

North Broward Hospital District Board of Commissioners
1601 South Andrews Avenue, Suite 100, Fort Lauderdale, FL 33316

**GOVERNANCE COMMITTEE MEETING
Immediately Following the Pension and Investment Committee Meeting
Tuesday, August 23, 2022**

The Governance Committee of the North Broward Hospital District was held at the Broward Health Sports Medicine Building, 1601 South Andrews Avenue, Suite 100, Fort Lauderdale, FL 33316.

1. NOTICE

Official notice is attached to these minutes, titled EXHIBIT I. Agenda of this meeting is attached to the minutes, titled EXHIBIT II. Supporting documents, if applicable, are attached to these minutes, titled EXHIBIT III. These exhibits are presented for consideration of the Committee.

2. CALL TO ORDER

There being a quorum present, the meeting was called to order by Chair Stacy L. Angier at 11:12 a.m.

3. COMMITTEE MEMBERS

Present: Commissioner Paul C. Tanner
Commissioner Levi G. Williams, Jr.
Commissioner Christopher J. Pernicano
Ray. T. Berry, Vice Chair
Stacy L. Angier, Chair

Not Present: Commissioner Jonathan K. Hage
Commissioner Nancy W. Stamper

Additionally Present: Shane Strum, President, Chief Executive Officer
Alan Whaley, EVP, Chief Operating Officer
Alex Fernandez, SVP, Chief Financial Officer
Linda Epstein, Corporate General Counsel

4. PUBLIC COMMENTS

Chair Angier opened the floor for public comments, in which there were none.

5. APPROVAL OF MINUTES

5.1. Without objection, Chair Angier approved the minutes, dated July 20, 2022.

Motion *carried* without dissent.

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6. DISCUSSION AGENDA

- 6.1. Discussion Regarding the Process of Committee Assignments (Presenter – Commissioner Ray Berry)

Process of Committee Assignments to ensure that Board Members are matched with the committees that are in their professional wheelhouse and that the respective Board Member is not only interested in leading, but whose schedule allows the time necessary to fulfil their commitment as committee Chair, Vice or Member.

- 6.2. Discussion of Modifying Officer Terms from Fiscal to Calendar Year (Presenter – Commissioner Ray Berry)

Potential of modifying Officer terms from Fiscal Year to Calendar Year; and consideration of modifying the terms from (1) to (2) years.

- 6.3. Discussion of Board Report Supervision, Candidate Pre-Hire and Public Interview Process (Presenter – Commissioner Ray Berry)

Consider supervision of (3) of the (4) Direct Board Reports (to include the below positions), to report directly to the President/CEO, with dotted line to the Board. In addition there was discussion on sunseting the cap for the President/CEO spending threshold on an annual basis so that it could be increased or decreased, dependent on the District's situation and the individual holding the President/CEO title in years to come.

1. Legal Counsel;
2. Chief Internal Auditor; and
3. Chief Compliance & Privacy Officer.

Further discussion ensued regarding instituting flexibility in the Board Report Candidate pre-hire and public interview process to allow the Board to appoint a subcommittee for the initial candidate interviews with a recommendation to be provided to the Board to conduct final interviews and selection.

***Note** – Item 6.5 was heard following item 6.3

- 6.5. Discussion of Combining Board Meetings and Requirements (Presenter – Stacy L. Angier, Chair)

In light of the holidays, Chair Angier requested for consideration the feasibility of combining the November 2022 and December 2022 Committee and Board Meetings, to be held on Wednesday, November 30, 2022.

Ms. Linda Epstein, Corporate General Counsel, confirmed that Board meetings could be combined should the Board so choose (i.e., the November and December meetings to be held on November

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30th), however being that the Board is ultimately responsible for the monthly credentialing and privileging of the physicians and the medical staff, a provision within the codified resolutions would allow expedited credentialing with two (2) Board Members, to be selected in advance, to meet in December at an open to the public meeting to vote accordingly. The action would be ratified at subsequent scheduled Board meeting in January.

Based on guidance provided by the District's Legal Counsel, Chair Angier recommended that Commissioner Berry and Commissioner Pernicano represent the Board at the abovementioned meeting.

MOTION It was *moved* by Commissioner Williams, *seconded* by Commissioner Pernicano, that:

The Board of Commissioners of the North Broward Hospital District approval to combine the November 2022 and December 2022 Committee and Board Meetings, to be held on Wednesday, November 30, 2022 and to approve Commissioner Berry and Commissioner Pernicano to serve as the members on the Expedited Credentialing Committee created under the Board's Bylaws, Codified Resolutions, and Medical Staff Bylaws for the review and approval of credentialing and recredentialing of practitioners on the District's four medical staffs.

Motion confirmed by roll call.

YES Commissioner Paul C. Tanner
YES Commissioner Levi G. Williams, Jr.
YES Commissioner Christopher J. Pernicano
YES Commissioner Ray. T. Berry, Vice Chair
YES Commissioner Stacy L. Angier, Chair

Motion *carried* 5/0.

6.6. Outline for Board Member Training (Presenter – Stacy L. Angier, Chair)

Ms. Epstein provided a high-level overview of required annual trainings for the Board, set forth under the District's Charter, Bylaws and Codified Resolutions.

***Note** – Item 6.4., was subsequently heard after item 6.6.

6.4. Board Report Evaluation Process (Presenter – Mark Sprada, SVP, Chief Human Resource Officer)

Mr. Sprada presented a proposal to change the current Annual Performance Appraisal Process for the existing three (3) Direct Board Reports, from the Board as whole providing aggregated evaluation scores to the following process:

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- Board Chair to complete the FY’22 annual performance review of Mr. Strum, President / CEO;
- Chair of Legal Affairs and Governmental Affairs Committee to complete the FY’22 annual performance review of Ms. Linda Epstein, Corporate General Counsel; and
- Chair(s) of Compliance and Ethics Committee, and Chair of Audit Committee to complete the FY’22 annual performance review of Ms. Deborah Hall, Chief Internal Audit and Chief Compliance & Privacy Officer. Noted that both performance evaluations would be averaged.

Ms. Sprada further recommended that the evaluations be brought to Human Resource Committee Meeting in October for approval and/or amendment to ensure that they are aligned with the goals, in addition that they are aligned with the market as per the recommendation provided by Mercer Consulting Firm, LLC. The final evaluation would then be brought to the full Board for approval.

MOTION was *amended* by Commissioner Williams, *seconded* by Commissioner Tanner, that:

At the October Meeting of the Human Resource Committee, the Human Resource Committee will perform the performance appraisals for each board report and review the Fair Market Compensation Assessments.

Chair Angier opened the floor for discussion, in which former Commissioner Joseph Cobo came forward. Former Commissioner Cobo shared that based on his experience and tenure with the District, no solitary person from the Board should evaluate a Direct Board Report. He further opined that instead, the Board as a whole, continue to be part of the evaluation process in which each individual score be averaged.

Motion confirmed by roll call.

- YES** Commissioner Paul C. Tanner
- YES** Commissioner Levi G. Williams, Jr.
- YES** Commissioner Christopher J. Pernicano
- YES** Commissioner Ray. T. Berry, Vice Chair
- YES** Commissioner Stacy L. Angier, Chair

Motion *carried* 5/0.

7. **ADJOURNMENT**

There being no further business on the agenda, the Chair adjourned the meeting at 12:46 p.m.

Respectfully submitted,
Commissioner Paul C. Tanner, Secretary/Treasurer