NYC HEALTH + HOSPITALS

AUDIT COMMITTEE MEETING AGENDA	May 10, 2021 10:00 A.M. 125 Worth Street VIRTUAL

CALL TO ORDER	Ms. Sally Hernandez-Piñero
• Adoption of Minutes March 15, 2021	Ms. Sally Hernandez-Piñero
INFORMATION ITEMS	
• Grant Thornton, LLP 2021 Audit Plan	Ms. Tami Radinsky, Partner
• Audits Update	Mr. Chris A. Telano
• Compliance Update	Ms. Catherine Patsos
• Fundraising Update	Ms. Deborah Brown

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

NYC HEALTH+ HOSPITALS

MINUTES

VIRTUAL
AUDIT COMMITTEE

MEETING DATE: March 15, 2021
TIME: 10:00 A.M.

COMMITTEE MEMBERS

Sally Hernandez-Piñero
Jose Pagán, PhD
Mitchell Katz, MD
Feniosky Peña-Mora
Freda Wang

STAFF ATTENDEES

Colicia Hercules, Chief of Staff, Chairman's Office
Janny Jose, Executive Secretary, Chairman's Office
Jay Weinman, Corporate Comptroller
Nicole Fleming, Controller
Catherine Patsos, Chief Compliance Officer
Christopher A. Telano, Chief Internal Auditor
Devon Wilson, Senior Director, Office of Internal Audits
Erica Nairne-Hamilton, Audit Manager, Office of Internal Audits
Carlotta Duran, Assistant Director, Office of Internal Audits

NYC HEALTH+ HOSPITALS

VIRTUAL - AUDIT COMMITTEE MINUTES
March 15, 2021

CALL TO ORDER

Committee Members Present: Ms. Sally Hernandez-Piñero, Mitchell Katz, José Pagán, Feniosky Peña-Mora, Freda Wang

The meeting was called to order by Ms. Sally Hernandez-Piñero, Committee Chair at 10:00 A.M.

Ms. Hernandez-Piñero asked for a motion to adopt minutes of the Audit Committee meeting held on January 11, 2021. A motion was made and seconded with all in favor to adopt the minutes.

INTERNAL AUDIT UPDATE

Audit conducted by the NYC Comptroller's Office of the Oversight of Auxiliaries

The notification letter for this audit was received a year ago but began remotely three months later. The purpose of the audit is to determine whether NYC Health + Hospitals implemented sufficient controls to effectively monitor the performance and activities of the auxiliaries. The first 5 months of the audit was very active as the Auditors from the Comptroller's Office met with Corporate and facility personnel to understand the relevant processes and obtain documents. However, during the last 4 months, there has been no activity. There have been no meetings and no documents were sent to the Auditors. We continue to send them the Auxiliary reports listed on Page 6 of this document that were completed by the external CPA firm.

Audit of Controls Over Nursing Homes also being conducted by the NYC Comptroller's Office

This remote audit began 7 months ago. The objective of this audit is to review Health + Hospitals controls over the nursing homes compliance with rules and guidelines. Since the last Committee meeting, the auditors from the Comptroller's Office have placed a lot of emphasis on the medical/surgical inventory maintained by the nursing homes. In fact, we are currently working on their request for direct access to Health + Hospitals inventory system. Internal Audits has been communicating with our IT Department and General Counsel to determine the best way to accommodate this request by the Comptroller's Office.

Auxiliary Audits

The CPA firm, Bonadio, hired to evaluate the financial statements of the Auxiliaries, issued 4 addition reports since the last Committee meeting. The type of reports being issued is based on the revenue of the Auxiliary. Those Auxiliaries with over $750k in revenue require a complete audit. Revenues between $250k and $750k require a review and under $250k require a compilation.

This is a complete list of the status of the reports *completed by Bonadio* for all 22 Auxiliaries. The revenue amounts being shown is the Total Revenue; it includes income less direct costs from operations and gains and losses of investments. Please note that in some instances, the types of reports completed did not always match the revenue amounts. This was done to show comparative financial data for consecutive years. Thus far, 17 reports have been issued. 12 of the reports required evaluations of two years. Overall, 10 compilations, 6 reviews and 1 audit have been completed. No internal control weaknesses or management letter comments have been found. The audits for Calendar Year 2020 are beginning this week.

AUXILIARY	CALENDAR YEARS REVIEWED	DATE REPORT ISSUED	TYPE OF REPORT	2018 REVENUES	2019 REVENUES
Lincoln Hospital Center	2019	10/20/2020	Compilation	NA	$99,403
Bellevue Association	2019	11/04/2020	Review	NA	$243,272
Cumberland Diagnostic & Treatment Center	2018/2019	11/05/2020	Compilation	$104,367	$76,782
Metropolitan Hospital Center	2018/2019	11/13/2020	Audit	$1,538,040	$744,114
East New York Diagnostic & Treatment Center	2019	11/13/2020	Compilation	NA	$5,522
Coney Island Hospital	2019	11/13/2020	Compilation	NA	$5,906
Jacobi Medical Center	2018/2019	11/19/2020	Review	$537,664	$457,149
Renaissance Health Care	2018/2019	11/25/2020	Compilation	$16,788	$20,666
Bellevue Hospital Center	2018/2019	12/09/2020	Review	$151,939	$938,114
Woodhull Medical Center	2019	12/18/2020	Review	NA	$234,293
Coler Hospital	2018/2019	12/23/2020	Compilation	$187,498	$229,285
Carter Hospital Center	2018/2019	12/23/2020	Compilation	$226,599	$29,893
Kings County Hospital Center	2018/2019	01/04/2021	Compilation	$58,804	$21,142
Sea View Hospital and Home	2018/2019	01/13/2021	Compilation	$110,468	$42,748
Dr. Susan Smith McKinney Nursing & Rehabilitation Center	2018/2019	01/21/2021	Compilation	$80,714	$77,547
Auxiliary of Gouverneur Hospital	2018/2019	01/26/2021	Review	-$146,562	$997,683
The Auxiliary of Elmhurst Hospital Center	2018/2019	02/08/2021	Review	$422,419	$335,651
Children of Bellevue	2018/2019	Pending	Pending	Pending	Pending
Harlem Hospital Center	2018/2019	Pending	Pending	Pending	Pending
Friends of Harlem Hospital Center	2018/2019	Pending	Pending	Pending	Pending
Friends of North Central Bronx Hospital	2018/2019	Pending	Pending	Pending	Pending
The Queens Hospital Center	2018/2019	Pending	Pending	Pending	Pending

Ms. Hernandez-Piñero asked if these are in-kind contributions?

Mr. Telano responded that these include in-kind contributions and also revenues from events that they hold. The revenue includes the revenues from those events, less any costs that they had in holding those events.

CORPORATE COMPLIANCE UPDATE

Monitoring Excluded Providers

During our last reporting period, which was December 23rd, 2020 through February 28, 2021, we identified one workforce member and two agency staff who either were excluded from a federal health care program or had a suspended license.

In January, we learned that an agency nurse at Bellevue that was from the Caliburn Employment Agency appeared on the Texas Medicaid exclusions provider list due to a suspension in the Texas nursing license. She was removed from duty until her license was reinstated, and she was removed from the Texas Medicaid exclusion list. We are reviewing this matter to determine if there's an overpayment.

In February, there was a clerical associate also from Caliburn, who was excluded on three lists, OMIG, OIG and SAM, and she had worked at Bathgate vaccination sites. She was also removed from duty upon learning of her exclusions, and we are determining whether this will result in an overpayment. We're also looking into the sufficiency of Caliburn's screening procedures as this is the second one that we had an issue with. Effective January 11th, she worked from January 6th to January 26th, and we are looking to see whether we have an overpayment issue here as well.

Also in February, we learned that a nurse at Correctional Health Services had her license suspended effective January 11th. She worked from January 6th to January 26th, and we are looking to see whether we have an overpayment issue here as well.

Dr. Katz commented that if she worked at Correctional Health Services, there cannot be an overpayment because we do not bill for Correction Health Services.

Ms. Patsos agreed with Dr. Katz.

Dr. Peña-Mora asked that if you are looking at overpayment, is that from federal or state funds? But what about if you pay the salary of the person and they work during the period that their license was suspended? Do you try to recoup the salary that you pay them, or that's not done?

Ms. Patsos answered that where there is an overpayment, then depending on, for example, for Medicaid, we oftentimes use a multi-payer calculation. And that involves determining the percentage of Medicaid revenue versus total revenue. And doing a percentage would determine what the percentage of her salary was and benefits, or his, and do proportionate share of what was overpaid during the period in which the person was excluded and worked.

Dr. Katz stated that it is a very interesting question. Dr. Peña-Mora is not thinking about the billing. He's correctly thinking... Let's take the strongest example, if a nurse registry gave us a nurse and we asked for a licensed nurse and they gave us a nurse and the nurse was not licensed, it would seem like we might be able to go at the nursing agency and demand that they pay us back for whatever we paid if we said clearly, "We want a licensed nurse." I would say it's probably a more complicated issue if someone was our employee. Because then, in some ways it would reflect our failure to have made sure that they had a license. Because even if they said they had a license, it's our job to make sure they really did have a license. So, I guess if they had provided a false license, like they had taken a license and created one, it would seem like that would be fraud. But I've never heard of going after an individual employee. But I think for the registry, it's a very interesting question that we should raise.

Dr. Peña-Mora thanked Dr. Katz and stated I think that's what I was looking after you said that for correctional services, we don't bill. So, in that case, the nurse that worked for 15 days without a valid license, if he was from an agency, you'd try to recoup that proportional payment, even though you are not billing the Medicaid or anybody else.

Mr. Wang asked if it's that agencies don't have as good procedures in terms of screening and making sure?

Ms. Patsos responded that we're looking into the sufficiency of their screening procedures because we have not had, in my experience, two individuals from the same agency have issues in the same reporting period.

Dr. Katz added that it is true freedom that during this period of time we have been much more desperate for nurse staffing. And we have been hiring more quickly than we would normally do just to meet the need. I don't say that as an excuse, but it is part of the reality.

Death Master File and National Plan and Provider Enumeration System Screening
We had no providers that were identified on the Death Master File or the National Plan and Provider Enumeration System screening.

Privacy Incidents and Related Reports
We had 34 incidents that we entered into our HIPAA tracking system. Of those 34, 18 were found to be violations of our privacy and security operating procedures. 10 were not violations and 6 are still under investigation. Of the 18 incidents that were violations, 7 were determined to be breaches. And these numerated what the incidents were. We have patient information inadvertently emailed to another patient who had the same first name. Patient medical record was sent to the wrong patient by our medical retriever vendor.

In two instances, our banks inadvertently in one case processed a remittance that was intended to go to us, our lockbox, and ended up in another lockbox. And the other incident, they mixed up payment and subjects with patient information to an authorized recipient.

