

**MINUTES OF THE MEETING OF
THE VIRGINIA COMMONWEALTH UNIVERSITY
HEALTH SYSTEM AUTHORITY BOARD OF DIRECTORS
AUDIT AND COMPLIANCE COMMITTEE
SEPTEMBER 14, 2021**

Committee Members

Mr. Keith Parker, Chair
Dr. Lisa Ellis
Ms. Lisa Hicks-Thomas
Ms. Fay Manolios
Dr. Michael Rao
Dr. Shantaram Talegaonkar

Board Member Guests

Mr. Clyde Clark
Dr. Alice Coombs

Non-voting Committee Members

Mr. Scott Burnette

Staff

Mr. Jason Alexander
Dr. Peter Buckley
Dr. Ron Clark
Ms. Kim Erland
Mr. Zeb Elliott
Ms. Karen Helderman
Mr. Taron James
Dr. Arthur Kellermann
Mr. Vladimir Lavrentyev
Ms. Pamela Lepley

Mr. David Litton
Ms. Jill McCormack
Mr. Anne Scher, Esq.
Mr. Andrew Schutte, Esq.
Mr. James Siegel
Ms. Susan Steagall
Ms. Mary Tacconi
Other Guests:
Ms. Audra Shekleton

I. Call to Order

Mr. Parker called the meeting to order at 11:24 am.

II. Minutes of the Meeting held on June 23, 2021

On a motion made and seconded, the minutes of the meeting held June 23, 2021, were approved.

III. Proposed Audit and Compliance Charter and Meeting Planner and Audit and Compliance Services Department Charter

Ms. Helderman outlined a proposed an Audit and Compliance Charter, Meeting Planner and Audit and Compliance Services Department Charter and explained that all followed OIG best practices. Ms. Helderman further explained that no changes were needed for either Charter. On a motion made and seconded, the Audit and Compliance Charter and Meeting Planner and Audit and Compliance Services Department Charter were approved as proposed.

IV. Executive Director Update and EY Financial Statement Audit Results for FY 2021

Ms. Helderman began by highlighting the credentials of the department staff, noting they are well qualified. She continued by noting that Audit department expenses were consistent with the prior year's expenses. Next, Ms. Helderman discussed the audit survey results, explaining there were thirteen data points, and the overall rating was 3.61 out of 4.0. She also noted that the disruptive nature of the audit process during COVID contributed to a decline in the rating.

V. EY Financial Statement Audit Results for FY21

Ms. Shekleton explained that the scope of the audit was consistent with the plan and the 2021 audit progressed as planned. Ms. Shekleton noted the audit was nearing completion with some work remaining relative to one estimate. She anticipated an unqualified opinion, meaning the FY21 financial statements fairly represented the Health Systems balances and activities in compliance with Generally Accepted Accounting, and no reportable concerns. If any audit adjustments or reportable concerns arose before final issuance of the audit report, Ms. Shekleton agreed to return to the December committee meeting and provide an updated report.

VI. Closed Session

On motion made and seconded, and as authorized by Section 2.2-3711(A)(23) of the Virginia Freedom of Information Act, the committee convened into closed session to discuss operational strategies where disclosure of such strategies would adversely impact the competitive position of the Authority, including EY Financial Statement Audit Results for FY2021, Audit Reports for Discussion (Review of Outstanding Audit Recommendations and Active Directory); Compliance & Privacy Annual Report; Compliance Auditing and Monitoring; and an Information Security Update.

VII. Resolution of Certification

Following closed session, on a motion made and seconded, the following resolution was approved by roll call vote:

The Audit and Compliance Committee of the Board of Directors of the Virginia Commonwealth University Health System Authority hereby certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in this motion convening the closed session were heard, discussed or considered by the Audit and Compliance Committee of the Board of Directors of the Virginia Commonwealth University Health System Authority.

VIII. <u>Roll Call Vote</u>	<u>Ayes</u>	<u>Nays</u>
Mr. Keith Parker, Chair	X	
Dr. Lisa Ellis	X	
Ms. Lisa Hicks-Thomas	X	
Ms. Fay Manolios	X	
Dr. Michael Rao	X	
Dr. Shantaram Talegaonkar	X	
Dr. Michelle Whitehurst-Cook	Absent	

Vote:

Ayes	6
Nays	0

ABSENT DURING MEETING	1
ABSENT DURING VOTING	1

IX. Motion to Accept

The Chair reported that no action was taken in Closed Session.

There being no further business the meeting was adjourned at 12:10 p.m.