

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

AUDIT COMMITTEE MEETING 1:30 p.m., Wednesday, October 23, 2024

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

2. CALL TO ORDER

There being a quorum present, the meeting was called to order by Chair Ray T. Berry at 1:34 p.m.

3. ROLL CALL

Present:

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

Additionally Present:

Paul C. Tanner, Commissioner
Nancy W. Stamper, Commissioner
Shane Strum, President, Chief Executive Officer
Alan Whaley, EVP, Chief Operating Officer
Alisa Bert, VP, Interim 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 MINUTES

Approval of the Audit Committee Meeting Minutes dated July 31, 2024

Without objection, Chair Berry approved the minutes, dated July 31, 2024.

Motion *carried* without dissent.

6. TOPIC OF DISCUSSION

- 6.1. Internal Auditor Report (Presenter: Keith Ruiz, Interim Internal Audit Director, KPMG LLP)

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Mr. Ruiz reported on the following Internal Audit Updates:

- **Cybersecurity Maturity Assessment (FY24)**
 - Reporting phase was completed on October 2nd.
 - IA is collecting management response updates.
- **Procure to Pay (PTP) Process Audit (FY24)**
 - Process workshops were conducted to understand procurement strategy, supplier relationship management, purchasing, receiving operations, invoice processing, payables, and period end accounting.
 - IA has completed a series of follow-up conversations concerning invoice processing specifically to discuss steps necessary to remediate process-level issues highlighted through fieldwork. Key issues highlighted were as follows:
 - a) Invoice processing inefficiencies
 - b) Validation logic and processing constraints
 - Final report is pending issuance.
- **Epic Pre-Implementation Review**
 - Fieldwork commenced September 4th and finding / recommendations are actively being discuss with management with an executive readout scheduled for 10/24.
 - Procedures were performed to examine the implementation timeline, management oversight, testing procedures, training, go-live and cutover plans, and security protocols, comparing them to industry best practices while considering Broward Health's specific needs.
 - Final report is pending issuance.
- **FY25 Internal Audit Plan Status**
 - Epic Pre-Implementation Readiness Assessment
 - Talent Acquisition and Recruiting Process Audit
 - Employee Onboarding and Offboarding Compliance Audit
 - Contract Management Process Audit (Carryover from FY24).
 - Charge Capture & Billing Compliance Audit (Carryover from FY24)
 - Clinical Quality Measure (CQM) Monitoring and Governance Audit
 - Accounts Payable Audit
 - Cybersecurity Assessment Follow-Up Audit

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- 6.2. External Audit Update, Warren Averett (Presenters: Phillip Grice, CPA, and Michael Rebarchak, CPA - Warren Averett, CPAs & Advisors)

Warren Averett representatives, Phillip Grice, CPA, Member and Michael Rebarchak, CPA, Senior Manager, presented the completed Financial Statement Audit for the Fiscal Year 2024.

The following was reviewed:

- 6.2.1. Required Communications to Those Charged with Governance, AU-C260 Letter
- 6.2.2. Communications of No Material Weaknesses, AU-C265 Letter
- 6.2.3. Audited Financial Statement Fiscal Year 2024

Reported that financial statement disclosures are neutral, consistent, and clear.

In conclusion, reported that in testing, Warren Averett had not identified any material weaknesses or significant deficiencies in the District's control process.

MOTION It was ***moved*** by Commissioner Angier, seconded by Mr. Benson, that:

The Audit Committee recommend that the Board of Commissioners of the North Broward Hospital District approve the Warren Averett Audited Financial Statement for Fiscal Year 2024, as presented.

Motion ***carried*** unanimously.

7. **ADJOURNMENT**

There being no further business on the agenda, the Chair adjourned the meeting at 1:55 p.m.

Respectfully submitted,
Commissioner Jonathan K. Hage, Secretary/Treasurer