

## BOARD OF TRUSTEES

### Compliance and Audit Committee

Thursday, September 11, 2025  
10:15 A.M.

BOARD ROOM  
4800 Fournace Place, Bellaire, Texas 77401

The meeting may be viewed online at: <http://harrishealthtx.swagit.com/live>.

*Notice: Some Board Members may participate by videoconference.*

#### Mission

Harris Health is a community-focused academic healthcare system dedicated to improving the health of those most in need in Harris County through quality care delivery, coordination of care, and education.

## AGENDA

- |  |                 |          |
|--|-----------------|----------|
| I. <b>Call to Order and Record of Attendance</b>   | Ms. Carol Paret | 1 min    |
| II. <b><u>Approval of the Minutes of Previous Meeting</u></b>  | Ms. Carol Paret | 2 min    |
| <ul style="list-style-type: none"> <li>• Compliance and Audit Committee Meeting – May 8, 2025</li> </ul>   |                 |          |
| III. <b><u>Presentation Regarding the Harris Health Quarterly Internal Audit Update as of September 11, 2025 – Mr. Mike Post, Harris County Auditor and Ms. Sharon Brantley Smith, Chief Assistant County Auditor</u></b>  |                 | 10 min   |
| IV. <b>Recommendation for Consideration of Approval of Designation of Vice President, Deputy Compliance Officer as Harris Health’s Record Management Officer, Pursuant to Local Gov’t Code Ann. §203.026 – Mr. Anthony Williams</b>  |                 | 5 min    |
| V. <b>Executive Session</b>  | Ms. Carol Paret | 70 min   |
| A. <b><u>Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA and Other Federal and State Health Care Program Requirements, Including Status of Fraud and Abuse Investigations, Pursuant to Tex. Health &amp; Safety Code Ann. §161.032 – Ms.Carolynn Jones, Mr. Anthony Williams and Ms. Vivian Ho-Nguyen</u></b> |                 | (30 min) |
| B. <b><u>Presentation Regarding Harris County Auditor’s Report Regarding Outsourced Medical Services Contract Payment Internal Audit, Pursuant to Tex. Occ. Code Ann. §151.002 and Tex. Health and Safety Code Ann. §161.032 – Mr. Mike Post, Harris County Auditor and Ms. Sharon Brantley Smith, Chief Assistant County Auditor</u></b>  |                 | (10 min) |

- C. [Presentation Regarding Harris County Auditor’s Report Regarding Correctional Health Provider Invoice Internal Audit, Pursuant to Tex. Occ. Code Ann. §151.002 and Tex. Health and Safety Code Ann. §161.032 – Mr. Mike Post, Harris County Auditor and Ms. Sharon Brantley Smith, Chief Assistant County Auditor](#) (10 min)
- D. [Presentation Regarding Harris County Auditor’s Regarding MOVEit Incident Response Assessment, Pursuant to Tex. Gov’t Code Ann. §§551.0761 and 552.1391 – Mr. Mike Post, Harris County Auditor and Ms. Sharon Brantley Smith, Chief Assistant County Auditor](#) (10 min)
- E. [Presentation Regarding Harris County Auditor’s Report Related to Cash Handling Internal Audit, Pursuant to Tex. Health & Safety Code Ann. §161.032 – Mr. Mike Post, Harris County Auditor and Ms. Sharon Brantley Smith, Chief Assistant County Auditor](#) (10 min)

VI. Reconvene	Ms. Carol Paret	1 min
VII. Adjournment	Ms. Carol Paret	1 min

HARRIS HEALTH SYSTEM  
MINUTES OF THE BOARD OF TRUSTEES  
COMPLIANCE & AUDIT COMMITTEE MEETING  
Thursday, May 8, 2025  
10:15 AM