Also, someone had left a bag which contained behavioral health patient information census reports on the subway. We had a clerical associate who accessed medical records without justification. And we had a physician who sent an email containing patient information to a group of employees.

We had remediation for all of these incidences. They all involved counseling and HIPAA remediation training. In many cases where necessary, we confirmed that the information that was inadvertently sent was deleted and none of it was copied or further used. And in one case it was a written warning placed in individual's personnel file.

As a summary, there were a total of 30 HIPAA breaches in 2020 that we reported to the office for civil rights. And this was down from 35, in 2019.

Office for Civil Rights ("OCR") Reports Regarding HIPAA Incidents
We received one email and two letter reports from the office for civil rights. And on February 22nd, we received an email requesting to discuss a complaint that was filed with the OCR regarding a parent's denial, the right to access his minor child's medical record. We spoke with an investigator at the OCR who wanted to really just provide technical assistance.

In this case, the complainant received a letter from the facility at Coney Island Hospital that denied his request for copy of his medical record. And the only ground that was given was unauthorized to release. The investigator informed us that we have to contain one of the enumerated reasons for denial and to HIPAA regulations, and that we should issue another letter. We looked into this matter further and discovered that on September 14th, before the complainant filed a complaint with the OCR, we had sent a letter to the complainant with an acceptable reason for the denial, and the OCR closed out that case.

On February 23rd, we received a letter from the OCR regarding a complaint alleged that several staff members had impermissible access to medical records. The OCR has requested several documents and information regarding this incident. We are working on collecting those documents and providing the OCR with a response.

Also on February 23rd, we received a letter from the OCR regarding a complaint from the Test & Trace Corp alleging that a tracer had impermissibly disclosed the complainant's and his family's COVID-19 test results in front of others. The letter stated that the OCR determined to resolve this matter through providing technical assistance.

On March 3rd, we had, along with the office of legal affairs, spoke with the investigator and explained to her the structure of the Test & Trace program, and which of its activities are HIPPA covered and which are not, which she appreciated at the clarification.

Ms. Hernandez-Piñero asked if there are items that are not covered generally under HIPAA, or is there some specific reason why Test & Trace has more latitude?

Ms. Patsos answered yes, because the part of it that has the trace component; its public health activity that is not covered.

Compliance Reports

For the reports, we had 44 compliance reports. One was a priority A, 6 were priority B, and 37 were priority C. We are currently reviewing the priority A report in which the investigation is ongoing. The officers from the OCC will update the committee at a later date on that particular incident.

Dr. Peña-Mora asked that I really like how you presented the information of the different release of private information and that you mentioned that this year there were 20 versus 35 last year. So that means the trend is that they are going down in the number of cases over the last five years, or how does that compare to previous year, like 2018 and 17? Do you have that?

Ms. Patsos responded that I don't have the information right now for the 2018, but that is available, and that I could obtain that and report that back, and report more years' worth of information on the trending of the HIPAA incidents, if you'd like.

Dr. Peña-Mora answered that that will be helpful. The reason why I'm asking is that you mentioned what was happening to the individuals that share the information without a recession. But how do you prevent others from making the same error? I believe that the HIPAA regulations are part of the annual training that everybody does.

Ms. Patsos stated that in some cases, we might just do remedial training for the individual who caused the breach, but also if it's something that might be systemic within our department, we'll do a training for the department as well. That's something that we see happening or occurring more frequently than we would like. So that's something that we focus on as well as the remedial training that they'll receive when they are responsible for a breach.

Ms. Patsos reported that Corporate Compliance is working on a couple of new policies and procedures. The first one is the gift giving and receiving upgrade procedure. Historically, we've had a no gift policy when it comes to gifts from patients and vendors. We've noticed that this policy is more restrictive than what is permitted under Chapter 68 of the New York City Charter. It prohibits workforce members from receiving non-monetary gifts of low or no monetary value from patients or their family members. Last year during the holiday season, the office of corporate compliance distributed a client compliance alert, which was approved by Dr. Katz to all Health + Hospitals workforce members regarding gift giving and receiving.

In particular, the alert advised that workforce members are permitted to accept non-monetary gifts of low or no monetary value from patients and their families such as how holiday cookies or decorations.

The purpose of this gift giving operating procedure is to revise and formalize our policy to better align with the city's policy. And in addition, because our gift giving policy is also included in our principles of professional conduct, which requires a board approval, this document will need to also be revised once we have an operating procedure in place. And we will bring that to the board for approval.

Ms. Hernandez-Piñero asked don't we have more stringent requirement as it relates to financial gifts as well.

Ms. Patsos responded yes, we also are working on an information blocking policy. This is a result of the regulations promulgated.

Dr. Katz added just to finish Ms. Hernandez-Piñero's thoughts, since I just wanted to make clear, I am fully in favor of us having more stringent guidelines about financial gifts and gifts from vendors. I appreciate Catherine's flexibility, as a physician around holiday times to say that you cannot accept gifts of no monetary value. And I gave a very sweet example just to show that one of my patients crocheted me a dreidel. Right now, clearly there's no monetary value to it. There's tremendous value, I have it on my desk and it's very sweet. There's no way that I wanted to tell my patients I cannot accept this crocheted dreidel that you gave me. I can't give it to someone else. I can't donate it. But strictly speaking, our old policy would make me not say to her, I'm sorry, I can't take this crocheted dreidel that you gave me. And obviously, patients are often grateful to their nurses, their doctors. And I wanted to make sure that we had a way for professionals to be able to accept things of no value or very low monetary value without worrying that they had to push them back to their patients.

Ms. Hernandez-Piñero asked if someone wanted to give a bouquet of flowers to a floor where they have been treated as an inpatient, could you just give it to the whole unit? Is that permitted?

Ms. Patsos responded that that would be something that if it's a benefit to the whole unit and they can share it, that's something that I think we would contemplate as being something that would be permissible. It's something who can really give it back to them, but it can be enjoyed just like cookies can be distributed among a department.

The other policy we're working on is information blocking. The 21st Century Cures Act requires providers to release patient information to patients through a patient portal. And it prohibits actions that would interfere with sharing this information. And that's called information blocking. The regulations that were promulgated under the 21st century Cures Act provide exceptions to the information blocking prohibition, including the prevention of harm, in other words, if releasing the information to a patient might cause harm to the patient or another person. Providers are required to have policies in effect to that detail, how the exceptions will be implemented at their institution. The compliance with information blocking rules is starting April 4th. So, we will have this policy due by then.

Status Update – HHC ACO, Inc.

On January 6th and February 10th, the HHC ACO Health Clinical Leadership Webinar with leads from the facilities including external partners and focused on self-management coaching and asthma COPD program, as well as the health first, Landmark and annual wellness visits.

HHC ACO continues to work with EITS and ambulatory care to build out its Epic wellness visit provider template called Express Lane. This is a documentation ordering template that allows providers to quickly complete an encounter more easily. And they will be customizing the template to meet the needs of the users and the patients. They will be using this template for Medicare's annual wellness visits and again, building out and customizing the content for that.

The HHC ACO has also worked with the Office of Manage Care EITS and Office of Corporate Compliance to provide Landmark health providers read on the access in Epic for Healthfirst members. Healthfirst engaged Landmark to provide interdisciplinary and in-home concierge care and to provide regularly scheduled and urgent visits to patient patients for Healthfirst members. This access will allow health or Landmark providers, the ability to in-basket messages to primary care providers. All the Landmark employees are required to sign an authorized user agreement before being allowed access to Epic. And we have implemented measures to ensure that access to Epic is terminated as soon as someone separates from Landmark.

Ms. Hernandez-Piñero asked why do the Committee gets these reports?

Ms. Patsos responded that well, historically, they've been given to this committee. My predecessor gave them. And I think part of it is because the Office of Corporate Compliance also oversees compliance with the ACO, the ACO's compliance program. The Office of Corporate Compliance developed a compliance program for the ACO, so I asked them for updates for this meeting.

HIPAA Risk Analysis and Security Assessment
We have, as we've been reporting before, engaged Coalfire to conduct our annual HIPAA risk assessment. And that involves conducting onsite remote interviews of key facility in Central Office Personnel and doing in-person and virtual walkthroughs of some of the facilities, including the skilled nursing facilities and the D&TCs.

They also perform penetration tests on our systems and applications, and they assess a sample of our vendors to ensure that they are securing our PHI properly. Coalfire completed its 2020 risk analysis, and we distributed the security risk analysis and compliance reports to the leadership of each of the facilities. Coalfire also met with the System Leadership to discuss the results of their 2020 analysis, as well as how the System can ensure its risk management program. They've started their year three engagement with interviews at the D&TCs and skilled nursing facilities, which happened last week and this week respectively. They're preparing for the external penetration system and collecting vendor profiles.

Ms. Hernandez-Piñero asked if there's ongoing monitoring when the facilities get the reports.

Ms. Patsos answered yes, we use a tool, GRC tool called HighBond, and all of the risks and compliance issues the high very high risk and noncompliant issues get loaded to the HighBond. They are each assigned a risk sponsor and a risk owner. The HighBond tool sends out emails every two weeks to the risk owners asking them to update their progress. Each risk item has a due date that the remediation needs to be completed. So, they have to update their progress and identify whether they are on track or if they need a new due date. Also, EITS and Compliance meet every two weeks to review those reports and to make sure that things are on track and to escalate issues when necessary, when things are falling behind.

Ms. Hernandez-Piñero stated that I think that's terrific given how much work is put into completing the report. I think it's terrific to monitor them.

Ms. Patsos stated that I will be sending out the risk management plans to the facilities also so that they understand which areas are of our need of remedial radiation.

General Compliance/HIPAA Annual Training
Our General HIPAA Compliance and Annual Training statistics for 2020, the overall completion rate was 87% for our employees and 81% for non-employees.

There being no other business, the meeting was adjourned at 10:40 A.M.

PRESENTATION TO THE AUDIT COMMITTEE

2021 Annual Audit Planning Presentation

New York City Health and Hospitals Corporation

May 10, 2021

This communication is intended solely for the information and use of management and the audit committee of New York City Health and Hospitals Corporation and is not intended to be and should not be used by anyone other than these specified parties.

