



**FINANCE & AUDIT COMMITTEE MEETING  
SUMMARY MINUTES  
March 10, 2020 at 12:00 P.M.  
1515 N. Flagler Drive, Suite 101  
West Palm Beach, FL 33401**

**1. Call to Order – Edward Sabin, Chair**

**A. Roll Call**

Health Care District Finance and Audit Committee members present included: Edward Sabin, Chair; Joseph Bergeron; Michael Burke; Richard Sartory and Mark Marciano.

Staff present included: Darcy Davis, Chief Executive Officer; Joel Snook, VP & Chief Financial Officer; Deborah Hall, VP, Chief Compliance Officer, Internal Audit; Valerie Shahriari, General Counsel; Dr. Belma Andric, Chief Medical Officer; Dr. Thomas Cleare, Assistant VP Planning and Community Engagement; Karen Harris, VP of Field Operations; Steven Hurwitz, VP, Chief Administrative Officer; Janet Moreland, Executive Director, Lakeside Medical Center; Shelly Ann Lau, Administrator of Healey Center; Mina Bayik, Director of Finance and Lisa Sulger, Records Manager.

Others present included: John Grady, Public Trust Advisors; Harry Torres, Crowe Healthcare Risk Consulting; Andrei De Vore, Crowe Healthcare Risk Consulting; Scott Gerard, Crowe Healthcare Risk Consulting; Carlos Hernandez, RSM and Anil Harris, RSM.

- B. Affirmation of Mission:** The mission of the Health Care District of Palm Beach County is to be the health care safety net for Palm Beach County. Our vision is meeting changes in health care to keep our community healthy.

**2. Agenda Approval**

**A. Additions/Deletions/Substitutions**

Ms. Davis recommended that agenda item 7A-3 (Internal Audit Plan FY 2019 and FY 2020 Status Update and Follow-Up of Management Action Plan Items for Completed Audits) be moved from the Consent Agenda to the Regular Agenda as item 8A-7.

**B. Motion to Approve Agenda**

**CONCLUSION/ACTION:** Mr. Burke made a motion to amend the agenda to reflect the removal of item 7A-3 from the Consent Agenda to the Regular Agenda as item 8A-7 and approve the agenda as amended. The motion was duly seconded by Mr. Bergeron. There being no opposition, the motion passed unanimously.

Finance and Audit Committee  
Summary Minutes  
March 10, 2020

### 3. Awards, Introductions and Presentations

- A. Investment Program Review and Market Update for Quarter Ended December 31, 2019  
(John Grady, Public Trust Advisors)

Mr. Grady provided a review of the investment program and market update for the quarter ended December 31, 2019 and responded to questions.

### 4. Disclosure of Voting Conflict

None.

### 5. Public Comment

None.

### 6. Meeting Minutes

**Staff Recommends a MOTION TO APPROVE:**

Finance and Audit Committee Summary Meeting Minutes of December 10, 2019.

**CONCLUSION/ACTION:** Mr. Sartory made a motion to approve the Finance and Audit Committee Meeting Minutes of December 10, 2019. The motion was duly seconded by Mr. Burke. There being no opposition, the motion passed unanimously.

### 7. Consent Agenda – Motion to Approve Consent Agenda Items

**CONCLUSION/ACTION:** Mr. Burke made a motion to approve the Consent Agenda items. The motion was duly seconded by Mr. Bergeron. There being no opposition, the motion passed unanimously.

#### A. ADMINISTRATION

7A-1. **RECEIVE AND FILE:**

March 2020 Internet Posting of District Public Meeting

<https://www.hcdpbc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=327&m=00&DisplayType=C>

7A-2. **RECEIVE AND FILE:**

Finance and Audit Committee Attendance of December 10, 2019

7A-3. **Staff Recommends a MOTION TO APPROVE:**

Purchasing Policy Revisions

7A-4. **Staff Recommends a MOTION TO APPROVE:**

Independent Audit Policy Revisions

Finance and Audit Committee  
Summary Minutes  
March 10, 2020

7A-5 **Staff Recommends a MOTION TO APPROVE:**  
Capital Assets Policy Revisions

7A-6 **Staff Recommends a MOTION TO APPROVE:**  
Sublicense Agreement

## 8. Regular Agenda

### A. **ADMINISTRATION**

8A-1 **RECEIVE AND FILE:**  
Health Care District Financial Statements – December 2019

Mr. Snook reviewed the information provided in the Management Discussion and Analysis of the December 2019 Financial Statements. In response to a request by Chair Sabin, Mr. Snook stated that going forward the most current financial statements will be presented to the Committee regardless of the quarter.