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<b>I. Call to Order and Record of Attendance</b>	Ms. Carol Paret, Committee Chair, called the meeting to order at 9:51 a.m. It was noted there was a quorum present and the attendance was recorded. The meeting may be viewed online through the Harris Health website: <a href="http://harrishealthtx.swagit.com/live">http://harrishealthtx.swagit.com/live</a> .	
<b>II. Approval of the Minutes of the Previous Meeting</b>	<ul style="list-style-type: none"> <li>Compliance and Audit Committee Meeting – February 13, 2025</li> </ul>	<b>Moved by Mr. Jim Robinson, seconded by Ms. Carol Paret, and unanimously approved the minutes of the February 13, 2025 meeting. Motion carried.</b>
<b>III. Presentation of the Harris Health Independent Auditor's Planning Communication Regarding the Harris County Hospital District 401(k) and the Harris County Hospital District Pension Benefit Plans for the Year Ended December 31, 2024</b>	Mr. Ryan Singleton, Managing Director, Forvis Mazars, delivered a presentation on the Harris Health Independent Auditor's Planning Communication Regarding the Harris County Hospital District 401(k) and the Harris County Hospital District Pension Benefit Plans for the Year Ended December 31, 2024. He outlined the audit scope, applicable standards, and planned timeline for communications to the Board. A copy of the presentation is available in the permanent record.	<b>As Presented.</b>
<b>IV. Information Only</b>		
	<b>A.</b> Independent Auditor's Pre-audit Communication for the Harris County Hospital District 401(k) Plan Year Ended December 31, 2024	
	<b>B.</b> Independent Auditor's Pre-audit Communication for the Harris County Hospital District Pension Plan Year Ended December 31, 2024	
<b>V. Presentation Regarding the Harris Health Quarterly Internal Audit Update as of May 8, 2025</b>	Ms. Sharon Brantley Smith, Chief Assistant County Auditor, Harris County Auditor's Office, presented the Harris Health Quarterly Internal Audit Quarterly Update. She reported that two (2) new Senior Auditors had recently joined the Internal Audit team. She provided a summary status of the FY 2025 Internal Audit Plan, noting that the plan is currently 29% complete, with eight engagements in progress and four not yet started.	<b>As Presented.</b>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	<p>Ms. Brantley-Smith also gave an overview of completed engagements, which included the Correctional Health Provider Invoice Audit and the MOVEit Incident Response Assessment. She noted that the Drug Oversight Assessment, initially mentioned during the February Compliance and Audit Committee Meeting, was formally presented at the May meeting. In her summary of outstanding Management Action Plans (MAPs), she reported sixteen (16) outstanding MAPs across six (6) prior engagements. These items remain open either because their due dates have not yet passed or because Internal Audit's validation process is ongoing. She highlighted one (1) high-priority MAP that is past due and stated it was discussed in Executive Session. Looking ahead, Internal Audit will focus on completing the in-progress engagements, finalizing the Internal Audit Strategic Plan for presentation to the Compliance and Audit Committee in September, and initiating the FY 2026 annual risk assessment process. A copy of the presentation is available in the permanent record.</p>	
<p><b>VI. Executive Session</b></p>	<p>At 10:09 a.m., Ms. Carol Paret stated that the Compliance &amp; Audit Committee would go into Executive Session for Items VI 'A and B' as permitted by law under Tex. Occ. Code Ann. §151.002, Tex. Gov't Code §§418.183 and 551.085, and Tex. Health &amp; Safety Code Ann. §161.032.</p>	
<p><b>A. Review of the Community Health Choice, Inc. and Community Health Choice Texas, Inc. Audit Results and Audited Financial Statements for the Twelve Months Ending December 31, 2024, Pursuant to Tex. Gov't Code Ann. §551.085</b></p>		<p><b>No Action Taken.</b></p>

<b>B. Presentation Regarding Harris County Auditor's Report on High-priority Management Action Plan (MAP) Related to Vendor Payments, Pursuant to Tex. Occ. Code Ann. §151.002, Tex. Health &amp; Safety Code Ann. §161.032 and Tex. Gov't Code Ann. §418.183</b>		<b>No Action Taken.</b>
<b>C. Presentation Regarding Harris County Auditor's Report Related to Summary Results of Privileged Engagement, Pursuant to Tex. Occ. Code Ann. §151.002, Tex. Health &amp; Safety Code Ann. §161.032 and Tex. Gov't Code Ann. §418.183</b>		<b>No Action Taken.</b>

<b>D. Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA and Other Federal and State Health Care Program Requirements, Including Status of Fraud and Abuse Investigations, Pursuant to Tex. Health &amp; Safety Code Ann. §161.032</b>		<b>No Action Taken.</b>
<b>VII. Reconvene</b>	At 11:17 a.m., Ms. Carol Paret reconvened the meeting in open session; she noted that a quorum was present and that no action was taken in Executive Session.	
<b>VIII. Adjournment</b>	There being no further business, the meeting adjourned at 11:17 a.m.	