Our Responsibilities

We are responsible for:

- Performing the following audits of financial statements as prepared by management, with your oversight, conducted under US Generally Accepted Auditing Standards (GAAS) and, where applicable, under Government Auditing Standards:
    - New York City Health + Hospitals Corporation ("NYC Health + Hospitals") for the fiscal year ending June 30, 2021
    - H+H Accountable Care Organization Inc. annual financial statements for the fiscal year ending June 30, 2021
    - Metro Plus Health Plan's annual statutory financial statements for the fiscal year ending December 31, 2021
    - H+H Insurance Company's annual statutory financial statements for the fiscal year ending December 31, 2021
- Forming and expressing an opinion about whether the financial statements are presented fairly, in all material respects in accordance with US GAAP
- Communicating fraud and abuse associated with the financial statements
- Performing the following audits, as applicable, of cost reports for the year ending June 30, 2021 and issuance of certifications and attestation reports:
- Annual Reports of Ambulatory Health Care Facilities (AHCF-1)
    - Annual Reports of Residential Health Care Facilities (RHCF-4)
    - Communicating material weaknesses and/or significant deficiencies in internal control over financial reporting in a timely fashion; however, the audit is not designed for this purpose

An audit provides reasonable, not absolute, assurance that the financial statements are free of material misstatements due to fraud or error. It does not relieve you or management of your responsibilities. Our respective responsibilities are described further in our engagement letter

Grant Thornton

Those Charged With Governance Responsibilities

Those Charged with Governance are responsible for:

- Overseeing the financial reporting process
- Setting a positive tone at the top and challenging NYC Health + Hospital's activities in the financial arena
- Discussing significant accounting and internal control matters with management
- Informing us about fraud or suspected fraud, including its views about fraud risks
- Informing us about other matters that are relevant to the audit, such as:
    - Strategies and related business risks that may result in heightened risks of material misstatement
    - Matters warranting particular audit attention
    - Significant communications from/with regulators
    - Matters related to the effectiveness of internal control and your oversight responsibilities
    - Your views relating to our current communications and your actions in connection with previous communications

Management Responsibilities

Management is responsible for:

- Preparing and fairly presenting all of the respective financial statements in accordance with US GAAP
- Designing, implementing, evaluating, and maintaining effective internal control over financial reporting and compliance with federal award requirements
- Communicating significant accounting and internal control matters to those charged with governance
- Providing us with unrestricted access to all persons and all information relevant to our audit
- Informing us about fraud, illegal acts, significant deficiencies, and material weaknesses
- Adjusting the financial statements, including disclosures, to correct material misstatements
- Informing us of subsequent events
- Providing us with written representations

Audit timeline & scope

May 2021	Client continuance	• Client continuance • Issue engagement letter • Conduct internal client service planning meeting, including coordination with audit support teams (IT, tax, valuation)
May 2021	Planning	• Meet with management to confirm expectations and discuss business risks • Discuss scope of work and timetable as well as identify current year audit issues • Initial Audit Committee communications (e.g., discuss recently issued accounting pronouncements of relevance)
May/June 2021	Preliminary risk assessment procedures	• Develop an audit plan that addresses risk areas • Update understanding of internal control environment • Coordinate planning with management and develop work calendar
June 2021	Interim fieldwork	• Perform walkthroughs of business processes and controls • Perform selective substantive testing on interim balances
September/ October 2021	Final fieldwork	• Perform final phase of audit and year-end fieldwork procedures • Meet with management to discuss results, including review of draft financial statements, misstatements (if any) and completeness/accuracy of disclosures • Present results to the Audit Committee
October 2021	Deliverables	• Financial Statements • Listing of unrecorded misstatements and omitted disclosures (if any)

Audit timeline & scope - continued

December 2021/January 2022	MetroPlus Health Plan	• Perform walk-throughs of business processes and controls • Perform control testing over significant business processes • Perform selective substantive testing on interim balances
February 2022/ March 2022	MetroPlus Health Plan	• Perform final phase audit and year-end fieldwork procedures • Meet with management to discuss results, draft financial statements and other required communications • Issue the final audit report and other deliverables
April 2022 - August 2022	Cost Report Certification and H+H Insurance Company	• Perform applicable audit procedures and issue auditor's reports on cost reports for the skilled nursing facilities (RHCF-4) and diagnostic and treatment centers (AHCF) • Perform H+H Insurance Company audit and issuance of audit report
Timing to be determined	H+H ACO, Inc.	• Perform H+H ACO, Inc. audit and issuance of audit report

Significant risks and other areas of focus

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Area of focus	Procedures
Patient accounts receivable, related contractual and uncollectable allowances and net patient service revenue	• Review account reconciliations including completeness and accuracy testing of the aged patient trial balances • Perform analytical procedures over key indicators such as days in accounts receivable, account write offs and aging of balances • Perform cut-off testing • Review management's methodology for estimating allowances • Perform medical record testing for existence (no confirmation procedures) and detail test of subsequent cash receipts • Perform a hindsight analysis of the prior year accounts receivable balance by reviewing cash collections on prior year balances • Perform cash to revenue proof to assist in the validation of the revenue balance
Estimated settlements due to third-party payers and net patient service revenue	• Review account reconciliations and roll-forwards and agree significant reconciling items to supporting schedules and documentation. • Perform detailed account balance testing • Review management's methodology for estimating amounts • Review the financial statement presentation and disclosures

Significant risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Area of focus	Procedures
Net pension liability, expense and OPEB liabilities	• Review management's analysis of pension and accrued postretirement benefit obligations • Assess the reasonableness of actuarial assumptions, including discount factor, trend rates and cash flows, amongst others • Select a sample and test participant census data
Expenditures	• Select a sample of expenditures and trace to supporting documentation to assess propriety and categorization/functionalization of balances • Analytically review and perform predictive tests of payroll and other operating expenses for reasonableness
Accounts Payable and Accrued liabilities, including malpractice reserves and contingencies	• Perform detail testing of management's calculations, including underlying inputs and data provided to specialists used in actuarial calculations for medical malpractice, workers compensation, pension and self-insurance health liabilities • Obtain and review outside actuarial reports used to determine pension and malpractice liabilities • Assess for reasonableness the assumptions used in developing estimates • Perform a search for unrecorded liabilities • Test the completeness and accuracy of accounts payable aged trial balance • Review payroll accruals for reasonableness

Significant risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Significant risk	Procedures
Management override of controls – (presumed fraud risk and therefore significant risk in all audits)	• Consider the design and implementation of entity-level controls, including information technology controls, designed to prevent/detect fraud. • Assess the ability of the NYC Health + Hospitals to segregate duties in its financial reporting, information technology, and at the activity-level. • Conduct interviews of individuals involved in the financial reporting process to understand (1) whether they were requested to make unusual entries during the period and (2) whether they are aware of the possibility of accounting misstatements resulting from adjusting or other entries made during the period. • Perform risk assessment for journal entries and detail test a sample of journal entries based on our risk assessments to ensure propriety of the entries.

Significant risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Area of focus	Procedures
Accounting estimates	The preparation of NYC Health + Hospital's financial statements requires management to make multiple estimates and assumptions that affect the reported amounts of assets and liabilities as well as the amounts presented in certain required disclosures in the notes to those financial statements. The most significant estimates relate to contractual allowances, the allowance for doubtful accounts, third-party liabilities, malpractice liabilities and actuarial estimates for the pension plan. Our procedures have been designed in part, to review these estimates and evaluate their reasonableness.
Financial statement disclosures	Our procedures will also include an assessment as to the adequacy of NYC Health + Hospital's financial statement disclosures to ensure they are complete, accurate and appropriately describe the significant accounting policies employed in the preparation of the financial statements and provide a detail of all significant commitments, estimates and concentrations of risk, amongst other relevant disclosures required by accounting standards and industry practice.

Significant risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Other Areas of focus:

Perform substantive testing on key account balances as of June 30, 2021, as follows:

- Confirmation of cash and cash equivalents.
- Test significant fixed asset additions and disposals, as applicable.
- Test deferred revenue, as applicable.
- Obtain debt rollforward and test payments throughout the year and compliance with debt covenants
- Perform an analytical review of revenues and expenses.
- Identify and test non-routine transactions to ensure appropriate accounting treatment.
- Independently confirm with internal and external legal counsel the potential exposure associated with outstanding claims, as applicable. Identify contingent liabilities or assets requiring accounting treatment or footnote disclosure.
- Perform fraud procedures
    - Journal entry testing
    - Review inter-company accounts
    - Vendor testing

Technology support as part of the audit process

1. **Understand and document business processes material to the audit** — Phase 1
2. **Assess IT risks** — Phase 2
3. **Identify IT controls that support audit objectives** — Phase 3
4. **Test design effectiveness of technology- related controls** — Phase 4

An important component of our audit approach is to understand how IT is used and deployed in supporting business operations and producing financial reports. Our technology specialists place particular emphasis on the risks relating to the use of technology and its associated controls, processes and practices.

Our general controls review evaluates the design of controls that mitigate risk in areas such as organization and operations, protection of physical assets, application systems development and maintenance, access controls and computer operations.

COVID-19 pandemic

Accounting considerations

1. **Asset impairment** - Material assets subject to possible impairment or devaluation. Health Care Systems need to carefully identify the appropriate impairment model and consider whether the pandemic effects whether an impairment should be recognized and, if so, to extent. This could impact fixed assets, investments, and other assets.
2. **Insurance recoveries** - Health Care Systems may be entitled to reimbursement for losses under various types of insurance policies as a result of the pandemic.
3. **Contingent losses** - A Health Care System is required to recognize a contingent loss if: (a) it is probable that the liability has been incurred as of the balance-sheet date; and (b) the amount of the loss is reasonably estimable (as either a point estimate or a range of loss).
4. **Going concern evaluations** - Health Care Systems will need to evaluate their ability to continue as a going concern within one year after the financial statements are either issued or made available to be issued. A Health Care System that concludes that there is substantial doubt about its ability to continue as a going concern, or that its plans alleviate such doubt, must provide disclosures to that effect.
5. **Impact of various federal relief programs** - Health Care Systems continue to be eligible to participate in certain federal government relief programs to mitigate the financial impacts of the pandemic. The appropriate accounting and financial reporting (presentation) of the various relief programs such as PPP loans, Provider Relief Funds, etc. continues to be a consideration.
6. **Uniform Guidance compliance** – Health Care Systems should evaluate nature and amounts of funding received under Federal COVID-19 awards that may trigger the need for presentation on the SEFA as well as new Federal programs subject to audit.
7. **Reserves for uncollectible accounts** - Because of the significant economic impact of the pandemic, Health Care Systems may need to re-evaluate the basis for reserves on certain accounts such as student accounts, contributions and loans receivable, as well as other reserves.
8. **Disclosures of risks and uncertainties** - Disclosure of risks and uncertainties related to operations/activities, accounting estimates, and vulnerabilities, among others specified in ASC 275, should be considered when preparing the financial statement footnotes.

Commitment to promote ethical and professional excellence

We are committed to promoting ethical and professional excellence. To advance this commitment, we have put in place a phone and internet-based hotline system.

The Ethics Hotline (1.866.739.4134) provides individuals a means to call and report ethical concerns.

The EthicsPoint URL link can be accessed from our external website or through this link:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=15191

Disclaimer: EthicsPoint is not intended to act as a substitute for a company's "whistleblower" obligations.

