



Finance & Operations Committee Meeting

Thursday, March 1, 2018
The Children's Trust
3150 S.W. 3rd Avenue, 8th Floor
Conference Room A
9:30 a.m. – 11:00 a.m.

Board of Directors

Laurie Weiss Nuell
Chair
Lily de Moya
Vice Chair
Kenneth C. Hoffman
Treasurer
Vacant
Secretary

Magaly Abrahante, Ph.D.
Daniel Bagner, Ph.D.
Miguel Balsera, Ph.D.
Roderick Brandon
Rep. Nicholas Duran
Dr. Antonia Eyssalenne
Gilda Ferradaz
Alvin Gainey
Mindy Grimes-Festge
Nelson Hincapie
Pamela Hollingsworth
Steve Hope
Esther Jacobo
Tiombe Bisa Kendrick-Dunn
Inson Kim
Marissa Leichter
Frank Manning
Susan Neimand, Ph.D.
Marta Pérez, Ph.D.
Judge Orlando Prescott
Hon. Isaac Salver
Com. Xavier L. Suarez
Mark Trowbridge
David Turino
Karen Weller

David Lawrence Jr.
Founding Chair

James R. Haj
President & CEO

County Attorney's Office
Legal Counsel

AGENDA

- 9:30 a.m. **Welcome and opening remarks**
Kenneth C. Hoffman
Chair
- 9:35 a.m. **Public Comments**
Kenneth C. Hoffman
Chair
- 9:45 a.m. **Approval of February 1, 2018 Finance & Operations Committee minutes summary**
(Addl. Items packet, Pg. 3)
Kenneth C. Hoffman
Chair
- 9:50 a.m. **Presentation**
 - Draft Comprehensive Annual Financial Report (CAFR) Fiscal Year 2016-17
Andrew Fierman, Partner
Caballero Fierman Llerena + Garcia, LLP
- 10:15 a.m. **Development of criteria for selection of auditors**
William Kirtland
Chief Financial Officer
- 10:30 a.m. **Resolutions**
Kenneth C. Hoffman
Chair
- Resolution 2018-A:** Authorization to negotiate and execute a contract with Armstrong Creative Consulting, Inc., an agency selected from the approved vendor pool, for a term of six months commencing April 1, 2018, and ending September 30, 2018, to plan and execute the 2018 Children's Trust Family Expo in a total amount not to exceed \$280,000.00. *(Pgs. 4-5)*
- Resolution 2018-B:** Authorization to release a request for qualifications (RFQ) for financial auditing services of The Children's Trust as required by Section 218.39, Florida Statutes in a total amount not to exceed \$50,000.00. *(Pgs. 6-7)*
- Resolution 2018-C (as Amended):** Authorization to amend The Children's Trust Procurement Policy approved by the board on December 7, 2017, to include in the list of exemptions to the formal competitive process exemptions for employee benefits, payroll services, human resources-related services, and insurance for the day-to-day operations of The Children's Trust and the requirement for board approval. *(Pgs. 8-10)*

The public is allowed to comment before presentation of resolutions but must register with the Clerk of the Board prior to being allowed to comment.

10:45 a.m. **CEO Report**

James R. Haj
President/CEO

- *Financial Statements*

11:00 a.m. **Adjourn**

Reminder:

Next Committee Meeting: Thursday, April 5, 2018



Finance & Operations Committee Meeting Summary
February 1, 2018
9:31 a.m. – 10:00 a.m.

These actions were taken by the Finance & Operations Committee on February 1, 2018:

Motion to approve the November 2 & December 4, 2017 Finance & Operations Committee meeting minutes was made by Steve Hope and seconded by Nelson Hincapie. Motion passed unanimously, 5-0.