I certify that the foregoing are the Minutes of the Meeting of the Compliance and Audit Committee of the Board of Trustees of the Harris Health System held on May 8, 2025.

Respectfully submitted,

Ms. Carol Paret, BS, Committee Chair

Recorded by Cherry A. Joseph, MBA

Thursday, May 8, 2025

Harris Health Board of Trustees Compliance & Audit Committee Attendance

COMMITTEE MEMBERS PRESENT	COMMITTEE MEMBERS ABSENT	OTHER BOARD MEMBERS PRESENT
Carol Paret ( <i>Committee Chair</i> )	Afsheen Davis	
Jim Robinson		

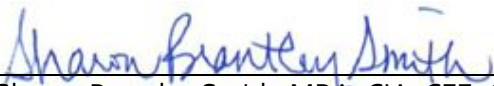
HARRIS HEALTH EXECUTIVE LEADERSHIP, STAFF & SPECIAL INVITED GUESTS	
Anna Mateja ( <i>Community Health Choice</i> )	Maria Cowles
Anthony Williams	Dr. Matasha Russell
Brandon Cannaday	Matt Howell ( <i>FORVIS MAZARS</i> )
Carolynn Jones	Matthew Schlueter
Catherine Walther	Maureen Bremono
Cherry Joseph	Michael Kaitschuck
Daniel Smith	Dr. Michael Nnadi
Derek Curtis	Olga Rodriguez
DeWight Dopslauf	Patrick Casey
Ebon Swofford ( <i>Harris County Attorney's Office</i> )	Randy Manarang
Dr. Jackie Brock	Ryan Singleton ( <i>FORVIS MAZARS</i> )
Jay Camp	Dr. Sandeep Markan
Dr. Jennifer Small	Sara Thomas ( <i>Harris County Attorney's Office</i> )
Jennifer Zarate	Sharon Brantley Smith ( <i>Harris County Auditor's Office</i> )
Jerry Summers	Shawn DeCosta
John Matcek	Dr. Steven Brass
Kiki Teal ( <i>Correctional Health</i> )	Vivian Ho-Nguyen
Louis Smith	

Virtual Attendee Notice: If you joined as a group and would like to be counted as present, please submit an email to: [BoardofTrustees@harrishealth.org](mailto:BoardofTrustees@harrishealth.org) before close of business the day of the meeting.

Thursday, September 11, 2025

Presentation Regarding the Harris Health Quarterly Internal Audit Update  
as of September 11, 2025

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Sharon Brantley Smith, MBA, CIA, CFE, CISA, CGAP  
Executive Vice President – Chief Financial Officer  
Chief Assistant County Auditor, Harris Health  
Harris County Auditor's Office





# **Harris Health Internal Audit Update**

## **Quarterly Update as of September 11, 2025**

Sharon Brantley Smith, Chief Assistant County Auditor – Harris Health

**HARRISHEALTH**



## Our Purpose

Provide independent, risk-based, and objective assurance, advice, insight, and foresight.

## Our Mission

Add value by helping Harris Health:

- Improve operations and enhance its ability to achieve objectives
- Ensure effective governance, risk management, and control processes
- Improve decision-making and oversight
- Protect its reputation and credibility with stakeholders

## Our Goal

Complete at least 75% of the annual Audit Plan by fiscal year-end and achieve at least a 4.5 average rating on the Post-Engagement Surveys.

# What's New?



Sharon Brantley Smith recently passed the American Hospital Association exam to become a *Certified Professional in Healthcare Risk Management (CPHRM)*. The certification demonstrates knowledge in:

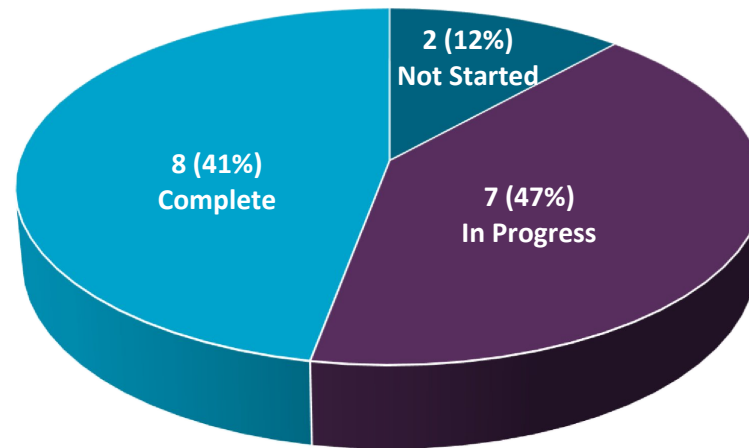
- Clinical/Patient Safety
- Risk Financing
- Legal and Regulatory
- Healthcare Operations
- Claims and Litigation

