

The MetroHealth System Board of Trustees

AUDIT AND COMPLIANCE COMMITTEE

February 9, 2022

Meeting held Via Zoom

Meeting Minutes

Committee Members Present: Mr. Moss

Other Trustees Present: Ms. Dee, Dr. Silvers, Dr. Walker

Staff Present: Ms. Barre, Dr. Boutros, Mr. Fiser, Mr. Himes, Ms. McBride, Ms. Platten, Mr. Richmond, Ms. Wahl

Guests: Mr. Despoth, Mr. Mylen (KPMG), Mr. Luker (RSM)

Mr. Richmond called the meeting to order at 2:01 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 November 9, 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 mentioned a Turner Amendment review was noted and is still ongoing. Mr. Luker provided an update on the status of interim audit findings, including the resolution of the subcontractor invoice timing issue. Mr. Luker noted meetings had been scheduled with vendors who had recurring labor rate compliance findings in prior months. Mr. Luker provided an update on the status of high value, reimbursable subcontractor interim audits, noting reporting would be issued prior to the next audit committee meeting. Mr. Luker provided an update on its work related to the Apex, Behavioral Health and AEP projects, indicating that document control system access had been obtained, and initial kickoff meetings and reviews of existing project documentation had commenced.

2022 Internal Audit Update and 2022 Integrated Risk Planning – Jim Mylen and Veronica Despoth, KPMG

Mr. Mylen provided an update on internal audit (IA) priorities, the 2022 IA Plan, financial reporting governance and an overview of the accomplishments and goals for the quarter. Mr. Mylen and Ms. Despoth reviewed the status of the internal audit plan stating objectives include aligning the risk universe with the updated organizational structure, enhanced reporting through dashboards, identification of automation opportunities and increased use of data analytics in the audit process. Mr. Mylen and Ms. Despoth stated the 2021 internal audit plan is on track and will be completed by the end of the plan year which is March 2022. Ms. Despoth stated risk assessment activities and audit planning has started for 2022.

Ms. Despoth mentioned the Financial Reporting control testing of key business processes and Information Technology (IT) applications that support the preparation of financial statements is complete for the interim period. Ms. Despoth stated the testing results have been provided to the external auditor and year-end testing will be completed in February.

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2022 Ethics and Compliance Update – Cheryl Forino Wahl and Robin Barre

Ms. Wahl provided an update on the 2021 work plan status noting the workplan is 96 percent complete with the open items carrying over to the 2022 work plan. Ms. Wahl and Ms. Barre prepared the first six-month 2022 work plan and added a new risk domain for research. Ms. Wahl reviewed the four 2022 departmental goals including strengthening our culture of ethics and compliance, identifying and mitigating risk, responding to rapid change and measuring program effectiveness.

Ms. Barre and Ms. Wahl reviewed the related activities and recent accomplishments which include: analyzing and responding to the employee engagement survey, launching a new Speak Up campaign, increasing transparency of hotline data and completing a maturity assessment of our third-party risk management program.

Lastly, Ms. Wahl reviewed the 2021 hotline data, identified recent trends and provided comparisons to national benchmarks.

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 by TrustedSec was completed in November 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 mentioned additional Web Firewall enhancements were completed in December 2021. Mr. Fiser stated backup and recovery technology upgraded in December at the Involta Tier III data centers.

Mr. Fiser mentioned 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 stated installation was initiated of a

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third data center for disaster recovery in Boise, Idaho scheduled for the second quarter of 2022.

Mr. Fiser stated that 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; Magna Cum Laude in the Epic Honor Roll Program for the adoption and use of Epic's Electronic Medical Records system, which is the fourth consecutive year of achieving Honor Roll status; Epic Gold Stars Level 8 for Epic best practice achievements and Epic Connect Accreditation, and finally certification by Epic for MetroHealth to provide Epic Hosting services.

III. Recommendation/Resolutions Approvals

A. No items at this time

It was determined 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 3:01 pm.

Following Executive Session, the meeting reconvened in open session at 3:52 pm.

There being no further business to bring before the Committee, the meeting was adjourned at approximately 3:53 pm.

Craig Richmond
Executive Vice President, Chief Financial &
System Services Officer