Technical updates - GASB

Selected pronouncements effective for the year ending June 30, 2021 or subsequent periods - GASB

Title	Effective date
GASB 84 – Fiduciary Activities	Periods beginning after December 15, 2019**
GASB 87– Leases	Periods beginning after June 15, 2021**
GASB 89 – Accounting for Interest Cost Incurred before the end of a Construction Period	Periods beginning after December 15, 2020**
GASB 90 – Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61	Periods beginning after December 15, 2019**
GASB 91 – Conduit Debt Obligations	Periods beginning after December 15, 2021**
GASB 92 – Omnibus 2020	Periods beginning after June 15, 2021*

* Effective dates vary by topic.

** Reflective of effective date deferrals under GASB 95.

Selected pronouncements effective for the year ending June 30, 2021 or subsequent periods – GASB – continued

Title	Effective date
GASB 93 – Replacement of Interbank Offered Rates	Periods beginning after June 15, 2020
GASB 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements	Periods beginning after June 15, 2022
GASB 96 – Subscription-Based Information Technology Arrangements	Periods beginning after June 15, 2022
GASB 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for IRC Section 457 Deferred Compensation Plans – an amendment of GASB Statements 14 and 84 (Supersedes GASB Statement 32)	Periods beginning after June 15, 2021*

* Effective dates vary by topic.

GASB Statement 84, *Fiduciary Activities*

Summary	Potential impact

• Guidance addresses the following:
  • The categorization of fiduciary activities for financial reporting
  • How fiduciary activities are to be reported
  • When liabilities to beneficiaries must be disclosed
• Types of fiduciary funds that must be reported include the following:
  • Pension (and other employee benefit) trust funds
  • Investment trust funds
  • Private-purpose trust funds
  • Custodial funds
• A government controls the assets of an activity if it holds the assets or "has the ability to direct the use, exchange or employment of the assets in a manner that provides benefits to the specified or intended recipients"
• Fiduciary activities must be disclosed in the basic financial statements of the government entity and a statement of fiduciary net position and changes in fiduciary net position should be presented (unless the period of custody is less than three months).
• Effective for periods beginning after December 15, 2019.
	Health Care Systems often will agree to act as a fiduciary for certain third party organizations that might be somehow affiliated to the Health Care System (such as student clubs, alumni clubs, or other such organizations). Under this new requirement, the Health Care System must report the fiduciary activity on its financial statements, where it may not have done so in the past. Management should identify which fiduciary activities it is engaged in to inventory the relationships which may need to be reported. Management may want to consider changing the terms of the relationships such that they are not subject to reporting on the financial statements of the Health Care System when the requirement becomes effective.

GASB Statement 87, *Leases*

Summary

- The GASB issued guidance which resembles the FASB guidance on leases
- To determine whether a lease exists, a government should assess whether it has both:
  1) The right to obtain the present service capacity from use of the underlying asset as specified in the contract, and
  2) The right to determine the nature and manner of use of the underlying asset as specified in the contract
- For Lessees:
  - In general, all leases will be reported on the statement of net position (the distinction between operating and capital leases is no longer relevant) as a "right of use" intangible asset and a corresponding lease liability within long term debt
  - On the statement of changes, rent expense will be replaced by amortization expense of the right-of-use asset as well as interest expense on the lease liability (thus accelerating expenses in the beginning years of the lease term)
  - There is an exemption for short term leases (those with a term of 12 months or less, including extension options) as well as leases that transfer ownership at the end of the term
  - Disclosures regarding matters such as total leased assets by major class of underlying assets and related accumulated amortization (in total), principal and interest payments for each of the five subsequent fiscal years and in five year increments thereafter and commitments under leases before a lease commencement period, among other items

GASB Statement 87, *Leases (continued)*

Summary, continued	**Potential Impact**

• For Lessors:
  • Record a lease receivable and a deferred inflow of resources equal to the present value of future lease payments (which should generally equal the amount recorded as a liability by the lessee), and also continue to report the leased asset
  • The receivable will be reduce as cash is received, the asset will be depreciated (generally) and the deferred inflow will be recognized over the lease term
  • Disclosures include matters such as general description of leasing arrangements, total amount of inflows of resources, and those related to variable payments, residual guarantees, etc., and the existence, terms and conditions of options by the lessee to terminate the lease or abate payments in certain circumstances, among other disclosures
• Effective for periods beginning after June 15, 2021, with early adoption encouraged. Existing leases will be adjusted based on the remaining lease payments as of the beginning of the period of adoption or beginning of any earlier periods restated (for example, for June 30 year ends, adoption is June 15, 2022 so the beginning period is July 1, 2021).
	• For those Health Care Systems which use operating leases to finance certain capital activities, this standard could have a significant impact on the financial statements of the Health Care System upon adoption. Management should consider the impact on financial covenants, as well as ensuring a complete inventory of existing leases that will be subject to the new accounting and disclosures.

GASB Statement 89, *Accounting for Interest Cost Incurred before the end of a Construction Period*

Summary	Potential Impact

• This Statement improves financial reporting by providing users with more relevant information about capital assets and the cost of borrowing and enhancing comparability of information for both governmental activities and business-type activities.
• Financial statements prepared using the economic resources measurement focus:
  • Interest cost should be recognized as an expense in the period incurred.
• Financial statements prepared using the current financial resources measurement focus:
  • Interest cost should be recognized as an expenditure consistent with governmental fund accounting principles.
• Effective for periods beginning after December 15, 2020, with early adoption encouraged. Changes to adopt this standard should be applied prospectively at adoption.
	• Health Care Systems may have varying amounts of interest incurred during periods of significant construction. With the implementation of this new guidance, complex calculations of interest to be capitalized will no longer be required, thus simplifying accounting requirements. The new accounting accelerates the expense impact for the construction period, which should be considered when preparing budgets for future periods.

GASB Statement 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*

Summary

- Improves consistency and comparability of reporting a government's major equity interests in legally separate organizations.
- Defines an equity interest as a financial interest in a legally separate organization evidenced by the ownership of shares of the organization's stock or by otherwise having an explicit, measureable right to the net resources of the organization, usually based on an investment of financial or capital resources by the government.
  - If the equity interest holding meets the definition of an investment (GASB 72), the equity interest should be reported as an investment and measured using the equity method.
    - If the equity interest is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment or permanent fund, the equity interest should be measured at fair value
  - If the equity interest holding does not meet the definition of an investment, the legally separate organization should be reported as a component unit of the government.
    - If the legally separate organization is reported as a discretely-presented component unit, the equity interest should also be reported as an asset of the government (or fund) that holds the equity interest, measured using the equity method.
- Effective for periods beginning after December 15, 2019. Changes to adopt this standard should be applied retroactively, with certain exceptions.

Potential Impact

- Health Care Systems should inventory financial interests in legally separate organizations and evaluate whether such equity interests meet the definition of an investment. Depending on the nature of the equity interest and the intent for holding such interests, Health Care Systems may find themselves reclassifying holdings between presentation as investments and component units.

GASB Statement 91, *Conduit Debt Obligations*

Summary

- Eliminates the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice.
- Defines conduit debt obligations as a debt instrument issued in the name of a state or local government (the issuer) that is for the benefit of a third party primarily liable for the repayment of the debt instrument (the third-party obligor), that includes specific characteristics.
- An issuer should not recognize a conduit debt obligation as a liability.
- To the extent the issuer has made a limited commitment with respect to the conduit debt obligation, the issuer should recognize a lability associate with the additional commitment if qualitative factors indicate it is more likely than not that the issuer will support one or more debt service payments.
- The issuer of conduit debt obligations should not report arrangements as leases, regardless of whether the arrangement is labeled or otherwise referred to as a lease. If the arrangement meets the definition of a Service Concession Arrangement, however, the SCA should be reported in accordance with the relevant guidance.
- Effective for periods beginning after December 15, 2021, with early adoption encouraged. Changes to adopt this standard should be applied retroactively.

Potential Impact

- Health Care Systems should inventory outstanding conduit debt obligations, including related commitments and arrangements, and compare the associated terms against the new definitions within this Standard.

GASB Statement 92, *Omnibus 2020*

Summary

- Addresses practice issues that have been identified during implementation and application of certain GASB Statements
  - Effective date of GASB 87 and Implementation Guide 2019-3 clarified as fiscal years beginning after December 15, 2019, and all reporting periods thereafter (subsequently updated to periods beginning after June 15, 2021 with GASB 95)
  - Presentation of transfers of capital or financial assets under GASB 48 updated to be consistent with the provisions of GASB 67 and 74, as applicable
  - Modifies the requirements of Statements 73 and 74 to remove the liability recognition provisions
  - Provides exception to the use of acquisition value for AROs in a government acquisition
  - Clarifies that recoveries from reinsurers may, but are not required to be, reported as a reduction of expenses
  - The terms derivative and derivatives in National Council on Government Accounting and GASB pronouncements are replaced with derivative instrument and derivative instruments, respectively
- Effective upon issuance for requirements related to the effective date of GASB 87 and reinsurance recoveries.
- Effective for periods beginning after June 15, 2021 for all other topics, with early adoption encouraged and permitted by topic.

Potential Impact

- The practice issues addressed within this Omnibus are very narrow. Health Care Systems should review the clarifications provided for applicability, and update presentation and disclosures, as needed.

GASB Statement 93, *Replacement of Interbank Offered Rates*

Summary

- Addresses accounting and financial reporting implications that result from the replacement of LIBOR
  - Provides exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
  - Clarifies the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
  - Clarifies that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
  - Removes LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
  - Identifies a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
  - Provides an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contractions that are amended solely to replace an IBOR as the rate upon which variable rates depend
- The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021.
- All other requirements are effective for periods beginning after June 15, 2021, with early adoption encouraged.

Potential Impact

- LIBOR has historically been a common benchmark for debt, hedging and other agreements with some fashion of variable rate. Health Care Systems should inventory agreements to identify which, if any, include current references to LIBOR
- For agreements with current LIBOR references, Health Care Systems should coordinate with lenders and other counterparties to identify a replacement benchmark interest rate, and update agreements and footnote disclosures as needed

GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

Summary

- Defines a PPP as an arrangement in which a government (the transferor)
  - contracts with an operator (a governmental or nongovernmental entity) to provide public services
  - by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time
  - in an exchange or exchange-like transaction.
- Transferor records the underlying PPP asset and/or a receivable for installment payments to be received from operator, with a related deferred inflow of resources.
- Defines an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.
  - In an APA with multiple components, each component shall be recognized as a separate arrangement.
- Effective for fiscal years beginning after June 15, 2022, with early adoption encouraged.