Although internal audit and risk management should generally be separate functions, the CPHRM helps to expand the healthcare auditor's risk insight beyond finance and internal controls and build a stronger understanding of healthcare operations.

# Audit Plan Status

**HARRISHEALTH**

# Summary Status of FY25 Audit Plan



Total Projects: **17**

# Detailed Status of FY25 Audit Plan



## 8 Completed (47%)

1. Outpatient Appointment Utilization
2. Drug Oversight Assessment
3. Inpatient Non-formulary Process
4. MOVEit Incident Response Assessment
5. Correctional Health Provider Invoices
6. Outsourced Medical Services Contract Payments
7. Contractor Onboarding & Security
8. Cash Handling – Hospitals & Clinics



## 7 In Progress (41%)

1. Sterile Processing Recommendation Follow-up *(end of Fieldwork)*
2. Cash Handling – Parking *(end of Fieldwork)*
3. Hospital at Home Program Evaluation *(Planning)*
4. Referral Process *(Planning)*
5. Purchase Order Process Review *(Planning)* \*\*
6. Capital Asset Management *(Planning)*
7. Management Action Plan Follow-up *(Ongoing)*



## 2 Not Started (12%)

1. Vaccine Management
2. Cybersecurity Training Compliance

## 2 Postponed to FY26

1. Cash Handling – Food & Nutrition
2. Clinical Staff Licenses & Certification

**\*\* The in-progress engagement, Purchase Order Process Review, is a special project added at the request of Corporate Compliance.**

## Recently Completed Engagement –

## Contractor Onboarding & Security

### Objective

Determine whether corrective actions from the 2021 Contractor Onboarding Audit are sustained and controls are in place to minimize the security risk of having contractors on site.

### Overall Conclusion

- Contractor onboarding procedures are formally documented and generally executed as intended.
- There are, however, opportunities to strengthen controls to facilitate consistency in:
  - ✓ The completion of attestation forms for confirmation of credentials and required screenings.
  - ✓ The retention of completed badge forms.
  - ✓ The timely completion of general and departmental orientations.
  - ✓ The definition of generic job codes to identify required credentials for contractor roles.

### Management Actions

- The Department of Public Safety digitized badge access request forms for proper retention.
- By October 1, 2025, Human Resources will:
  - ✓ Update policy, train staff, and monitor to ensure complete attestation forms.
  - ✓ Update policy and communicate with staff to clarify responsibilities for monitoring the completion of required orientations.
  - ✓ Train staff and verify to ensure job title, job duties, and minimum qualifications are documented for generic job codes.

See **Appendix** for full report.

## Recently Completed Engagements (continued)

Audit	Objective	Overall Conclusion
<b>MOVEit Incident Response Assessment</b> <i>(Mentioned at the May 2025 Compliance and Audit Committee meeting)</i>	Evaluate the organization's response to the MOVEit incident and identify any opportunities to enhance the overall IT major incident response process.	<b><i>These were attorney-client privileged engagements. The full reports will be presented and discussed in Executive Session.</i></b>
<b>Correctional Health Provider Invoicing</b> <i>(Mentioned at the May 2025 Compliance and Audit Committee meeting)</i>	Evaluate controls for ensuring provider invoices are complete and accurate prior to payment and providers worked their scheduled time.	
<b>Outsourced Medical Services Contract Payments</b>	Evaluate controls for ensuring correct payments to outsourced medical services vendors.	
<b>Cash Handling – Hospitals &amp; Clinics</b>	Evaluate controls for ensuring cash receipts are safeguarded, recorded, deposited, and reconciled to prevent loss or theft.	



