

North Broward Hospital District Board of Commissioners
1601 South Andrews Avenue, Suite 100, Fort Lauderdale, FL 33316

AUDIT COMMITTEE MEETING

Immediately following the Legal Affairs & Governmental Relations Committee Meeting Wednesday, January 25, 2023

The Audit Committee Meeting of the North Broward Hospital District was held at the Broward Health Sports Medicine Building, 1601 South Andrews Avenue, Suite 100, Fort Lauderdale, FL 33316.

1. NOTICE

Official notice is attached to these minutes, titled EXHIBIT I. Agenda of this meeting is attached to the minutes, titled EXHIBIT II. Supporting documents, if applicable, are attached to these minutes, titled EXHIBIT III. These exhibits are presented for consideration of the Committee.

2. CALL TO ORDER

There being a quorum present, the meeting was called to order by Chair Ray T. Berry at 2:32 p.m.

3. ROLL CALL

Present:

Vacant, External Consultant
Bill G. Benson, External Consultant
Stacy L. Angier, Commissioner
Christopher J. Pernicano, Vice Chair
Ray T. Berry, Chair

Additionally Present:

Levi G. Williams, Jr., Commissioner
Shane Strum, President, Chief Executive Officer
Alan Whaley, EVP, Chief Operating Officer
Alex Fernandez, SVP, Chief Financial Officer
Linda Epstein, Corporate General Counsel

4. PUBLIC COMMENTS

Chair Berry opened the floor for public comments, in which there were none.

5. APPROVAL OF MEETING MINUTES

5.1. Approval of Audit Committee Meeting Minutes dated October 19, 2022

Without objection, Chair Berry approved the minutes, dated October 19, 2022.

Motion *carried* without dissent.

North Broward Hospital District Board of Commissioners
1601 South Andrews Avenue, Suite 100, Fort Lauderdale, FL 33316

6. TOPIC OF DISCUSSION

6.1. Chief Internal Auditor Report (Presenter - Deborah Hall, Chief Internal Auditor)

Fiscal Year (FY) 2022 Internal Audit Plan:

Ms. Hall reported the below as quarterly update to the last Audit Committee meeting, held on October 19, 2022:

Completed Audits (6):			
	Audit Name	Objective	Status
1	Balanced Scorecard Annual Review (FY22)	To verify the accuracy of the final balanced scorecard data against source documents, which are used to determine at risk compensation for FY22.	Issued October 27, 2022
2	Laboratory Operations Audit	To evaluate the effectiveness and efficiency of laboratory service controls, turnaround times, and critical values, for all four hospitals, including verifying compliance with state and federal regulations, as well as organizational policies and procedures.	Issued November 17, 2022
3	Ryan White Grant Review	To verify Community Health Service's (CHS) compliance with the Ryan White Grant and deliverable requirements, as well as compliance with Broward Health policies.	Issued January 14, 2022
4	BH Foundation Donations	To review the business process and operational controls in place to ensure donations to Broward Health Foundation are applied in compliance with the donor's intent, whether	Issued 12/15/2022

North Broward Hospital District Board of Commissioners
1601 South Andrews Avenue, Suite 100, Fort Lauderdale, FL 33316

Completed Audits (6):			
	Audit Name	Objective	Status
		restricted or unrestricted.	
5	Unclaimed Property (Escheatment) Audit	To verify the operational effectiveness of internal controls and compliance with States’ regulatory requirements around handling of credit balances and/or abandoned property.	Issued 12/20/2022
6	Facilities Safety and Security Audit	To verify the operational effectiveness of internal controls in place to oversee physical security measures, including patrol, camera surveillance, and controlled access to protect employees throughout the organization.	Issued 12/22/2022

Ms. Hall shared highlights of new departmental initiative, *Partners in C.A.R.E. (Compliance & Audit Resource Engagement)*, which was developed as a means to partner with the organization on all efforts and providing tools that stakeholders can use. Noted the following as a few of the recent *Partners in C.A.R.E* initiatives:

- Verizon Billing Cost Savings Opportunities - Advisory Memo Issued 11/22/2022
- System Security Audit Report (SSAR) Continuous Monitoring – 1Q23
- Pager Usage Cost Savings Opportunities – Management request

FY 2023 Internal Audit Issue Update:

Ms. Hall reported the status of Internal Audit Department’s recommendations and Management’s implementation of Corrective Action Plans (CAPs). Noted, during FY’23 9 audits were completed, with a total of 30 Corrective Action Plans (CAPs) provided by Management. Noted the following summary of the CAPs implementation status:

- 13 CAPs not implemented
- 2 CAPs completed. Pending Internal Audit Department verification and testing.
- 15 CAPs completed. Verified by Internal Audit Department as implemented.