Potential Impact

- Health Care Systems often engage in these type of arrangements to expand student housing, parking, retail space, or some combination of these types of revenue-generating spaces. This new guidance clarifies the accounting for these types of arrangements, as compared to service concession arrangements, lease agreements or other types of transfers. Management should identify which agreements are currently in place for which accounting may need to restated. Management should also consider these updated definitions for any new transactions that may be in process, to ensure those arrangements are structured and reported in accordance with these new provisions

GASB Statement 96, *Subscription-Based Information Technology Arrangements*

Summary

- Defines subscription-based information technology arrangements (SBITA) as a contract that conveys control of the right to use another party's IT software,
    - alone or with underlying tangible IT assets,
    - For a period of time (noncancelable period, plus options to extend),
    - In an exchange or exchange-like transaction.
- Government should recognize a right-to-use subscription asset and a corresponding subscription liability
    - Measured as the present value of expected subscription payments
    - Discounted using the rate the SBITA vendor charges, or the incremental borrowing rate
- Subscription asset to be amortized over the subscription term
- Activities associated with a SBITA, other than subscription payments, should be grouped into the following three stages and costs accounted for accordingly:
    - Preliminary project stage – expensed as incurred
    - Initial implementation stage – capitalized as an addition to the subscription asset
    - Operation and additional implementation stage – expensed as incurred, unless they meet specific capitalization criteria
- Effective for fiscal years beginning after June 15, 2022, with early adoption encouraged.

Potential Impact

- For those Health Care Systems using subscription-based IT arrangements, this standard could have a significant impact on the financial statements of the Health Care System upon adoption. As with the new lease standard, management should consider the impact on financial covenants, as well as ensuring a complete inventory of existing agreements that will be subject to the new accounting and disclosures.

GASB Statement 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for IRC Section 457 Deferred Compensation Plans*

Summary

- Clarifies, for purposes of determining whether a primary government is financially accountable for a potential component unit, if the primary government performs the duties that a governing board would typically perform, the absence of a governing board should be treated the same as the appointment of a voting majority
    - Exceptions for defined contribution pension and OPEB plans, or certain other employee benefit plans.
- Modifies the applicability of financial burden criteria to be limited to defined benefit pension and OPEB plans administered through trusts.
- Calls for Section 457 Plans to be classified as a pension plan if it meets the definition of a pension plan in paragraph 51 of Statement No. 67 or paragraph 128 of Statement No. 73 for accounting and financial reporting purposes.
    - Otherwise, classified as other employee benefit plan.
    - GASB 84 should be applied to determine whether a 457 Plan should be reported as a fiduciary activity in a government's fiduciary fund financial statements.
- Effective immediately for provisions related to component unit evaluation criteria.
- Effective for fiscal years beginning after June 15, 2021 for provisions related to Section 457 Plans.

Potential Impact

- Health Care Systems typically provide a variety of employee benefit plans for faculty and administrative personnel to elect to participate in. These plans vary in types of benefits provided, method and timing of contributions, and in plan structure. Health Care Systems should revisit the determination made for each of these plans regarding component unit and fiduciary activity accounting and presentation. Depending on the organizational structure and other criteria, Health Care Systems may find themselves reporting as a fiduciary activity benefit plans which were not previously included in the Health Care System financial statements.

GASB projects

Project	Timing
Recognition (conceptual framework)	Final Concepts Statement expected 2022
Financial Reporting Model - Reexamination of Statements 34, 35, 37, 41 and 46, and Interpretation 6	Final Statement expected 2022
Compensated absences – reexamination of Statement 16	Exposure draft expected early 2021
Prior-period adjustments, accounting changes, and error corrections – a reexamination of Statement 62	Exposure draft expected May 2021
Disclosure framework (conceptual framework)	Final Concepts Statement expected Spring 2021
Revenue and expense recognition	Exposure draft expected 2023
Risks and Uncertainties Disclosures	Exposure draft expected November 2021
Implementation Guidance – 2021 Update	Final Implementation Guide expected Spring 2021
Omnibus	Exposure draft expected August 2021
Renaming the Comprehensive Annual Financial Report	Final Statement expected October 2021

GASB major project – Financial Reporting Model

Summary

- GASB is revisiting its reporting model established in GASB 34 and 35, as well as other GASB standards, following the FASB project to revisit the reporting model of NFP entities.
- Although there is general consensus that most of the components of the financial reporting model are effective, the Board determined that there is a need to update guidance related to several categories, focusing on the following:
  - MD&A
  - Government-wide financial statements
  - Major funds
  - Governmental fund financial statements
  - Proprietary fund and business-type activity financial statements
  - Fiduciary fund financial statements
  - Budgetary comparisons
- Exposure Draft elements of note for and Health Care Systems (Preliminary Views was issued in June 2020):
  - Definition of non-operating activities includes i) subsidies received and provided, ii) revenues and expenses of financing, iii) resources from the disposal of capital assets and inventory and iv) investment income and expenses
  - A subtotal for "operating income/(loss) and noncapital subsidies"

GASB major project – Financial Reporting Model, continued

Potential impact

- Proposed guidance could have sweeping effects on the reporting and disclosures by Health Care Systems.
- There could be an increase in comparability between the two types of entities that currently use very different reporting models.
- Three of the business type activities issues that the GASB is considering that are particularly relevant to Health Care Systems are:
  - Guidance on the operating indicator
  - MD&A
  - Extraordinary and special items
- Depending on the ultimate guidance, Health Care Systems may want to think about how the reporting of these expenses will be captured to be accurately reported in the financial statements.

GASB major project – Revenue and Expense Recognition

Summary

- Three primary areas of focus of the project are as follows:
  1. Common exchange transactions not specifically addressed in existing GASB guidance
     - ➢ Project plans to develop guidance or improve existing guidance regarding
     1. Exchange and exchange-like transactions having single elements
     2. Exchange and exchange-like transactions having multiple elements
     3. The differentiation between exchange-like and non-exchange transactions
  2. Post-implementation review of GASB 33 and 36
     - ➢ Areas to be considered include:
     1. Distinguishing between eligibility requirements and purpose restrictions
     2. Determining when a transaction is an exchange or a non-exchange transaction
     3. Using the availability period concept consistently across governments
     4. Applying time and contingency requirements
  3. Development of GASB conceptual framework
     - ➢ GASB 33 and 36 were developed prior to key parts of the conceptual framework, such as defining deferred inflows and outflows
     - ➢ An evaluation of the recognition of non-exchange transactions against the conceptual framework is necessary
- Currently in public hearings and redeliberations, with Exposure Draft expected in June 2023.

Potential Impact

- As it relates to recognition of exchange and non-exchange transactions such as grants vs gifts vs contracts, there continues to be an element of judgment and interpretation of existing GASB and FASB guidance. This project could impact the current practices of Health Care institutions as it relates to revenue recognition.

GASB pre-agenda research

Topics

- Going concern disclosures
- Capital assets
- Interim financial reporting
- Investment fees
- Nonfinancial assets

Status of Grants Audit Finding

Grant Thornton Finding:

We noted that the Grants Department was not consistently applying the accrual basis of accounting relating to grant revenue recognition.

Here is the work we did:

In collaboration with the Comptroller's office, the Grants department developed methodologies to accrue expenses and related revenues. The Grants Department already had a pre-existing report that details each grant line by line. We amended this report to show the accruals for each of these grants on a monthly basis and explanations for the rationale of the accrual.

The Comptroller's Office reviews this submission monthly and performs an analysis of the changes and follows up where questions, where needed, prior to booking the accrual.

The result:

We feel that this new process meets the expectations for Grant Thornton to clear the finding in the upcoming audit for the fiscal year 2021 financial statements.

OFFICE OF INTERNAL AUDITS

AUDIT COMMITTEE BRIEFING
MAY 2021

Index

A. EXTERNAL AUDITS

1. *NYC Health + Hospitals Oversight of Auxiliaries – NYC Comptroller's Office*

Audit Notification Letter Received – March 13, 2020
Preliminary Entrance Conference – June 23, 2020
Status – Near Completion

This audit is coming to a close as the fieldwork has been completed and a preliminary draft report was issued on April 19, 2021. An exit conference was held on May 4th. Subsequent to this meeting, a final draft report will be issued, at which time a formal response to the Auditors Findings and Recommendations are required within 10 business days.

As previously reported, the purpose of this audit was to "determine whether Health + Hospitals implemented sufficient control procedures to effectively monitor the performance and fiscal activities of its auxiliaries." The scope of the audit was January 1, 2018 to the present.

In conducting their audit, the Comptroller's Office met with the following individuals to obtain information regarding the day-to-day interaction between NYC Health + Hospitals and the Auxiliaries:

1. Sr. Vice President of External & Regulatory Affairs
2. Deputy Corporate Comptroller
3. Representatives from NYC Health + Hospitals/Woodhull, Metropolitan and Queens and their corresponding Auxiliaries.

Documents were requested from the Sr. Vice President of External & Regulatory Affairs and the representatives from the three aforementioned facilities.

2. ***NYC Health + Hospitals Controls Over Nursing Homes – NYC Comptroller's Office***

Audit Notification Letter Received – August 13, 2020
Preliminary Entrance Conference – August 19, 2020
Status – Ongoing

Since the last Committee meeting, the Comptroller's Office continued to meet with the Chief Executive Officers (CEO's) of the five (5) nursing homes within the System for the purpose of learning about the inventory processes and controls set up by their facility, as well as methods used to oversee and carry out those controls. They have also asked to meet with the Central Stores Managers, who oversee the medical/surgical inventory on a day-to-day basis.

Most recently, they have requested view-only access to the perpetual inventory system so that they can better evaluate the processes involved regarding the ordering, receiving, storing and using of medical surgical inventory, including Personal Protective Equipment. This request has been referred to the Legal Department of NYC Health + Hospitals for proper resolution.

B. OTHER AUDIT ACTIVITIES

1. Internal Audit - Controls Over Laptops

The objective of this audit was to evaluate the internal controls and processes in place as it relates to the laptops and other similar devices provided to individuals for the purpose of conducting NYC Health + Hospitals business. Our audit tests included comparing the Central Office Enterprise Information Technology Services Department (EITS) list of employees issued laptops to the lists maintained by each facility. We also tested to ensure the names of the individuals on the lists were those of current employees.

Overall, we concluded that there were opportunities for improvement in the controls related to the oversight and monitoring of the laptops by Central Office EITS and their counterparts at the facilities. The following observations were found:

a) A review of 700 names on the lists from four facilities revealed that controls appear to be effective as only 27 devices (or less than 4%) were assigned to employees who no longer worked for NYC Health + Hospitals. However, the results of the same test of the names on the Test & Trace device list found that controls need to be improved. We randomly selected 248 from the 1,310 employees on the list and noted that 62 (or 25%) were terminated.

   The Director of End User Innovations responded that EITS will collaborate with Human Resources to review and ensure timely notification of terminated employees and compare that list to the issued device list. The EITS End User Device Workflow, Equipment Audit Workflow includes a semi-annual scheduled audit. Following the current NYC H + H Internal Audit review, a second scheduled audit will be done in Q3 2021.

b) A comparison of the lists of laptops maintained by the four facilities selected for testing to the CO EITS list revealed a total difference of 292 existed. In total, the EITS list showed 1,087 devices for the four sites. The sum of the lists from the four facilities was 795. 669 laptops on the EITS list were not included on the lists from the facilities. Conversely, 362 laptops on the lists from the facilities were not on the EITS list.