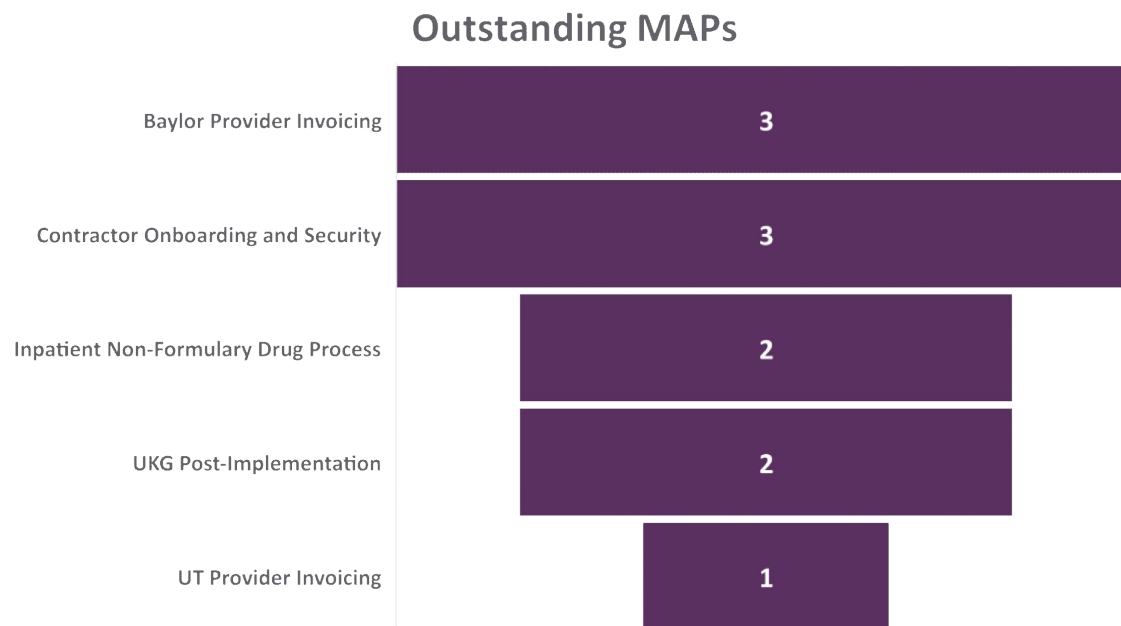
## Follow-up on Management Action Plans

At the end of each engagement, Internal Audit requests action plans and implementation dates from management to remediate the risks identified during the audit. Internal Audit follows up to confirm implementation of management's action plans (MAPs) and provides a monthly update on all outstanding MAPs to the responsible Executive Vice Presidents. Additionally, Internal Audit provides updates to the Compliance and Audit Committee on any past-due MAPs with a high priority for implementation.

A total of **11** MAPs are outstanding for five engagements (**Figure 1**). Due dates for the 11 MAPs range from August 31 to December 31, 2025.

**There are currently no past-due, high-priority MAPs to report.**

*Figure 1*



# Annual Risk Assessment Update

**HARRISHEALTH**

# Annual Risk Assessment Update



## 42 Interviews

Internal Audit, Corporate Compliance, and Accreditation & Regulatory Affairs conducted 42 interviews with Harris Health executives and their respective teams to discuss risks and areas of concern.

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## 90+ Leaders

The interviews involved more than 90 leaders.

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## July-September 2025

The Interviews were conducted over the two-month period July to September. Risks identified from all interviews are being assessed to identify value-added FY2026 assurance projects for Internal Audit, Corporate Compliance, and Accreditation & Regulatory Affairs.

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## September - November 2025

The proposed Audit Plans for Internal Audit, Compliance, and Accreditation will be presented in September and October to Executive Leadership and the Executive Corporate Compliance and Enterprise Risk committee for feedback. We will seek Compliance and Audit Committee approval in November.

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# What's Next?



- ✓ Continue collaborating with the Corporate Compliance and Accreditation & Regulatory Affairs teams to compile and rank risks and draft our FY26 Audit Plans for review and approval by Executive Leadership and the Compliance and Audit Committee.
- ✓ Continue working on the seven in-progress engagements to meet the annual goal of at least 75% Internal Audit Plan completion.
- ✓ Finalize the Harris Health Internal Audit Strategic Plan 2026-2029 for Compliance and Audit Committee approval by calendar year-end 2025.



