having suffered traumatic injury or a debilitating illness.
- Lakeside Medical Center is the county's only public hospital. This 70-bed acute care facility, includes a 6-bed Critical Care Unit, 8-bed Pediatric Unit, 25-bed Medical/Surgical Unit and a busy emergency room with visits exceeding 31,500 per year. In 2011, Lakeside established a rural Family Medicine Residency Program to train new physicians to serve rural communities.
- In 2013, the District began providing primary health care services to adults and children at nine Federally Qualified Health Centers - named the C.L Brumback Primary Care Clinics in honor of the county's first public health doctor. The Board has also given approval to expand the scope of the clinic operations to include provision of dental services.

2-2 Specific Requirements

The successful Respondent shall be engaged to examine the District's financial statements on an annual contract for up to five (5) years. The first engagement shall be for fiscal year ending September 30, 2020.

The scope of each annual audit will encompass an annual audit of the District's financial statements in conformance with Florida Statutes Section 11.45 and 218.39 and the Rules of the Auditor General for the State of Florida, Chapter 10.550 - Local Government Entity Audits. In addition, the scope shall include separate financial statements for each of the District's legal entities (below), and an audit of grant funds in accordance with OMB circular A-133, the Federal

Single Audit Act, Rules of the Auditor General, Chapter 10.650 - Florida Single Audit Act Audits and Florida Statute Section 215.97.

The District is organized into three separate legal entities, but also has responsibility for the financial statements of a separately organized 501(c)(3) Foundation:

- Health Care District of Palm Beach County – fiscal year end September 30th.
- District Hospital Holdings, Inc. - fiscal year end September 30th.
- District Clinic Holdings, Inc. - fiscal year end September 30th.
- Good Health Foundation - fiscal year end September 30th.

The District Hospital Holdings, Inc. audit will need to be approved and completed no later than January 15th of each year, however all other fiscal audits are due no later than February 1st.

2-3 Insurance

Prior to execution of the resulting contract derived from this Competitive Bid, the Respondent shall obtain and maintain in force at all times during the term of the resulting contract insurance coverage as required herein. All insurance policies shall be issued by companies authorized to do business under the laws of the State of Florida. The Certificates shall clearly indicate that the firm has obtained insurance of the type, amount, and classification as required for strict compliance with this provision and that no material change or cancellation of the insurance shall be effective without thirty (30) days prior written notice to the District. Compliance with the foregoing requirements shall not relieve the selected Respondent of its liability and obligations under the resulting contract.

A. The Respondent shall maintain during the term of the contract, standard Professional Liability Insurance in the minimum amount of \$1,000,000.00 per occurrence.

B. The Respondent shall maintain, during the life of the contract, commercial general liability, including public and contractual liability insurance in the amount of \$1,000,000.00 per occurrence (\$2,000,000.00 aggregate) to protect the firm from claims for damages for bodily and personal injury, including wrongful death, as well as from claims of property damages which may arise from any operations under the contract, whether such operations be by the firm or by anyone directly or indirectly employed by or contracting with the firm.

C. The Respondent shall carry Workers' Compensation Insurance and Employer's Liability Insurance for all employees as required by Florida Statutes.

D. The Respondent shall maintain comprehensive automobile liability insurance in the minimum amount of \$1,000,000 combined single limit for bodily injury and property damages liability to protect from claims for damages for bodily and personal injury, including death, as well as from claims for property damage, which may arise from the ownership, use, or maintenance of owned and non-owned automobiles, including rented automobiles whether such operations be by the firm or by anyone directly or indirectly employed by the firm.

All insurance, other than Professional Liability and Workers' Compensation, to be maintained by the selected Respondent shall specifically include the District as an "Additional Insured".

PART 3 COMPETITIVE BID REQUIREMENTS

Mandatory Requirements

A Respondent who does not meet all of the mandatory requirements is not considered a responsible Respondent and, at the District's sole discretion, may be deemed ineligible to submit a Competitive Bid for consideration. Respondents must

- Have no conflicts of interest prohibited by applicable law with the District, its Board of Commissioners or Committees, nor with regard to any other work performed by the Respondent for the District.
- Adhere to the instructions in this Competitive Bid for preparation and submittal of a bid.
- Complete all documents listed in Section 3-1.
- Be registered to conduct business in the State of Florida.
- Must have a written quality assurance program with established inspection, test and documentation procedures

CONTENTS OF COMPETITIVE BID

3-1 Mandatory Forms/Attachments

- Exhibit "A" Sworn Statement on Public Entities Crimes
- Exhibit "B" Conflicts Disclosure Form
- Exhibit "C" HCDPBC IT Security Vendor Questionnaire
- Verification of business registration with Florida Department of State, Division of Corporations (Sunbiz)