Facility	# of Devices on Facility List	# of Devices on CO EITS List	Difference
Elmhurst	209	281	-72
Kings County	346	318	28
Bellevue	108	283	-175
Jacobi	132	205	-73

In addition, when comparing the serial numbers of the devices on both lists, there were 76 instances in which the assigned employee on the facility lists differed from the Most Frequent Logged-in employee indicated on the CO EITS list.

The Director of End User Innovations responded that improvements in classifying the different device types, shared and personally assigned devices, will be implemented as well as transition to a single Enterprise inventory list to be used by all locations. The Equipment Audit Workflow includes a semi-annual scheduled audit. A scheduled audit will be done in Q3 2021.

c) The list of assigned laptops maintained by the CO EITS differs from the lists kept by the facilities in that it indicates the Top Console User (the user with the most amount of times logged onto the device) and the Last Logged-on User instead of a specific assigned user. We were informed that, in many instances, the Top Console User is the EITS staff that configured and set up the laptop. The CO EITS list showed over 5,000 laptops currently being utilized.

During our review of this list, we noted the following inconsistencies:

- When comparing the list to the assigned employee indicated on the facility list, we noted 96 instances in which a device assigned to an employee from one facility was last Logged-on by an individual from a different facility. In 15 instances, the Assigned User, Last Logged-on User and Most Frequent User were all from different facilities.
- There were many instances in which an employee was the Most Frequent User and Last Logged-on User for two or more devices. Nine EITS employees utilized 5 or more devices. During the audit, we were informed that employees should not be assigned more than one laptop, except when EITS staff is troubleshooting issues.
- 174 devices did not indicate an asset tag.

The Director of End User Innovations responded that EITS is in the process of implementing and enforcing a one device policy; each employee should be utilizing a single primary device. Exceptions will be documented with justifications as to why the employee requires to utilize more than one laptop.

2. Auxiliary Audits

Final reports for Calendar Year (CY) 2020 have been completed by the outside CPA firm (The Bonadio Group) and reviewed by the Office of Internal Audits for 9 of the 22 Auxiliaries. Eight (8) reports were Compilations as revenues were below $250,000; one was a Review as revenues were between $250,000 and $750,000.

For CY 2018/2019, one audit report was issued since the last Committee meeting. Four reports remain outstanding due to the lack of appropriate personnel responsible for maintaining financial records within these Auxiliaries. (See the list on the following page.)

The report issued, for the Children of Bellevue Auxiliary, had one management letter comment. The balance of net assets with donor restrictions was incorrectly reported and a restatement was required to correct the classification of net assets between net assets without donor restrictions and net assets with donor restrictions. The adjustment was recorded by Auxiliary management upon notification of the error.

The New York State Charities Bureau requires that a review, compilation or audit report accompany the CHAR500 New York State tax form submitted by the Auxiliaries. The type of report required is based on the total revenue of the entity.

AUXILIARY	CALENDAR YEARS REVIEWED	2018 REVENUES	2019 REVENUES	2020 REVENUES
East New York Diagnostic & Treatment Center	2019/2020	NA	$5,522	$4,650
Coney Island Hospital	2019/2020	NA	$5,906	$5,003
Jacobi Medical Center	2018/2019/2020	$537,664	$457,149	$232,607
Renaissance Health Care	2018/2019/2020	$16,788	$20,666	$12,184
Coler Hospital	2018/2019/2020	$187,498	$229,285	$91,790
Carter Hospital Center	2018/2019/2020	$226,599	$29,893	$12,309
Cumberland Diagnostic & Treatment Center	2018/2019/2020	$104,367	$76,782	$31,683
Woodhull Medical Center	2019/2020	NA	$234,293	$19,925
Gouverneur Hospital	2018/2019/2020	-$146,562	$997,683	$751,055
Bellevue Association	2019	NA	$243,272	Pending
Lincoln Hospital Center	2019	NA	$99,403	Pending
Metropolitan Hospital Center	2018/2019	$1,538,040	$744,114	Pending
Bellevue Hospital Center	2018/2019	$151,939	$938,114	Pending
Kings County Hospital Center	2018/2019	$58,804	$21,142	Pending
Sea View Hospital and Home	2018/2019	$110,468	$42,748	Pending
Dr. Susan Smith McKinney Nursing & Rehabilitation Center	2018/2019	$80,714	$77,547	Pending
Elmhurst Hospital Center	2018/2019	$422,419	$335,651	Pending
Children of Bellevue	2018/2019	$1,112,221	$1,154,967	Pending
Harlem Hospital Center	2018/2019	Pending	Pending	Pending
Friends of Harlem Hospital Center	2018/2019	Pending	Pending	Pending
Friends of North Central Bronx Hospital	2018/2019	Pending	Pending	Pending
Queens Hospital Center	2018/2019	Pending	Pending	Pending

AUDIT COMMITTEE OF THE NYC HEALTH + HOSPITALS BOARD OF DIRECTORS

Audit Committee Report

Office of Corporate Compliance

May 10, 2021

AUDIT COMMITTEE OF THE
NYC HEALTH + HOSPITALS
BOARD OF DIRECTORS
Corporate Compliance Report
125 Worth Street, Room 532
New York, NY 10013
May 10, 2021 @ 10:00 AM

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I. Monitoring Excluded Providers

Responsibilities of the System for Sanction List Screening

1) To comply with Federal and state regulations, and consistent with the recommendations of the NYS Office of the Medicaid Inspector General ("OMIG") and the U.S. Department of Health and Human Services Office of Inspector General ("OIG"), each month the Office of Corporate Compliance ("OCC") reviews the exclusion status of the System's workforce members, vendors, and agency staff.

2) To ensure that NYC Health + Hospitals (the "System") does not conduct business with individuals or entities that are a threat to the security, economy or foreign policy of the United States, the OCC also screens all NYC Health + Hospitals workforce members, vendors, and agency staff against the databases of the United States Department of Treasury Office of Foreign Asset Control ("OFAC").

Exclusion and Sanction Screening Report for March 1, 2021 through April 23, 2021

3) During the period March 1, 2021 through April 23, 2021, there was one workforce member who appeared on an exclusion list.

4) On April 13, 2021, the OCC learned that a physician employed by PAGNY appeared on the OIG and System for Award Management ("SAM") exclusion lists. The PAGNY physician provided staff training at NYC Health + Hospitals/Harlem, and did not provide clinical services. He was removed from the training team upon notification of his exclusion. The OCC is evaluating whether this physician's exclusion will result in an overpayment.

Death Master File and National Plan and Provider Enumeration System Screening

5) The Centers for Medicaid and Medicare Services' ("CMS") regulations and the contractual provisions found in managed care organization provider agreements require screening of the System's workforce members, certain business partners, and agents to ensure that none of these individuals are using the social security number ("SSN") or National Provider Identifier ("NPI") number of a deceased person. This screening may be accomplished by vetting the SSNs and NPIs of such individuals through the Social Security Administration Death Master File ("DMF") and the National Plan and Provider Enumeration System ("NPPES"), respectively.

6) No providers were identified on the DMF or NPPES during the period March 1, 2021 through April 23, 2021.

II. Privacy Incidents and Related Reports

Breach Defined

7) A breach is an impermissible use, access, acquisition or disclosure under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") Privacy Rule that compromises the security and privacy of protected health information ("PHI") maintained by the System or one of its business associates.

8) Pursuant to 45 CFR § 164.402(2), unless an exception applies, the unauthorized use and/or disclosure of PHI is presumed to be a breach unless the System can demonstrate, through a thorough, good faith risk assessment of key risk factors, that there is a low probability that the PHI has been compromised.

Reported Breaches for the Period of March 1, 2021 through April 23, 2021

9) During the Reporting Period, thirty-one (31) incidents were entered in the case management system. Of the thirty-one (31) incidents entered in the case management system, eighteen (18) were found after investigation to be violations of NYC Health + Hospitals' HIPAA Privacy and Security Operating Procedures; six (6) were found NOT to be a violation of NYC Health + Hospitals' HIPAA Privacy and Security Operating Procedures; and seven (7) are still under investigation.

10) Of the eighteen (18) incidents confirmed as violations, one (1) was determined to be a breach. In this case, a physician disclosed a patient's HIV status to an unauthorized person. The physician has been counseled and is being enrolled in HIPAA remedial training. In addition, the physician's supervisor was notified.

Office for Civil Rights ("OCR") Reports Regarding HIPAA Incidents

11) The OCC received one phone call and one letter from the OCR between March 1, 2021 and April 23, 2021.

March 23, 2021 Phone Call:

12) On March 23, 2021, the OCC received a telephone call from the OCR regarding a complaint filed with the OCR alleging that multiple people had accessed the complainant's medical record. The complainant also claimed that he received a letter from the OCC informing him that a breach of his PHI could not be substantiated, which letter the OCC sent to the him after conducting an investigation of the matter and a thorough risk assessment. The OCR stated that they were attempting to close out this matter as a technical assistance case. On March 29, 2021, the OCC received a letter from the OCR formally closing the case.

April 13, 2021 Letter – Lincoln:

13) On April 13, 2021, the OCC received a letter from the OCR regarding a complaint it received on March 25, 2021, alleging that and employee at NYC Health + Hospitals/Lincoln "was on a phone call with an unauthorized individual while collecting her protected health information." The OCR, however, determined to resolve this matter informally through the provision of technical assistance to NYC Health + Hospitals. To that end, the OCR enclosed with the letter material explaining the Privacy Rule provisions related to reasonable safeguards to share with workforce members. The OCR closed with case without further action.

14) Although the OCR closed this case, the OCC conducted an investigation of the allegations, and concluded that there was insufficient evidence to conclude that the complainant's PHI was impermissibly disclosed. Nonetheless, the employee was required to take a remedial HIPAA training course, and new policy was implemented that prohibited employees from using their mobile phones while on duty. The OCC communicated the remediation efforts to the complainant, who found the OCC's response to this incident acceptable.

III. Compliance Reports

<u>Summary of Reports for the Period of March 1, 2021 through April 23, 2021</u>

15) On March 22, 2021, the OCC upgraded its incident reporting database platform to a more customizable and efficient one, which also allows the OCC to report HIPAA violations in the same database. This obviates the need for a separate database for HIPAA violations and breaches. Accordingly, the OCC has discontinued the use

of the HIPAA violations data base. The move to this new platform saved the System a net $47,740 this fiscal year, and a net $53,218.84 annually thereafter, as a result of discontinuing the use of the separate HIPAA violations database.