# Appendix



# Internal Audit Report Contractor Onboarding and Security Audit

**Audit Team:** Sharon Brantley Smith, Veronica Kasdorf, Vince Varkey, Christina Ljuca

**HARRISHEALTH**

**Leslie Wilks, M.Jur., CPA, CFE**  
*First Assistant County Auditor*



**MICHAEL POST, CPA, CIA**  
**HARRIS COUNTY AUDITOR**

**Glenn Holloway, CPA, CIA, CFE**  
*Chief Assistant County Auditor – Audit Division*

**Sharon Brantley Smith, MBA, CIA, CFE**  
*Chief Assistant County Auditor – Harris Health*

July 14, 2025

Dear Omar Reid - Executive Vice President and Chief People Officer:

Harris Health Internal Audit (Internal Audit) has completed an audit of Contractor Onboarding and Security. The results of our audit are included in the attached report.

We appreciate the time and attention provided by your team. Please expect an email request to complete our Post-Engagement Survey. We look forward to your feedback. If you have any questions, please contact Sharon Brantley Smith, Chief Assistant County Auditor at (713) 274-5689.

Sincerely,

A handwritten signature in blue ink that reads "Michael Post". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Michael Post  
County Auditor

*Report Copies:* Dr. Esmail Porsa, Louis Smith, Carolynn Jones, Victoria Nikitin, Dr. Jacqueline Brock, Dr. Yashwant Chathampally, Monica Carbajal, Jon Hallaway, Patrick Casey, Ron Fuschillo, KiKi Teal, Keith Manis, Miguel Gonzalez, Jamie Lard, Anna Vaughn, Candace Moore, Sara Thomas

# Executive Summary

## OVERALL CONCLUSION

Contractor onboarding procedures are formally documented and are generally executed as intended. There are, however, opportunities to strengthen controls to facilitate consistency in:

- The completion of attestation forms to confirm that contractors' credentials were verified and required screenings occurred.
- The retention of completed badge forms to support authorized facility access.
- The timely completion of general and departmental orientations before badges are issued.
- The definition of generic job codes to enhance the ability to confirm the required credentials for contractor roles.

Some of the exceptions noted were identified in the 2021 HR Contractor Onboarding Audit.

The audit issues, management's action plans to address the issues, and background information regarding this audit are discussed in detail on the following pages. Each audit issue is ranked based on the likelihood and impact of the risk to Harris Health.



# Audit Objective, Scope, and Strategic Alignment

## OBJECTIVE

The objective was to determine whether corrective actions from the 2021 HR Contractor Onboarding Audit were sustained, and if controls were currently in place to minimize the security risk of having contractors on site.

## SCOPE

The scope included onboarding processes and documentation for the period January 2024 through January 2025, related to the population of contractors as of January 1, 2025, for the following business objectives:

- The health status and qualifications of contractors are evaluated to minimize any potential health risks to patients and staff before employment.
- Contractors are properly screened prior to employment.
- Contractors are familiar with Harris Health's mission, policies, procedures, and have clear expectations to be effective in their role.

## STRATEGIC ALIGNMENT

The audit relates to Harris Health's Strategic Pillar 2: People and the Operations enterprise risk domain.

# Issues & Management's Action Plans



# 1. Attestation Forms Not Completed Consistently

## [MODERATE]

**What is the Issue:** Eight (13%) of 60 sampled contractors did not have a completed attestation form, as required by policy.

**Why it Happened:** HR management indicated the attestation form, which includes acknowledgments of background checks, required credentials, and health screenings, is not required for remote contractors who do not work on-site, as the absence of direct patient contact reduces the need to verify these screenings and credentials.

**Why it Matters:** Without completed attestation forms, there is limited assurance that contractors have the required licenses, certifications, vaccinations, and immunizations and have passed background checks and drug tests.

**What is Expected:** Harris Health Policy 6.53, *On-Boarding Non-Employees*, requires attestation forms for contractors that acknowledges required licenses and certifications, vaccinations/immunizations, background check, and drug testing. The policy does not make an exception for contractors who are remote, do not require a physical badge, or are not patient-facing.

**What Actions are Suggested:** HR management should ensure consistent enforcement of attestation form requirements for all contractors, regardless of badge access, or revise the policy to clearly state that such forms are required exclusively for patient-facing contractors.

