



**DAUGHTERS OF CHARITY HEALTH SYSTEM
BOARD OF DIRECTORS MEETING
EXECUTIVE SESSION**

Friday, August 29, 2014

Teleconference Meeting | Los Altos Hills | California

MINUTES

PRESENT

Sister Marjory Ann Baez, D.C., *Board Chair*
Sister Marion Bill, D.C., *Board Vice-chair*
Sister Janet Barrett, D.C., *Secretary*
Sister Judith Lynn Gardenhire, D.C.
William Del Biaggio (via teleconference)
S. Daniel Higgins, M.D.
Robert Issai, President & CEO, *Ex-Officio Voting Member*

ABSENT

Sister Christina Maggi, D.C.
Sister Betty Marie Dunkel, D.C.

GUESTS

John Chesley, Ropes & Gray (via teleconference)
Andrew Turnbull, Houlihan Lokey (via teleconference)
Scott Jackson, Houlihan Lokey (via teleconference)
Cecily Dumas, Dumas & Clark (via teleconference)

STAFF

Annie Melikian, CFO (via teleconference)
Pascale Roy, General Counsel
Beth Nikels, VP Marketing and Communications
Samantha Schumacher, *Recorder*

1. CALL TO ORDER

The Board Chair called the meeting to order at 8:35 a.m.

2. OPENING PRAYER

Sister Marion Bill offered the Opening Prayer / Reflection.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6. OTHER BUSINESS

The Board was given an update on notification of the LHM boards upon selection of a buyer. The final bid date is Friday, September 12, 2014. Submitted bids will be compared and narrations will be prepared by Houlihan Lokey for presentation to the System Board. The System Board will then call a meeting to discuss the bids and select a bidder. We will then provide seven (7) days notice to the LHM boards once the System Board has selected a bidder. We will convene simultaneous LHM board meetings in both the North and the South. The northern California LHMs of Seton Medical Center, O'Connor Hospital and Saint Louise Regional Hospital will convene on one day and the southern California LHMs of St. Francis Medical Center and St. Vincent Medical Center will convene on a separate day. After the second day of LHM board meetings, the Board of the Daughters of Charity Ministry Services Corp. will convene. Once a buyer has been approved we will contact the AG's office immediately as a courtesy, although we will have 15 days in which to submit our application.

MDS has completed their interviews at the LHMs for the AG process. They will interview individuals from the System Office in order to understand the essentiality of services and to help determine if the transaction is fair for the assets we have. Dr. Higgins asked if we select one particular bidder, do we have one as back up? The answer was no. We would have to resubmit a new application to the AG, although that review process would be faster, if needed.

REDACTED

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NEXT MEETING

REDACTED

Sister Janet Barrett, D.C., Secretary

Samantha Schumacher, Recording Secretary

Date

Date

SJB/sss