16) As a result of this change, the summary of compliance reports for this reporting period is broken into two parts: before the upgrade and after. Going forward, however, the upgraded platform will provide the OCC with better analytic tools for reporting on compliance matters. During the period March 1, 2021 through April 23, 2021, there were a total of sixty-seven (67) reports entered into the two tracking systems.

17) *Prior to the Upgrade*: For the period of March 1, 2021 through March 21, 2021, there were twenty-nine (29) compliance reports entered into the OCC's previous tracking system: none of which was classified as Priority "A,"[1] ten (10) (34.5%) were classified as Priority "B," and nineteen (19) (65.5%) were classified as Priority "C" reports. For purposes here, the term "reports" means compliance-based inquiries and compliance-based complaints.

a. PRIORITY CLASSIFICATION

PRIORITY - CHART DATA	
	Frequency (Percentage)
B	10.0 (34.5 %)
C	19.0 (65.5 %)
Totals	29.0 (100%)

[1] There are three (3) different report categories: (i) Priority "A" reports are matters that require immediate review and/or action due to an allegation of an immediate threat to a person, property or environment; (ii) Priority "B" reports are matters of a time-sensitive nature that may require prompt review and/or action; and (iii) Priority "C" reports are matters that do not require immediate action.

NYC HEALTH + HOSPITALS

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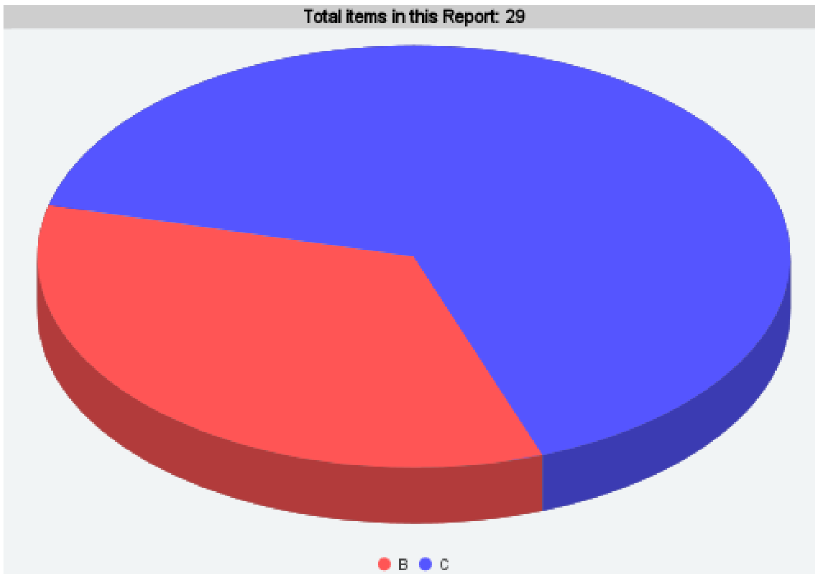

b. PRIMARY ALLEGATION CLASS

PRIMARY ALLEGATION CLASS - CHART DATA	
	Frequency (Percentage)
Diversity, Equal Opportunity and Respect in the Workplace	1.0 (3.4 %)
Employee Relations	7.0 (24.1 %)
Environmental, Health and Safety	2.0 (6.9 %)
Misuse or Misappropriation of Assets or Information	12.0 (41.4 %)
Other	5.0 (17.2 %)
Policy and Process Integrity	2.0 (6.9 %)
Totals	29.0 (100%)

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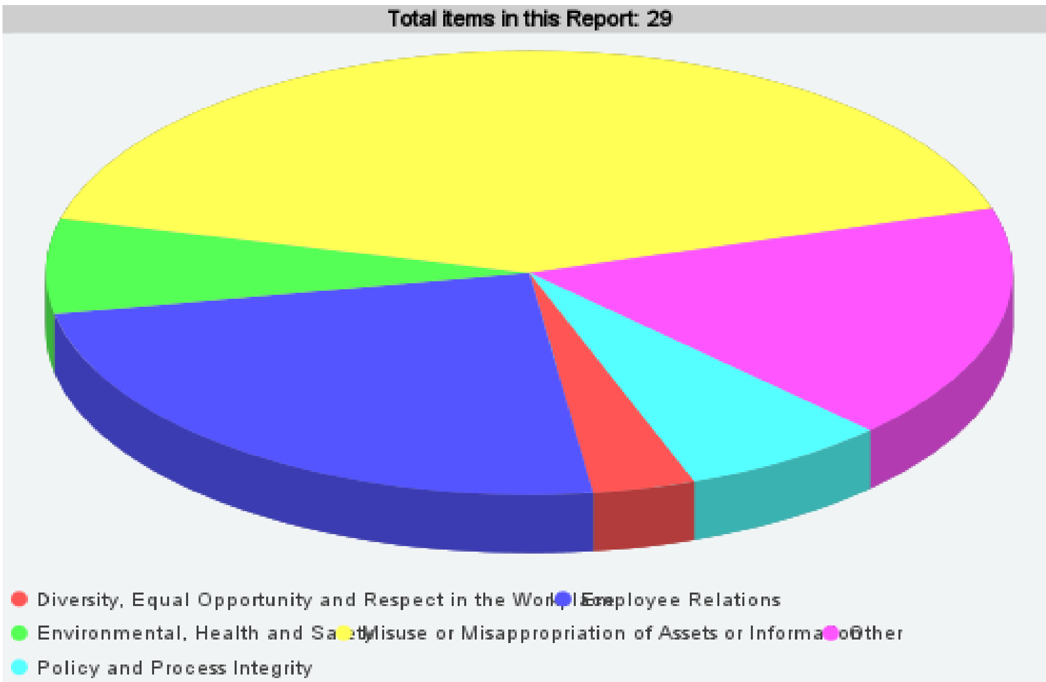
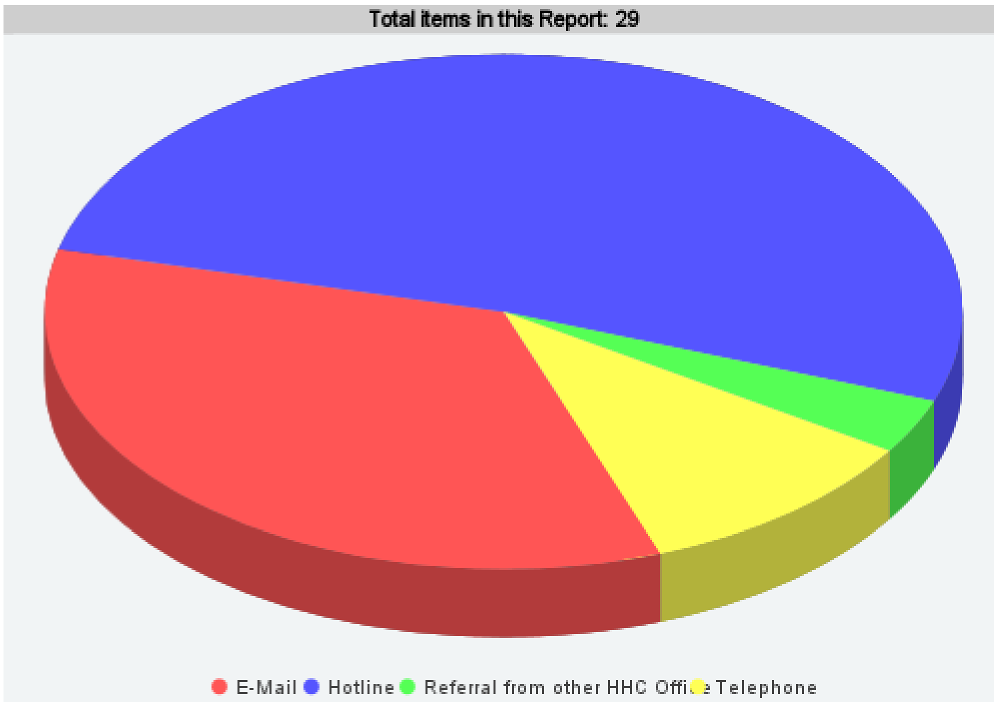


c. PRIMARY ALLEGATION SOURCE

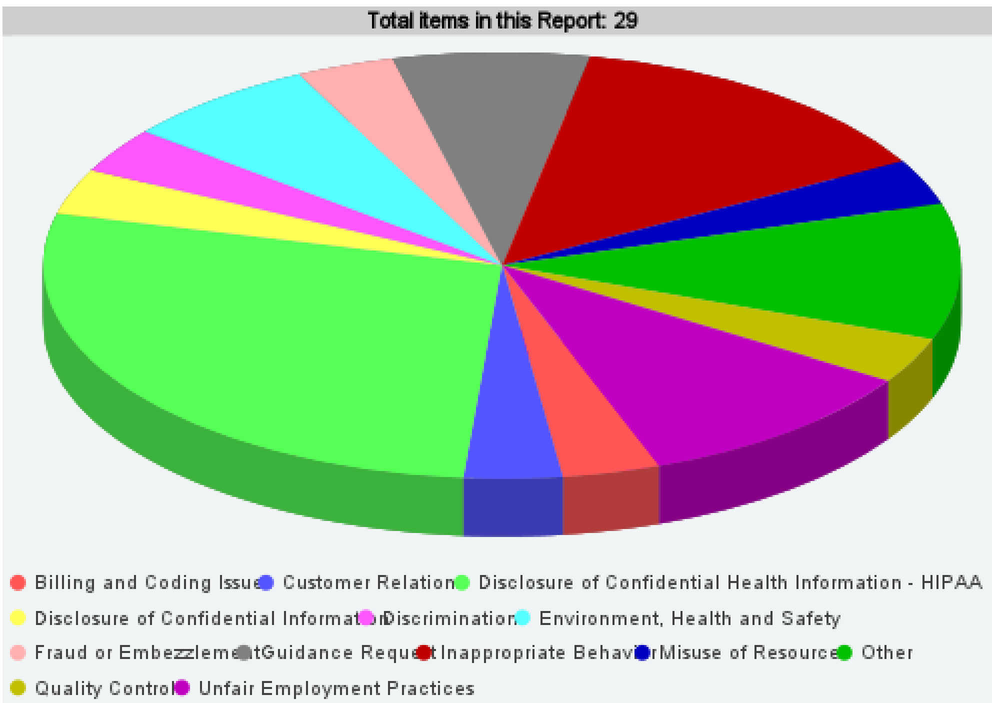
SOURCE - CHART DATA	
	Frequency (Percentage)
E-Mail	10.0 (34.5 %)
Hotline	15.0 (51.7 %)
Referral from other HHC Office	1.0 (3.4 %)
Telephone	3.0 (10.3 %)
Totals	29.0 (100%)



d. PRIMARY ALLEGATION TYPE

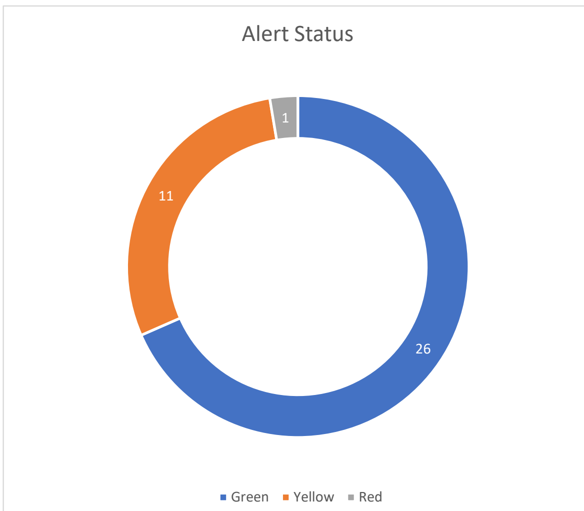
PRIMARY ALLEGATION TYPE - CHART DATA	
	Frequency (Percentage)
Billing and Coding Issues	1.0 (3.4 %)
Customer Relations	1.0 (3.4 %)
Disclosure of Confidential Health Information - HIPAA	8.0 (27.6 %)
Disclosure of Confidential Information	1.0 (3.4 %)
Discrimination	1.0 (3.4 %)
Environment, Health and Safety	2.0 (6.9 %)
Fraud or Embezzlement	1.0 (3.4 %)
Guidance Request	2.0 (6.9 %)
Inappropriate Behavior	4.0 (13.8 %)
Misuse of Resources	1.0 (3.4 %)
Other	3.0 (10.3 %)

