

**THE METROHEALTH SYSTEM
BOARD OF TRUSTEES
AUDIT AND COMPLIANCE COMMITTEE
REGULAR MEETING MINUTES**

DATE: Wednesday, December 9, 2020

TIME: 2:00 to 4:00 p.m.

PLACE: MetroHealth Medical Center -Virtual WebEx Meeting

COMMITTEE TRUSTEES: Mr. Moss, Dr. Silvers

ADDITIONAL TRUSTEES: Ms. Dee, Ms. Kirk, Mr. Monnelly, Ms. Whiting

STAFF: Ms. Barre, Dr. Boutros, Mr. Fiser, Mr. Himes, Ms. McBride, Mr. Phillips, Ms. Rajki, Mr. Richmond, Ms. Wahl

GUESTS: Mr. Mylen, Ms. Despoth (KPMG), Mr. Luker (RSM)

Dr. Silvers called the meeting of the Audit and Compliance Committee to order at 2:05 p.m. Please note that minutes are written to conform to the printed agenda and are not necessarily in the order of discussion.

- I. The minutes of the regular Audit and Compliance Committee meeting held on September 9, 2020 were approved as presented.

II. INFORMATION ITEMS

Dr. Silvers introduced Cheryl Forino Wahl, Senior Vice President, Chief Ethics and Compliance Officer who provided an update on the fourth quarter compliance program activities stating the 2020 workplan is projected to be ninety percent complete by year-end. Ms. Wahl mentioned the four departmental goals designed to improve the effectiveness of the program were fully achieved. Ms. Wahl stated the fourth quarter highlights include completion of the 2021 World's Most Ethical Company application, published new Third-Party Code of Conduct, established privacy liaison program at all MetroHealth sites to expand monitoring of physical security of patient information, expanded ethics and compliance manager training. Ms. Wahl introduced Robin Barre, Director, Compliance who discussed how provider training began on new billing and documentation rules which will go into effect the first of the year. Ms. Barre also discussed the automated audits for 340B retail pharmacies. Ms. Wahl continued by stating an ethics and compliance portal was built to serve as a digital repository for all compliance materials which includes an interactive digital Code of Conduct. Additionally, Ms. Wahl mentioned the MetroHealth Ethics line saw a twenty percent decrease in the number of cases during the quarter including a twelve percent decline in the number of Health Insurance Portability and Accountability Act (HIPAA) cases.

David Luker, RSM Director, provided an update on the Transformation Project construction cost review services. Mr. Luker mentioned they continue to conduct monthly reviews

through e-Builder (construction management software) of the invoices submitted by consultants and contractors, making sure there is adequate supporting documents and that invoicing is in accordance with agreements. Mr. Luker reviewed the payment application procedures they perform for each of the consultants, the contractor and the sub-contractors. Mr. Luker also provided an update on the interim reviews for general liability insurance, subcontractor default insurance and the information technology costs invoiced to the project.

Jim Mylen, Partner with KPMG Advisory Services, who serves as MetroHealth's Director of Internal Audit and Veronica Despoth, Internal Audit Lead and Director, IT Advisory Services who is part of the internal audit team provided an update of the 2020 Internal Audit Plan and an overview of the accomplishments and goals for the quarter. Mr. Mylen provided a report on the fourth quarter Internal Audit (IA) activities stating the overall IA plan is seventy-five percent complete and on-track for the year which runs through March 2021. Ms. Despoth stated the Financial Reporting Control test procedures have been completed in advance of RSM starting their external audit and that year-end control testing will be performed in December and January. Mr. Mylen mentioned planning for 2021 has started, risk assessment procedures were completing in November and an internal audit plan will be presented to the Committee at the March 2021 meeting. Mr. Mylen provided an update regarding goals for 2021 including areas internal audit will continue to focus on: integration with Enterprise Risk Management (ERM) program, evaluate opportunities for intelligent automation into the audit process and continuing to increase use of analytics and continuous audit procedures.

Mr. Mylen provided an update regarding the Enterprise Risk Management (ERM) program mentioning risk surveys were distributed to two hundred individuals with a greater than fifty percent response rate and risk workshops were conducted in November with eighty-three participants. Mr. Mylen stated they will use that data to prioritize the risks and then present that information to the President's Cabinet to obtain their input during an ERM workshop in January 2021.

David Fiser, Vice President, Chief Financial Officer, provided a Cyber Security Program and Information Technology (IT) update stating MetroHealth continues to conduct monthly Phishing Simulations based on real phishing attacks which are used to test all workforce members. Mr. Fiser mentioned the remote Security Operations Center (SOC) established in 2019 which is hosted and managed by MCPc is providing 7x24x365 cyber security monitoring. Mr. Fiser discussed expansion of the Disaster Recovery center capabilities and testing continues at the Involta Disaster Recovery Center in Akron. Mr. Fiser stated Multi-Factor Authentication for remote access to MetroHealth Systems was completed for all remote users and migration of the Old Brooklyn Campus production data center to Involta Independence data center Tier III, was completed as planned.

III. NON-CONSENT /ACTION ITEMS

A. No items at this time

IV. CONSENT ITEMS

A. A Recommendation for Certain Annual Purchasing Policies and Procedures

The Committee unanimously approved the recommendation for full Board action.

B. A Recommendation for the Continued Engagement of KPMG LLP as the System's Internal Audit Consultant

The Committee unanimously approved the recommendation for full Board action.

C. A Recommendation for the Continued On-Going Assistance of Kaufman Hall as the MetroHealth System's Financial Advisor for Transportation

The Committee unanimously approved the recommendation for full Board action.

At this point in the meeting a motion was made, seconded and passed to move the Committee into Executive Session to discuss trade secrets and litigation matters. The Committee returned to regular session at 3:52 p.m.

D. A Recommendation to Amend the Architectural Services Agreement with CannonDesign

The Committee unanimously approved the recommendation for full Board action.

There being no further business to bring before the Committee, the meeting was adjourned at 3:54 pm.

Respectfully submitted,



Craig Richmond
Executive Vice President and
Chief Financial Officer