Resolution 2018-A: Motion to recommend the resolution to the Board of Directors on February 12, 2018 was made by Mark Trowbridge and seconded by Steve Hope. Authorization to issue periodic payments pursuant to a service order agreement with Schermer Creative Group, Inc. to provide six videos for the 2018 Champions for Children awards ceremony in an amount not to exceed \$30,000.00, in addition to \$8,000.00 for regular and ongoing English/Spanish translation services being provided by the agency, for a total combined amount not to exceed \$38,000.00 in FY 2017-18. Motion passed unanimously, 5-0.

Meeting adjourned at 10:00 a.m.

The Children's Trust Board Meeting

Date: March 12, 2018

Resolution: 2018-A

Strategic Plan Priority Investment Area: Community Engagement and Advocacy

Strategic Plan Headline Community Result(s): Public Awareness and Program Promotion

Recommended Action: Authorization to negotiate and execute a contract with Armstrong Creative Consulting, Inc., an agency selected from the approved vendor pool, for a term of six months commencing April 1, 2018, and ending September 30, 2018, to plan and execute the 2018 Children's Trust Family Expo in a total amount not to exceed \$280,000.00.

Budget Impact: Funding in the amount of \$280,000.00 for this resolution is allocated for FY 2017-18.

Description of Services to be Provided: The selected vendor will plan and execute the 2018 Children's Trust Family Expo, the largest community resource fair in Miami-Dade County with more than 200 exhibitors attracting 15,000-20,000 people annually. The planning and execution of this event is very fluid involving dozens of details that are under constant supervision by Trust staff. It entails ongoing collaboration with staff and sometimes daily interaction. Any dissatisfaction with the execution of deliverables are expressed in real time and corrected in the moment. The consequences of performance that does not meet expectations would jeopardize the event and eliminate the vendor from being considered for this contract in future. Services to be provided include, but are not limited to:

- Tracking exhibitor registration
- Providing live and online customer support to exhibitors throughout the registration process, leading up to the event, during setup before, and breakdown afterward
- Recruiting corporate sponsors
- Applying for and securing all permits and inspections
- Hiring security
- Coordinating and managing up to 100 volunteers
- Obtaining estimates, paying for, scheduling and managing the execution of all décor, AV services, entertainment and educational/interactive special areas
- Selecting and managing an event food vendor for the public and volunteers
- Ordering all on-site event signage and programs
- Hiring and managing all event staff
- Collaborating with the Miami-Dade County Fair and Expo Center on all event logistics and requirements, including obtaining insurance certificates from exhibitors
- Overseeing all aspects of the event and troubleshooting all issues that may arise
- Reconciling all event expenses

Background: In March 2016, The Children’s Trust issued a request for qualifications (RFQ), #2016-06, seeking applicants for a vendor pool for media and event planning services to commence on October 1, 2016. Armstrong Creative Consulting, Inc., is one of 15 agencies selected, from 30 applicants, to join the 2016-2019 communications vendor pool. Of the three agencies in the vendor pool approved to provide event planning services, it is the sole vendor available to produce this event. Of the other two approved event planning vendors in the pool, Sweet Plans advised staff that it does not possess the capacity to plan an event of this magnitude and WOW MKTG disclosed a conflict that precludes it from submitting a bid for this event. Armstrong Creative Consulting, Inc., a minority-owned business, has served The Children’s Trust for more than eight years and has served as The Family Expo event planner for the past two

Geographic Area: Countywide

The foregoing recommendation was offered by _____, who moved its approval. The motion was seconded by _____ and upon being put to a vote, the vote was as follows:

The Chairperson thereupon declared the resolution duly passed and adopted this **12th day of March, 2018.**

THE CHILDREN’S TRUST
MIAMI-DADE COUNTY, FLORIDA

BY _____
SECRETARY

Approved by County Attorney for form and legal sufficiency _____

The Children's Trust Board Meeting

Date: March 12, 2018

Resolution: 2018-B

Strategic Plan Priority Investment Area: Administrative/Operations

Recommended Action: Authorization to release a request for qualifications (RFQ) for financial auditing services of The Children's Trust as required by Section 218.39, Florida Statutes in a total amount not to exceed \$50,000.00.

