

GOVERNANCE WORKSHOP MEETING MINUTES

Thursday, October 8, 2020

Gulf Coast Medical Center, Medical Office Building Boardroom, 13685 Doctor's Way,
Fort Myers, FL 33912

Teleconference 1-415-655-0002 Access Code 479 493 525

MEMBERS PRESENT:

David Collins, Board Chair,

Therese Everly, Board Vice Chair

Donna Clarke, Board Treasurer

Diane Champion, Board Secretary

Steve Brown, MD., Board Member

Nancy McGovern, Board Member

Sanford Cohen, MD., Board Member

Jessica Carter Peer, Board Member and Committee Chair

Stephanie Meyer, Board Member

MEMBERS ABSENT

Chris Hansen, Board Member

OTHERS PRESENT:

Jim Humphrey, Board Counsel

George Knott, Board Deputy Counsel

Jeff Pigott, VP Compliance & Internal Audit

Larry Antonucci, M.D., President/CEO

Scott Nygard, Chief Operating Officer

Ben Spence Chief Finance Officer

Mary McGillicuddy, Chief Legal Officer

Tracy Pyles, Senior Attorney

The Governance Workshop Meeting was called to order at 9:00 a.m. by David Collins, Board Chair.

WELCOME AND INTRODUCTORY COMMENTS

Jessica Carter Peer welcomed Board Members, guests and introduced Pam Knecht.

ACCORD's OBSERVATIONS REGARDING THE BOARD'S SELF EVALUATION

Pam Knecht President/CEO of ACCORD LIMITED, presented her assessment that the creation of committees has helped the Board function more effectively and efficiently. She summarized Board member's comments on the benefits of the committee structure and highlighted the key topics for discussion as:

1. Committee Structure and membership refinement:
 - A. Governance Committee (size and membership)
 - B. Executive Committee (creation and development)

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- C. Executive Compensation Committee (creation)
- D. Finance & Investment (combined with Audit)
- E. Rotation of Committee Members
- 2. Information flow and communication improvement (Omnibus Policy on Committees) Due to time moved to Committee
- 3. Medical Staff – board communication improvement Due to time moved to Committee
- 4. Strategic Discussion enhancement moved to Committee

KEY TOPICS AND GOVERNANCE BEST PRACTICES DISCUSSIONS

Workshop participants discussed at length the size and composition of the Governance Committee. Consensus was to increase membership size to 5 board members with no community member involvement. It was acknowledged that the Committee Chair may invite experts to provide insight, as needed.

Discussion around President/CEO Compensation committee with Board Member consensus it was intended to be temporary and narrow in scope. Pam Knecht stated that this type of committee, with a limited time and limited purpose, is more commonly referred to as a task force and is intended to be of a short duration, not a true committee,

Pam Knecht then highlighted the pros and cons for an Executive Committee. Board Members did not express support to form this committee.

Pam Knecht reviewed the Audit committee charter and the reasoning behind why this committee has a distinct purpose and that it should not be combined with the Finance and Investment Committee. Updates to the charter should reflect that the Audit Committee also serves as the Audit Selection Committee as provided for in section 218.391(2) in the Florida statute.

Discussion ensued regarding a joint Finance & Investment Committee and Audit Committee meeting when the external audit is being presented in January. Support was expressed for a joint meeting when the external audit is presented.

Discussion, which included supportive comments from Pam Knecht and Board Members, occurred regarding a revision to the QSPE charter to include employee and physician engagement.

Workshop participants discussed the need to review the Committee Omnibus policy. The topics discussed included rotation of board committee members, the ability of non-committee Board members to speak at committee meetings, and the assignment of alternative Board Members to committees. It was noted that the current Board Member

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Committee Assignment Process Policy recognizes the need to balance the advantages of rotating committee assignment with the need to develop expertise. The next committee assignment process will follow the policy, which includes the balanced and thoughtful consideration of assignment rotation. With regard to Board Members who are not members of a committee providing comment during such committee meetings, the consensus was that Committee Chairs, at their discretion, can recognize non-committee Board Members and members of Administration to speak. With regard to the assignment of alternate Board Committee Members, Pam Knecht cautioned against the practice and Board Member consensus was not in favor of the practice.

Items requiring further board counsel review included: quorum requirements; what changes are needed regarding participation via video conferencing/WebEx; and, items to be considered for a vote by the Board, as a prerequisite, must be on the agenda and be accompanied by a certain level of supportive documentation.

NEXT STEPS

1. Revise Governance Charter to increase to 5 Board members.
2. Revise QSPE charter to add employee and physician engagement.
3. Revise Audit Charter to include language regarding auditor selection committee.
4. Revise Omnibus Policy language to reflect ability of non-committee member Board Members to speak at Committee meetings.
5. Update Board 2021 Calendar to include a combined Audit and Finance & Investment Committee meeting in January when the external audit is presented.

ADJOURNMENT

The Lee Health Board of Directors Governance Workshop was adjourned at 12:01 pm by Jessica Carter Peer.

Minutes were recorded by Kathy J. Hagen/Assistant to the Board

Signed by: **/Diane Champion/**

Board Secretary

Date:**10/29/20**