3-2 Cost

The District is seeking best price business alternatives that will result in a true cooperative business relationship between the successful Respondent and the District. Respondents shall provide detailed guaranteed pricing for External Auditing Services for the District's complete audit engagement, including any special payment terms and/or any other special terms or conditions that may be available to the District. All Respondents must provide at least the following:

1. The estimated maximum number of hours and hourly rates by staff classification necessary to complete the financial statements audit engagement for each year. The estimated maximum fee (i.e. inclusive of all overhead and out-of-pocket expenses) to complete the engagement for each year.
2. Pricing for special engagements or additional services requested by the District beyond the scope of this engagement.

3-3 Qualifications and Experience

To be eligible for the bid to be evaluated, Respondents must submit answers to each of the following line items listed below in the precise order requested. Failure to comply with this request may result in rejection of bid responses.

1.0 Firm History

- 1.1 Location of National Office

- 1.2 Length of time in business
- 1.3 Size of Firm (number of partners and employees)

2.0 Principal Office History

- 2.1 Location of the principal office responsible for this engagement. (This should be the location of the "in charge" partner and the manager for the engagement).
- 2.2 Length of time this office has been in operation.
- 2.3 Identify the number of licensed personnel in the principal office as follows:
 - 2.3.1 Audit- Financial
 - 2.3.2 Tax
 - 2.3.3 Consultant
 - 2.3.4 Administrative
 - 2.3.5 Other
- 2.4 Indicate your approach to peer review and provide a copy of the most recent results.
- 2.5 Provide a statement of independence
- 2.6 List and describe the firm's professional relationships involving the District for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.
- 2.7 How is normal information regarding the audit or audit assignment communicated to the client?
- 2.8 What is your firm's policy regarding the rotation of personnel?

3.0 Healthcare Experience

- 3.1 Name of Partner responsible for your firm's healthcare practice.
- 3.2 Describe your National Healthcare practice
- 3.3 Provide a representative list of your National Hospital and Healthcare clients, as well as any other relevant clients, whose operations are similar to the District's programs that have engaged your firm as auditors since January 2010.
- 3.4 Describe your Florida Healthcare practice.
- 3.5 Provide a representative list of your Florida Hospital and Healthcare clients whose operations are similar to the District's programs that have engaged your firm as auditors since January 2010.
- 3.6 Among the list of both Florida and National clients, identify which clients in 3.3 and 3.5 that are currently serviced by the principal office.
- 3.7 Provide names of engagement team members who staffed teams under 3.3 and 3.5.
- 3.8 Please submit references (name, position, email address, and telephone number) for those entities listed in 3.6 above.
- 3.9 Please describe any special skills or knowledge pertaining to your healthcare experience that enhances your qualification for this engagement.

4.0 Team and On Site Support

Identify the individuals who would be assigned to the District engagement. Include the following information about each individual:

- 4.1 Name
- 4.2 Resident Office
- 4.3 Position

- 4.4 Number of Years in Practice
- 4.5 Number of Years with the Firm
- 4.6 Professional Licenses
- 4.7 Type of Experience
- 4.8 Number of continuing education credits within the last two years (Specify not for profit, Governmental and Healthcare credits)
- 4.9 How does the firm typically decide which individuals are assigned to the clients? (Provide details)
- 4.10 Please describe your approach, philosophy/methodology for performing independent audits, including the development of the audit program, use of computer audit specialists, organization of the audit team, management letter philosophy, scheduling, and the use of client staff. Describe the approach you would use with the District.
- 4.11 Provide a detailed explanation of your methodology for risk analysis in your audit planning.
- 4.12 What method does your firm use to keep clients informed of current federal, state, AHCA and local issues affecting healthcare providers?
- 4.13 How do you anticipate your firm will interact with the District's internal audit department?

5.0 **GASB Experience**

- 5.1 List those Florida governmental entities (municipalities, Special Districts, board of county commissioners or other governing bodies) for which your firm has been engaged as auditors since January 2010.
- 5.2 Identify those engagements in 5.1 that are currently clients.
- 5.3 Provide names of engagement team members who staffed teams under 5.1.
- 5.4 Please submit references (name, position, email address, and telephone number) for those entities listed in 5.2 above.
- 5.5 Please describe any special skills or knowledge pertaining to your GASB Experience that enhances your qualification for this engagement.

3-4 Completed Exhibit "C" HCDPBC IT Security Vendor Questionnaire