



AUDIT AND COMPLIANCE COMMITTEE MEETING

THURSDAY, September 12, 2019

3:00pm-4:00pm

Conference Center Located at Highland Care Pavilion

1411 East 31st Street Oakland, CA 94602

Ronna Jojola Gonsalves, Clerk of the Board

(510) 535-7515

LOCATION:

Open Session: HCP Conference Center

COMMITTEE MEMBERS

Ross Peterson, *Chair*

Louis Chicione

MINUTES

THE MEETING WAS CALLED TO ORDER AT 3:03 PM

ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT:

Louis Chicoine and Ross Peterson

ABSENT:

A quorum was established.

A. ACTION: Approval of the minutes of the July 11, 2019 Audit and Compliance Committee meeting.

ACTION: A motion was made and seconded to approve the minutes of the July 11, 2019 Audit and Compliance Committee Special Meeting. The motion passed.

AYES: Trustees Chicoine and Peterson

NAYS: None

ABSTENTION: None

END OF CONSENT AGENDA

The Chair announced that there would be no closed session at this meeting.

CLOSED SESSION:

1. Public Employee Performance Evaluation
[Government Code Section 54957(b)]
Title: Vice President, Compliance & Internal Audit

B. REPORT/DISCUSSION: Internal Audit/Compliance Reporting Summary
Rick Kibler, VP, Compliance & Internal Audit

Mr. Kibler reviewed the report beginning on agenda packet page 11.

The Committee discussed how S*A*P*P*H*I*R*E* would reduce some of the types of findings discovered.

Trustee Chicoine asked how the issues with missing Pyxis charges were escalated. Mr. Kibler said they should get escalated to management and IT, but in these cases they were not. Staff now understood that they could seek assistance from his team.

Trustee Chicoine asked how staff made sure supervisors understood the issues. Mr. Kibler said they reviewed the process and discussed them with staff. They worked with management to develop an action plan. He said there was no capacity or process to test the effectiveness of the solutions at this time. A certain amount of follow up was needed in areas such as this.

Trustee Peterson asked if there was a system in place to prevent vendors from getting paid if there was no contract in place. Mr. Moye said that contract holdovers covered situations where the contract had expired but services continued to be offered with physician contracts. The law made provisions for that so long as the scope of service and all terms remain the same. For non physician contracting it had previously been an issue for the organization when contracts lapsed. There was a system in place to manage the process when contracts expired that included approval from the executive leader.

Trustee Chicoine said that the badging in with the copy machines was a sticking point. Mr. Kibler said that it addressed privacy concerns in that it only printed with badge access. Some printers were not compatible with the technology, but upgrades were happening due to S*A*P*P*H*I*R*E*.

C. INFORMATION: Status Reports (Written Reports)

Rick Kibler, VP, Compliance & Internal Audit

C1. Internal Audit Reports

- C1a. Status of FY2019 Internal Audit and Compliance Plan
- C1b. Status of FY2020 Internal Audit and Compliance Plan
- C1c. Follow-up to Past Audit Reports

C2. Compliance Program Reports

- C2a. Compliance Program Assessment
- C2b. Compliance Program Report
- C2c. AHS Compliance Dashboard FY19 4QTR
- C2d. Recent News

The Committee discussed upcoming items that might need special attention. Mr. Kibler said that his work plan included validation audits to make sure the processes were in place and being used properly. He also stated that there had been a lot of urgent meetings around S*A*P*P*H*I*R*E*, which could be concerning, but he thought that generally they were moving in the right direction.

Trustee Chicoine asked about the compliance work that was not being done. Mr. Kibler said there were some Compliance Resource Group (an external compliance program auditor) recommendations that they were not able to complete with current staffing levels. Trustee Chicoine asked to review those recommendations at the next meeting.

D. INFORMATION: Annual Audit and Compliance Committee Agenda Calendar and Follow-Up

Committee

D1. Audit and Compliance Committee Master Calendar and Follow-up Worksheet

D2. AHS Board of Trustees Issue Tracking Form AUDIT COMPLIANCE Committee

PUBLIC COMMENT - None

TRUSTEE COMMENTS – Trustee Peterson said that they had changed the meeting time to 3pm and requested it be made going forward.

ADJOURNMENT - 3:47 PM

This is to certify that the foregoing is a true and correct copy of the minutes of the Audit and Compliance Committee meeting of September 12, 2019 as approved by the Audit and Compliance Committee on November 13, 2019:


Ronna Jojola Gonsalves
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by: 
M.D. Moye
General Counsel