# 1. Management's Action Plan

**Responsible Executive Vice President:** Omar Reid, Executive Vice President & Chief People Officer

**Due Date:** October 1, 2025

*HR will:*

- *Update Harris Health Policy 6.53, On-Boarding Non-Employees, to clearly define which categories of contractors require a signed attestation form and ensure this information is communicated to DPS prior to badge issuance.*
- *Provide training to relevant staff to support consistent enforcement of attestation form requirements.*
- *Periodically monitor to ensure attestation forms are completed for all applicable contractors.*

## 2. Contractor Badge Forms Not Retained

### [MODERATE]

**What is the Issue:** Harris Health's DPS was unable to provide approved badge forms for 22 (37%) of the 60 sampled contractors. A similar issue was noted in the 2021 HR Contractor Onboarding Audit.

**Why it Happened:** At the time of testing, DPS had not digitized the approved forms and continued to use paper forms stored in bins. Consequently, some of the forms could not be located.

**Why it Matters:** Inadequate record keeping of approved badge forms prevents verification of authorized facility access and increases the risk of unauthorized badge issuance or misuse.

**What is Expected:** Harris Health's DPS Guideline, *DPS.DG.9022*, states "all paper and electronic records used in support of badge requests and clearance activations are to be retained in accordance with Harris Health records retention policies."

**What Actions are Suggested:** DPS should digitize all badge access request forms and retain them in accordance with Harris Health's records retention policies.

## 2. Management's Action Plan

**Responsible Executive Vice President:** Monica Carbajal, SVP Chief Admin Officer

**Due Date:** Implemented

*Internal Audit confirmed DPS implemented the following procedure changes as of May 14, 2025:*

- *Digitized all badge access request forms and retained them on the network in accordance with Harris Health's records retention policy.*
- *Communicated procedural changes to relevant staff.*

## 3. Contractor Orientation Process Needs Refining

### [MODERATE]

**What is the Issue:** Two (3%) of the 60 contractors selected for testing received a physical access badge even though they did not complete the required general online orientation. An additional six contractors completed general orientation more than 14 days after their hire dates, which is outside the required timeframe. The average time to complete orientation for these six contractors was 114 days, and there was no evidence that HR followed up with the contractors' managers to reschedule orientation or initiate termination procedures after 14 days, in accordance with policy.

Also, the Departmental Orientation Checklist was not completed for any of the 60 selected contractors to indicate that departmental orientation was completed in addition to the general orientation. A similar issue was noted in the 2021 HR Contractor Onboarding Audit.

**Why it Happened:** There is no established procedure within HR to monitor or follow up on whether newly hired contractors have completed the general online orientation. Additionally, according to HR, the Departmental Orientation Checklist is completed at the discretion of departments and is not monitored by HR.

**Why it Matters:** Contractors who do not complete orientation may not familiarize themselves with Harris Health's mission, vision, values, regulatory requirements, and overarching policies, procedures, and/or guidelines. This could result in non-compliance with legal and regulatory requirements (e.g., confidentiality, harassment policies, HIPAA, etc.) or data breaches and misuse of sensitive information.

In addition, the responsibility for ensuring the completion of the Departmental Orientation Checklist could be incorrectly attributed to HR instead of the appropriate departments.

## 3. Contractor Orientation Process Needs Refining (continued) [MODERATE]

**What is Expected:** Harris Health Policy 6.53, *On-Boarding Non-Employees*, states all contractors shall participate in and complete the applicable contractor online orientation. Failure to complete the orientation shall prevent the contractors from performing a job or assignment at Harris Health. The policy does not make an exception for contractors who are remote or do not require a physical badge.

The policy also states departmental management shall be responsible for ensuring the HR Department Orientation Checklist is completed and submitted to HR within 30 days. The policy does not state that completion of the Checklist is optional, at the department's discretion, or excluded from HR tracking.

**What Actions are Suggested:** HR should revise Harris Health Policy 6.53, *On-Boarding Non-Employees*, to clearly state that responsibility for ensuring completion of the general contractor orientation and completing the Departmental Orientation Checklist lies with the department and will not be monitored by HR.