Quality Control	1.0 (3.4 %)
Unfair Employment Practices	3.0 (10.3 %)
Totals	29.0 (100%)



18) *After the Upgrade*: For the period of March 22, 2021 through April 23, 2021, there were thirty-eight (38) compliance reports entered into the OCC's new tracking database. The new tracking database replaces the priority types A, B, and C with colored flags (red, yellow, and green), which represent the severity of the reports. During the reporting period, there was one (1) red report, eleven (11) yellow reports, and twenty-six (26) green reports. The red report concerned an anonymous complaint by a patient who claimed to have been abused by staff. The OCC requested additional information from the reporter, but the reporter has not provided any. This matter was referred to the appropriate department and to Hospital Police.

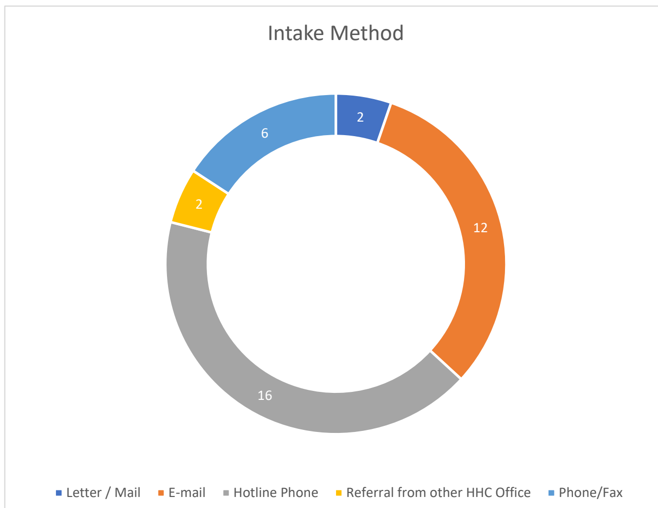
Alert Status	
Green	26
Yellow	11
Red	1
Total	38



19) In addition, in the new database tracks reports by intake and issue type, as opposed to primary allegation source and primary allegation type.

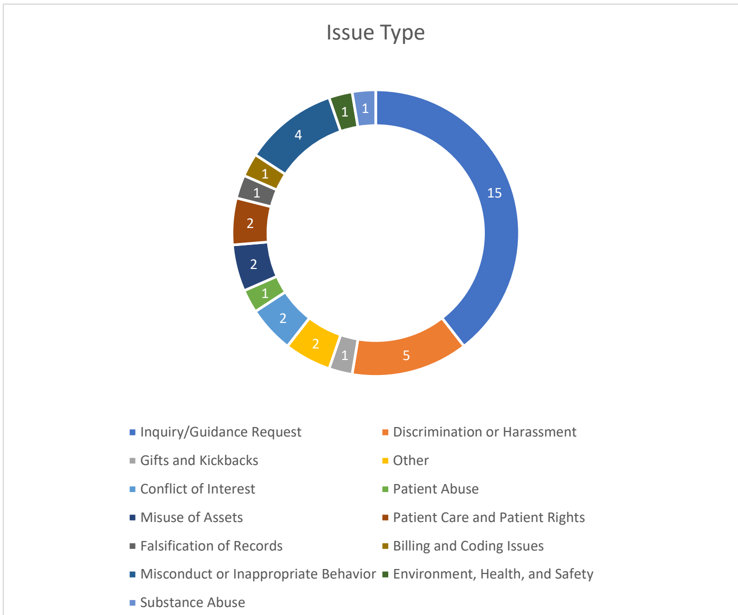
Intake method:

Intake Method	
Letter / Mail	2
E-mail	12
Hotline Phone	16
Referral from other HHC Office	2
Phone/Fax	6
Total	38



Issue type:

Issue Type	
Inquiry/Guidance Request	15
Discrimination or Harassment	5
Gifts and Kickbacks	1
Other	2
Conflict of Interest	2
Patient Abuse	1
Misuse of Assets	2
Patient Care and Patient Rights	2
Falsification of Records	1
Billing and Coding Issues	1
Misconduct or Inappropriate Behavior	4
Environment, Health, and Safety	1
Substance Abuse	1
Total	38



IV. Principles of Professional Conduct ("POPC")

20) Due to the change in the System's gift policy as it relates to gifts from patients and their family members, the OCC is revising the POPC to comport with the new policy, and to make it more reader-friendly. The OCC expects to have a draft of the revised POPC by the next Audit Committee meeting.

V. Status Update – HHC ACO, Inc.

21) On April 30, 2021, representatives from HHC ACO, Inc. ("HHC ACO") met with the Chief Corporate Compliance Officer ("CCO") to evaluate HHC ACO's risks and prepare its Risk Assessment. The Risk Assessment identifies risks that, if realized, would have a significant legal, financial or reputational impact on HHC ACO. Several topics relating to issues that might have the potential to put HHC ACO at risk were discussed, including participation in the enhanced track, participants expectations, changes in the federal administration, the future of ACOs, meeting quality measures, readmission rates, and Care Team funds. None of the issues, however, were determined to create a moderate or high risk to HHC ACO in the coming year.

VI. HIPAA Risk Analysis and Security Assessment

22) To ensure the System's compliance with the requirements of HIPAA and HIPAA regulations, in 2019, the System engaged a third-party vendor, Coalfire Systems, Inc. ("Coalfire"), to conduct annual HIPAA enterprise-wide Risk Analyses and Security Assessments for a three-year period. Coalfire's Risk Analyses involve on-site and remote interviews of key facility and Central Office personnel, and in-person and virtual walk-throughs of the System's acute care facilities, skilled nursing facilities, and Diagnostic and Treatment Centers ("D&TCs"), and a sample of the Gotham Health clinics. In addition, Coalfire performs penetration tests of NYC Health + Hospitals' systems and applications to determine their vulnerability to unauthorized access. It also assesses a sample of the System's vendors to determine their compliance with HIPAA and the security of the System's PHI that they maintain.

23) Coalfire has begun its year three Risk Analysis engagement, and interviews with D&TC and skilled nursing facility personnel were conducted during the weeks of March 8, 2021 and March 15, 2021, respectively. It is also conducting penetration testing for the external systems and applications, and is collecting vendor profiles for the vendor risk management analysis. In May, Coalfire will conduct interviews with personnel at the acute care facilities, and walk-throughs of select acute care facilities and D&TCs.

NYC HEALTH+ HOSPITALS

Audit Committee

May 10, 2021

NYC HEALTH+ HOSPITALS

Fundraising History

- COVID-19 donations started in March 2020
  - H+H did not solicit contributions
  - Staff developed internal systems to process, record gifts
- Network For Good (NFG) fundraising page created in March 2020
- Donation page on H+H website created early April 2020
- Internal Philanthropy Committee convened April 2020
- Created unrestricted Giving Tuesday initiative in November 2020
- H+H donation page, NFG page modified in January 2021
- Ongoing outreach

Fundraising Totals

As of 4/27/21:

- **Cash**: $19,410,706
- **In-kind donations**: $15,727, 545
- **Total**: $35,138,251

Monetary donations come from a variety of sources:

- Network for Good
- Individual and corporate donors
- Foundations
- Giving funds/ matching programs
- GoFundMe individual crowd-sourcing campaigns

Recording Process

Monetary donations recorded by Cash Receipts Unit, Corporate Comptroller’s Office

All donation dollars are deposited to the H+H Collections Account (278 account),

Entries made in General Ledger

Reports made to Philanthropy Committee

Donor information, restrictions maintained

NYC HEALTH+ HOSPITALS

Donation Accounting: Example

COVID 19 donations_MasterForm_JL [Compatibility Mode] - Excel

Row	Donor	Amount	Check	Stock	ACH/Wire	Bank Account	Facility Donation	COVID19 Relief Effort	Other Information and Specific Use of Funds	TY Letters Sent by: JL	TY Letters Sent by: LD	TY Letters Sent by: Oth	Email Req for Tax Notice	eMail
33		$ 24,588.95		x		545		x	225 Sh. Texas Instruments Stock			x		
34		200,000.00				278				X				
35		60,000.00			x	278		x		X				
36		25,000.00				278				X				
37		100,000.00				278			[redacted]	X				
38		5,000.00				278				X				
39		12,500.00				278			$5K corona virus testing $5K PPE $2.5K unrestricted	X				
40		5,950.00				278				X				
41		5,000.00			x	278		x	At the discretion of the charity					
42		9,965.00			x	278		x	[redacted]					
43		25,000.00			x	278		X						
44		100.00	x			278 Check		x						
45		1,000.00	x			278 Check		x					N/A	
46		1,000.00	x			278 Check		x					N/A	
47		500.00	x			278 Check		x					N/A	
48		180.00	x			278 Check		x	Where its needed most				N/A	
49		500.00	x			278 Check		x	Where its needed most				N/A	
50		100.00	x			278 Check		x	CoronaVirus Relief				N/A	

Spend | Master Sheet | Sheet2 | NFG > $5K | NFG ALL | Passwords | in Kind | Sheet1 | Cash to Discretionary Fund ...

Ongoing Activity

- Line-by-line review of donation spreadsheet ongoing
  - Corporate Comptroller's Office, supported by consultants
  - Confirmation that donations used for intended purposes
- Memorializing donor information, restrictions
    - Stewardship opportunities
- Preparing for Internal Audit, draft Process Memo under review
- Developing infrastructure for system Philanthropy initiatives