

# The MetroHealth System Board of Trustees

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## AUDIT AND COMPLIANCE COMMITTEE

November 10, 2021

Time

Meeting held at MetroHealth Board Room (K-107) or Via Zoom

### Meeting Minutes

**Committee Members Present:** Ms. Kirk, Mr. Moss, Ms. Whiting

**Other Trustees Present:** Dr. Silvers, Dr. Walker

**Staff Present:** Ms. Barre, Ms. Black, Dr. Chehade, Mr. Fiser, Mr. Himes, Ms. McBride, Ms. Morales, Mr. Stern, Ms. Wahl

**Guests:** Mr. Furlong, Mr. Mylen (KPMG), Ms. Kalic, Mr. Kes, Mr. Luker (RSM)

Ms. Kirk called the meeting to order at 2:00 pm.

(The minutes are written in a format conforming to the printed meeting agenda for the convenience of correlation, recognizing that some of the items were discussed out of sequence.)

#### I. **Approval of Minutes**

The minutes of the August 11, 2021 Committee meeting were approved as submitted.

#### II. **Information Items**

##### **Transformation Project Construction Cost Review – David Luker, RSM**

Mr. Luker provided an update on the Transformation Project construction cost review services. Mr. Luker stated RSM continues to conduct monthly reviews through e-Builder (construction management software) of the invoices



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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 performed for each of the consultants, the contractor and subcontractors. Mr. Luker also highlighted that a new third party consultant had been added to the scope of their procedures since the last committee meeting. Mr. Luker provided an update on the status of interim audit findings, including the resolution of the subcontractor invoice timing issue. Mr. Luker provided a summary of process improvements and invoice review findings noted during the period. Mr. Luker provided an update on the status of high value, reimbursable subcontractor interim audits, indicating that audits from the last quarter have been closed. Mr. Luker also highlighted that a new sample of subcontractors have been selected and interim audits for the current period have commenced. Mr. Luker noted RSM was in the process of expanding their construction cost review services which includes vendor invoice reviews and interim audits on the Behavioral Health, Apex and AEP projects.

### **2021 External Audit Plan – Lori Kalic, RSM**

Ms. Kalic presented an update on the process for the upcoming 2021 Financial Statement audit. Ms. Kalic provided an overview of the scope of audit services performed, noting they were conducted in accordance with Auditing Standards Generally Accepted in the United States of America (GAAS), Government Auditing Standards and Uniform Guidance. RSM audits The MetroHealth System, The MetroHealth Foundation, and Recovery Resources and Select Assurance Captive LLC.

Ms. Kalic shared with the Committee the RSM audit engagement team, including a new Concurring Review Partner, Rick Kes.

Ms. Kalic presented the 2021 audit timeline and stated initial interim work is underway. The timeline will culminate with a presentation of the audit, and RSM's Opinion being presented at the March 2022 Audit Committee.

### **2020 Internal Audit Update – Jim Mylen and John Furlong, KPMG**

Mr. Mylen provided an update on internal audit (IA) priorities, the 2021 IA Plan, financial reporting governance and an overview of the accomplishments and



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goals for the quarter. Mr. Mylen and Mr. Furlong reviewed the status of the internal audit plan which is approximately 50 percent complete for the IA year that ends in March 2022. Financial reporting control interim testing is expected to be complete in November 2021 and year-end testing will be complete in January 2022.

Mr. Furlong stated the Financial Reporting Governance procedures were completed for the third quarter of 2021. This program requests certifications from eighteen members of the management team to ensure quarterly financial results are complete, accurate, and that internal controls have been reviewed. Changes to the financial reporting controls were communicated during the third quarter certification process and will be tested later this year by IA.

Mr. Mylen provided an update regarding the enterprise risk assessment process that will be completed in the fourth quarter. The internal audit plan will be developed and presented to the Audit and Compliance committee in February 2022.

### **2021 Compliance Update – Cheryl Forino Wahl and Robin Barre**

Ms. Wahl provided an update on the 2021 January through October work plan status noting the workplan is 93 percent complete and the overall 2021 workplan is 82 percent complete. Ms. Wahl reviewed the four 2021 departmental goals including using technology to create efficiencies, strengthening oversight of third-party vendors, using data to drive program decisions and expanding dashboard to promote reporting and transparency.

Ms. Barre and Ms. Wahl reviewed the related activities and recent accomplishments include: launching annual compliance training that now includes a test-out feature, developing a dashboard to monitor third-party risk assessments and partnering with KPMG to assess the maturity of our third-party risk management program, reviewing the results of a third-party assessment of our Code of Conduct, expanding the reach of our privacy team by creating a privacy liaison program and issuing a new Speak Up campaign.

Lastly, Ms. Wahl reviewed the third quarter hotline data in comparison to national benchmarks.

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## Cyber Security and IT Update – David Fiser

Mr. Fiser provided an update on Information Services' (IS) cyber security and IT activities stating that MetroHealth continues to conduct monthly Phishing Simulations based on real phishing attacks which are used to test all workforce members with additional Phishing training provided as needed.

Mr. Fiser also discussed recent cyber security initiatives mentioning that year-end penetration testing is scheduled for November and December 2021. Mr. Fiser also mentioned that Identity Access Management is being implemented by the end of the year to further streamline security processes and that the remote Security Operations Center (SOC) continues to provide 7x24x365 cyber security monitoring.

Mr. Fiser discussed the expansion of the Disaster Recovery center capabilities and that testing continue at the Involta Disaster Recovery Center in Akron. An additional 25 applications will be completed in 2021 and a full failover test of the Epic system from the Involta Independence Data Center to the Involta Akron Data Center was completed in October. The implementation of Epic Willow Ambulatory Pharmacy was completed in August.

Mr. Fiser stated the Old Brooklyn Campus network infrastructure upgrades have been completed and that upgrades for the network and phone system infrastructure at Parma Medical Center are underway with completion planned for the second quarter of 2022.

Mr. Fiser mentioned MetroHealth has been awarded three CHIME Digital Health Most Wired (Level 8) Awards for 2021, which include Acute Care, Ambulatory Care, and Long-Term Care.

### III. Recommendation/Resolutions Approvals

#### A. No items at this time

Ms. Kirk indicated that all further matters to be considered at this meeting involved discussions of trade secrets, matters required to be kept confidential by law, personnel matters, as well as information subject to the attorney-client privilege. Upon unanimous roll call vote, the Committee went into Executive Session to discuss such matters at 3:09 pm.



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Following Executive Session, the meeting reconvened in open session at 3:51 pm.

There being no further business to bring before the Committee, the meeting was adjourned at approximately 3:52 pm.

Geoff Himes  
Vice President, Finance