Budget Impact: Funding in the amount of \$50,000.00 for the financial audit of The Children's Trust is projected to be available in the FY 18-19 budget.

Description of Services: Section 218.39, Florida Statutes, requires The Children's Trust to have completed an annual financial audit of its accounts and records by an independent certified public accountant within nine months after the end of its fiscal year. In addition, the bylaws of The Children's Trust require that The Children's Trust not use the same external auditor for more than five consecutive years. To comply with statutory mandates and The Children's Trust's bylaws, The Children's Trust desires to issue a RFQ to obtain an independent certified public accounting firm to perform future annual audits of The Children's Trust.

Section 218.391, Florida Statutes, requires that an audit committee assist the governing body in selecting an auditor to conduct the annual financial audit. The finance and operations committee will oversee the selection of the auditors by working with the audit committee (to be comprised of staff) to establish factors to use for the evaluation of audit services proposals submitted in response to a request for qualification (RFQ). The audit committee will rank and recommend to the finance and operations committee, in order of preference, no fewer than three firms deemed to be the most highly qualified to perform the required services. The finance and operations committee will select one of the firms recommended by the audit committee and make a recommendation to the full board for approval.

Background: The contract for financial auditing services is currently performed by Caballero Fierman Llerena + Garcia, LLP, who prepared the financial audit of The Children's Trust for the past five years. Consequently, authorization to release a RFQ for financial auditing services for a term of 12 months commencing August 1, 2018 and ending July 31, 2019, with the option of four possible contract renewals is being sought.

The foregoing recommendation was offered by _____ who moved its approval. The motion was seconded by _____ and upon being put to a vote, the vote was as follows:

The Chairperson thereupon declared the resolution duly passed and adopted **this 12th day of March, 2018.**

THE CHILDREN'S TRUST
MIAMI-DADE COUNTY, FLORIDA

BY _____

SECRETARY

Approved by County Attorney for form and legal sufficiency _____

The Children's Trust Board Meeting

Date: March 12, 2018

Resolution: 2018-C (Amended)

Strategic Plan Priority Investment Area: Administrative/Operations

Recommended Action: Authorization to amend The Children's Trust Procurement Policy approved by the board on December 7, 2017, to include in the list of exemptions to the formal competitive process exemptions for employee benefits, payroll services, human resources-related services, and insurance for the day-to-day operations of The Children's Trust and the requirement for board approval.

Budget Impact: Budget impact for each specific commitment that falls within this waiver is included in the approved annual budget.

Approval of this resolution will provide the authorization to amend the list of exemptions to a competitive process (Section G. Exemptions to Formal Competitive Procurement Process) in The Children's Trust Procurement Policy, approved by the board on December 7, 2017. The following shall be added to the list of purchasing activities exempt from the formal competitive bidding process:

G-11. The procurement of employee benefits, payroll services and human resources-related services and insurance for the day-to-day operations of The Children's Trust, in accordance with Resolution #2018-44, provided that: (i) with respect to employee benefits, payroll services, human resources-related services, The Children's Trust (A) procures the same through a qualified professional employment organization (PEO), (the selection of which PEO shall be reviewed not less frequently than every five years), and (B) utilizes a benefits broker to assist in obtaining favorable rates for benefits provided to its employees; and (ii) with respect to insurance, The Children's Trust (A) engages an insurance agent who specializes in nonprofit and government entities insurance (the selection of which agent shall be reviewed not less frequently than every five years), to advise on the types, amounts and terms of insurance coverages to be carried and to place such insurance on its behalf, (B) obtains in connection with any such insurance placement not less than two quotes from carriers having an "A" or better [A.M. Best] rating, and (C) engages an independent insurance advisor to review and assist in selecting from among such quotes.

An exemption to the formal competitive process is requested for the following reasons:

Employee benefits: Employee benefits include flexible spending accounts; workers' compensation; and insurance plans for health, dental vision, life and disability. In the past, The Children's Trust has utilized a professional employer organization model and benefits broker that leverages purchasing power to obtain the best rates and services for employees. The Children's Trust would like to continue using this approach. As per the bylaws, the human resources committee will continue to review the employee benefits package as needed.