**CONCLUSION/ACTION: Received and Filed**

8A-2 **RECEIVE AND FILE:**  
Summary of Internal Audit Activities and Update

Mr. De Vore reviewed the Internal Audit activities that were undertaken during the 4<sup>th</sup> quarter in the following areas: Billing and Collections – Clinics (Athena Audit); Mobile Van Operations and Processes Audit; Cash Posting Audit – Clinics and LMC Petty Cash Audit; Quality Improvement and Reporting Assessment Payer Incentive Bonuses Project and the ADP Diagnostic Project and responded to questions.

**CONCLUSION/ACTION: Received and Filed**

8A-3 **Staff Recommends a MOTION TO APPROVE:**  
2019 Good Health Foundation, Inc. Audit

Mr. Hernandez reported that the District's external audit for the Good Health Foundation was completed for the fiscal year ended September 30, 2019 and concluded that Management's judgement and estimates as it pertains to the 2019 Good Health Foundation Inc. financial statements were reasonable. He stated that it was a clean audit and no issues were found.

**CONCLUSION/ACTION: Mr. Bergeron made a motion to approve the 2019 Good Health Foundation, Inc. Audit. The motion was duly seconded by Mr. Burke. There being no opposition, the motion passed unanimously.**

Finance and Audit Committee  
Summary Minutes  
March 10, 2020

8A-4 **Staff Recommends a MOTION TO APPROVE:**  
2019 District Clinic Holdings, Inc. Audit

Mr. Hernandez reported that the external audit for District Clinic Holdings, Inc. was completed for the fiscal year ended September 30, 2019 and concluded that Management's judgement and estimates were reasonable as it pertains to the 2019 District Clinic Holdings, Inc. financial statements. He stated that it was a clean audit and no issues were found.

**CONCLUSION/ACTION: Mr. Sartory made a motion to approve the 2019 District Clinic Holdings, Inc. Audit. The motion was duly seconded by Mr. Burke. There being no opposition, the motion passed unanimously.**

8A-5 **Staff Recommends a MOTION TO APPROVE:**  
2019 Health Care District Audit

Mr. Hernandez reported that District Management did a great job as it relates to the Comprehensive Annual Financial Report (CAFR). He stated that in five years of issuing the CAFR, this is the earliest the auditors have signed off on the over 100-page set of financial statements. Mr. Harris continued the report and stated that the Health Care District's audit was completed for the fiscal year ended September 30, 2019 and concluded that Management's judgement and estimates as it pertains to the 2019 Health Care District financial statements were reasonable.

**CONCLUSION/ACTION: Mr. Burke made a motion to approve the 2019 Health Care District Audit. The motion was duly seconded by Mr. Sartory. There being no opposition, the motion passed unanimously.**

8A-6 **Staff Recommends a MOTION TO APPROVE:**  
2019 District Hospital Holdings, Inc. Audit

Mr. Hernandez reported that the external audit for District Hospital Holdings, Inc. was completed for the fiscal year ended September 30, 2019 and concluded that Management's judgement and estimates were reasonable as it pertains to the 2019 District Hospital Holdings, Inc. financial statements.

**CONCLUSION/ACTION: Mr. Bergeron made a motion to approve the 2019 District Hospital Holdings, Inc. Audit. The motion was duly seconded by Mr. Burke. There being no opposition, the motion passed unanimously.**

8A-7 **RECEIVE AND FILE:**  
Internal Audit Plan FY 2019 and FY 2020 Status Update and Follow-Up of  
Management Action Plan Items for Completed Audits

Mr. Gerard reviewed the status of and gave updates on Internal Audit Plan FY 2019 and FY 2020 Status Update and Follow-Up of Management Action Plan Items for

Finance and Audit Committee  
Summary Minutes  
March 10, 2020

Completed Internal Audits. Mr. Sabin inquired about the deadline extension for District Management to complete a few of the action plans. Mr. Gerard stated that in instances where a due date is extended there are mechanisms in place to ensure that Management adheres to completing the action plan by the revised date.

**CONCLUSION/ACTION: Received and Filed**

**9. Comments**

A. CEO Comments

Ms. Davis reminded the Committee of the Strategic Planning Meeting being held on March 11, 2020 ahead of the Board meeting and encouraged the members to attend.

B. CFO Comments

Mr. Snook stated that a new Government Accounting Standards Board (GASB) is being implemented in 2020 for imbedded leases and provided guidelines on following the new GASB.

C. Committee Member Comments

Mr. Sabin stated that Compliance should have a Board oversight and engagement process that includes Best Practices, and Compliance reporting that is separate from Legal and Finance, among other areas. Mr. Sabin stated that he would suggest to the Board to implement periodic Executive Sessions with Compliance.

Mr. Sartory inquired about whether the Clinics are engaging in community awareness activities for the 2020 Census. Dr. Andric stated that census information is being made available at some of the clinics and Ms. Moreland confirmed that census information kiosks are located at Lakeside Medical Center.

**10. Motion to Adjourn**

There being no further business, the meeting was adjourned.

DocuSigned by:

*Edward G. Sabin*

Edward G. Sabin, Chair

6/10/2020

Date