Discussion ensued regarding how audits are identified to ensure emerging risks are included in scope. Ms. Hall advised that a robust Risk Assessment (top down – bottom up) is drafted, ranked, and prioritized for final Board review / approval. Noted that in the Audit pre-planning

North Broward Hospital District Board of Commissioners
1601 South Andrews Avenue, Suite 100, Fort Lauderdale, FL 33316

and scope, review of the regulatory environment, the Office of Inspector General (OIG) work plan, past audit results, internal controls in that environment.

- 6.2. Audit Department’s Fiscal Year 2023 Audit Work Plan (Presenter - Deborah Hall, Chief Internal Auditor)

FY 2023 Internal Audit Plan:

Ms. Hall reported the FY23 Internal Audit Plan status:

- 8 (Not started, pending)

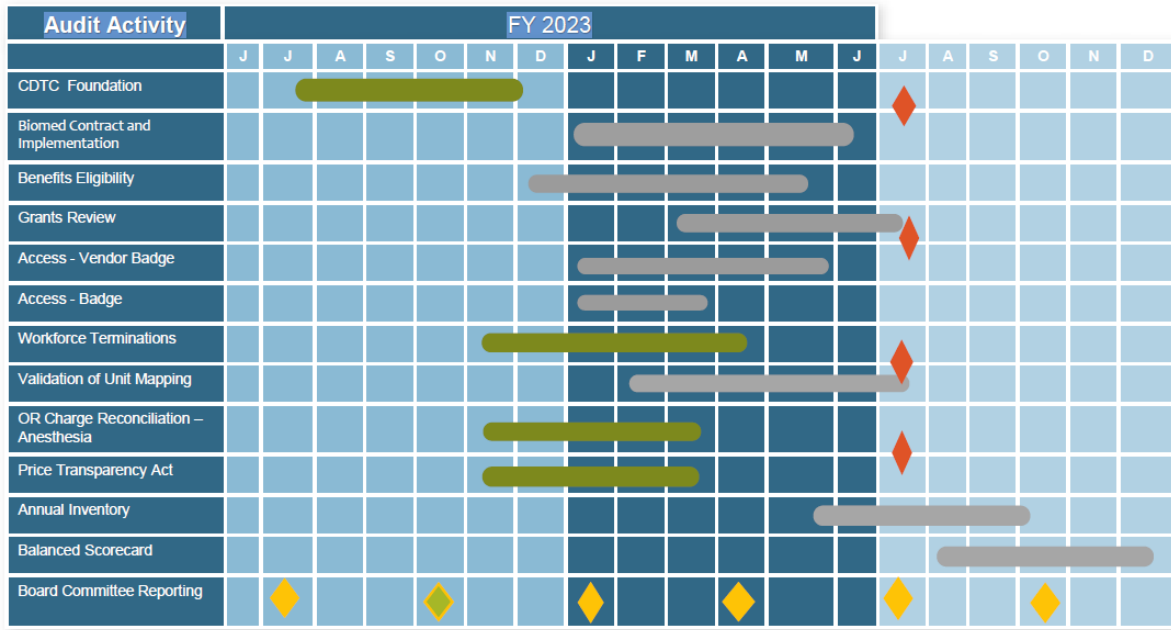
Planning (2):		
	Audit Name	Objective
1	Workforce Terminations – Role Based Security	The objective of the audit will be to evaluate the efficiency and effectiveness of IT controls over employee terminations and verify that offboarding procedures are operating as intended; specifically, as related to the steps followed to timely disable or remove system access and retrieve Broward Health equipment for terminated or transferred employees.
2	Operating Room Charge Reconciliation – Anesthesia (Rollover FY22)	The objective of the audit will be to evaluate internal controls around the operating room charge capture and reconciliation process.

Fieldwork (1):		
	Audit Name	Objective
1	Price Transparency	The objective of the audit will be to determine if Broward Health complies with the Center for Medicare & Medicaid Services’ (CMS) regulations under the Hospital Price Transparency rule.

Wrap-up (1):		
	Audit Name	Objective
1	Children’s Diagnostic & Treatment Center (CDTC) Donated Funds Process	Audit team performed a due diligence analysis and evaluation of processes and controls to assist with the transition of CDTC’s donor funded processes to BH Foundation.

North Broward Hospital District Board of Commissioners
1601 South Andrews Avenue, Suite 100, Fort Lauderdale, FL 33316

FY23 INTERNAL AUDIT UPDATE



7. **ADJOURNMENT**

There being no further business on the agenda, the Chair adjourned the meeting at 2:44 p.m.

Respectfully submitted,
Commissioner Ray T. Berry, Finance Vice Chair

APPROVED