Payroll and human resources-related services: The employee benefits offered to the employees of The Children’s Trust are outsourced and administered using a professional employer organization (PEO) that specializes in human resource administration services, payroll, payroll taxes, ACA compliance (per the Patient Protection and Affordable Care Act of March 23, 2010) and other employee/employer benefits services. Utilizing this model allows The Children’s Trust to become a part of a pool of clients to create buying power for medical, dental, vision, life insurance, disability and other available supplemental insurances (legal plans, pet insurance/discount plans and additional coverage levels for other commonly requested plans). One major advantage to this method is that it is an effective and proactive way to manage health care increases while providing the benefits that employees want at affordable levels for both employee and The Children’s Trust. This PEO co-employment relationship, where the PEO and The Trust share certain employer responsibilities, assures that mandated reporting and payroll taxes are filed in a timely manner and in compliance with applicable state, federal and local payroll and health insurance taxes while not interfering with the state reporting for FRS service credit for retirement that is done in-house.

Insurance for day-to-day operations: In an effort to minimize The Children’s Trust’s monetary exposure, insurance for the day-to-day operations of The Children’s Trust is obtained as part of its comprehensive risk management approach. This insurance coverage is obtained from “A”-rated insurance agencies, considering factors such as appropriate coverage limits, current and future business practices, awareness of the external environment at large, risk exposure, claims paid ratios, insurance market rates and industry, after vetting and obtaining quotes from one or more insurance carriers (dependent upon market availability) by an insurance agent. Insurance includes director’s and officer’s insurance; named signor bond; general and professional liability; umbrella; property; cyber/internet; volunteer; and crime/employee dishonesty.

The Children’s Trust engages an insurance agent who specializes in nonprofit and government entities insurance and who coordinates and helps to manage risk exposures by utilizing a comprehensive approach while minimizing The Children’s Trust’s exposure and premium. The insurance agent was selected on December 2010 after discussing The Children’s Trust’s insurance needs to include providing expert risk management consultation to include coverage limits with two additional insurance agents. The agent provides a personalized approach, routinely meeting with The Children’s Trust personnel to ensure that appropriate levels of insurance are obtained based on The Children’s Trust’s current business practices, awareness of the external environment at large and industry offerings. Under the insurance agent, The Children’s Trust’s insurance coverage limits have been continuously evaluated with an eye toward reasonable limits, the related cost and the rating/performance of the insurance carrier. In relation to this, on an annual basis, the agent remarkets the insurances to find different carriers/quotes. Insurance industry best practice is to provide insurance quotes within two to three weeks of the commencement of the insurance coverage period. Consequently, The Children’s Trust may experience a lapse and continuity in its insurance if the premium for the selected insurance carrier is not made within this abbreviated time period.

As an additional measure, to ensure that the guidance and expertise provided by the insurance agent is of a high standard, The Children’s Trust engages an independent insurance agent/firm to review all quotes provided by the insurance agent for The Children’s Trust’s selection. This independent review is performed at least annually.

To ensure consistency in our comprehensive approach and that policy coverages do not overlap in our efforts to curtail costs, and to ensure the continuance of receiving expert advice and consultation, we request authorization to continue to engage an insurance agent for our operational insurance needs until such time that the services are no longer deemed to be necessary. The Children's Trust will continue to utilize an independent insurance agent as a means in determining satisfactory performance.

The foregoing recommendation was offered by _____ who moved its approval. The motion was seconded by _____ and upon being put to a vote, the vote was as follows:

The Chairperson thereupon declared the resolution duly passed and adopted **this 12th day of March, 2018.**

THE CHILDREN'S TRUST
MIAMI-DADE COUNTY, FLORIDA

BY _____

SECRETARY

Approved by County Attorney for form and legal sufficiency _____