### 3. Management's Action Plan

**Responsible Executive Vice President:** Omar Reid, Executive Vice President & Chief People Officer

**Due Date:** October 1, 2025

*HR will:*

- *Update Harris Health Policy 6.53, On-Boarding Non-Employees, to clearly state the responsibility for monitoring completion of the general contractor orientation and the Departmental Orientation Checklist lies with the respective department and will not be monitored by HR.*
- *Communicate procedural changes to relevant staff.*

## 4. Generic Job Codes Not Always Defined [LOW]

**What is the Issue:** Two (3%) of the 60 sampled contractors were assigned a generic job code and did not have the job title, job duties, or minimum qualifications documented on their Non-Employee Request form in PeopleSoft. A similar issue was noted in the 2021 HR Contractor Onboarding Audit.

**Why it Happened:** The requests were inadvertently approved by HR despite the Non-Employee Request forms being incomplete.

**Why it Matters:** Failure to clearly document job titles and requirements in the Non-Employee Request form limits HR's ability to accurately identify and monitor the licenses or certifications necessary for the role.

**What is Expected:** Harris Health Policy 6.53, *On-Boarding Non-Employees*, states requestors must complete all required fields in PeopleSoft and obtain management approval before submitting the request to HR.

**What Actions are Suggested:** HR should re-educate staff and enhance the review process to ensure that requestors have supplied detailed information on the job title, job duties, and minimum qualifications for generic job codes before Non-Employee Request forms are approved.

## 4. Management's Action Plan

**Responsible Executive Vice President:** Omar Reid, Executive Vice President & Chief People Officer

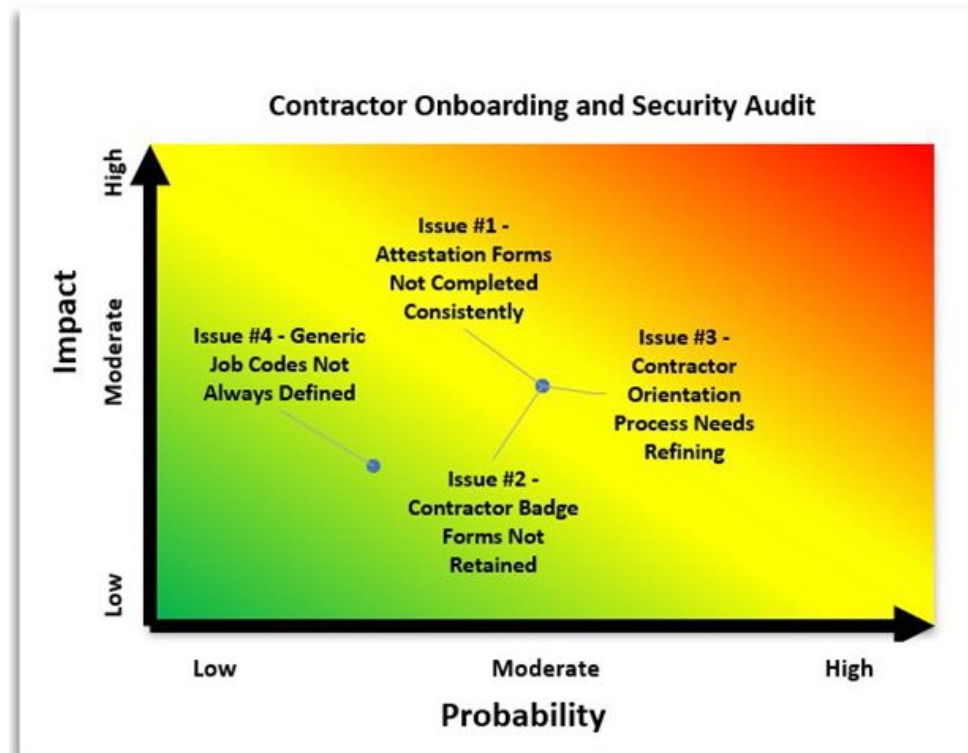
**Due Date:** October 1, 2025

*HR will:*

- *Provide training to relevant staff to ensure requestors have completed the required information for the job title, job duties and minimum qualifications on the Non-Employee Request form.*
- *Verify that the information is complete before approving the requests.*

# Issue Ranking

Internal Audit ranks audit issues as High, Moderate, or Low based in the impact and probability to related business process risks. The assessment is based on auditor judgment and consideration of the controls and/or control gaps identified. Impact represents the auditor's perceived effect of the risk on the achievement of the business function's goals, strategies, reputation, and/or finances. Probability relates to the perceived likelihood that the risk will occur.



# Background

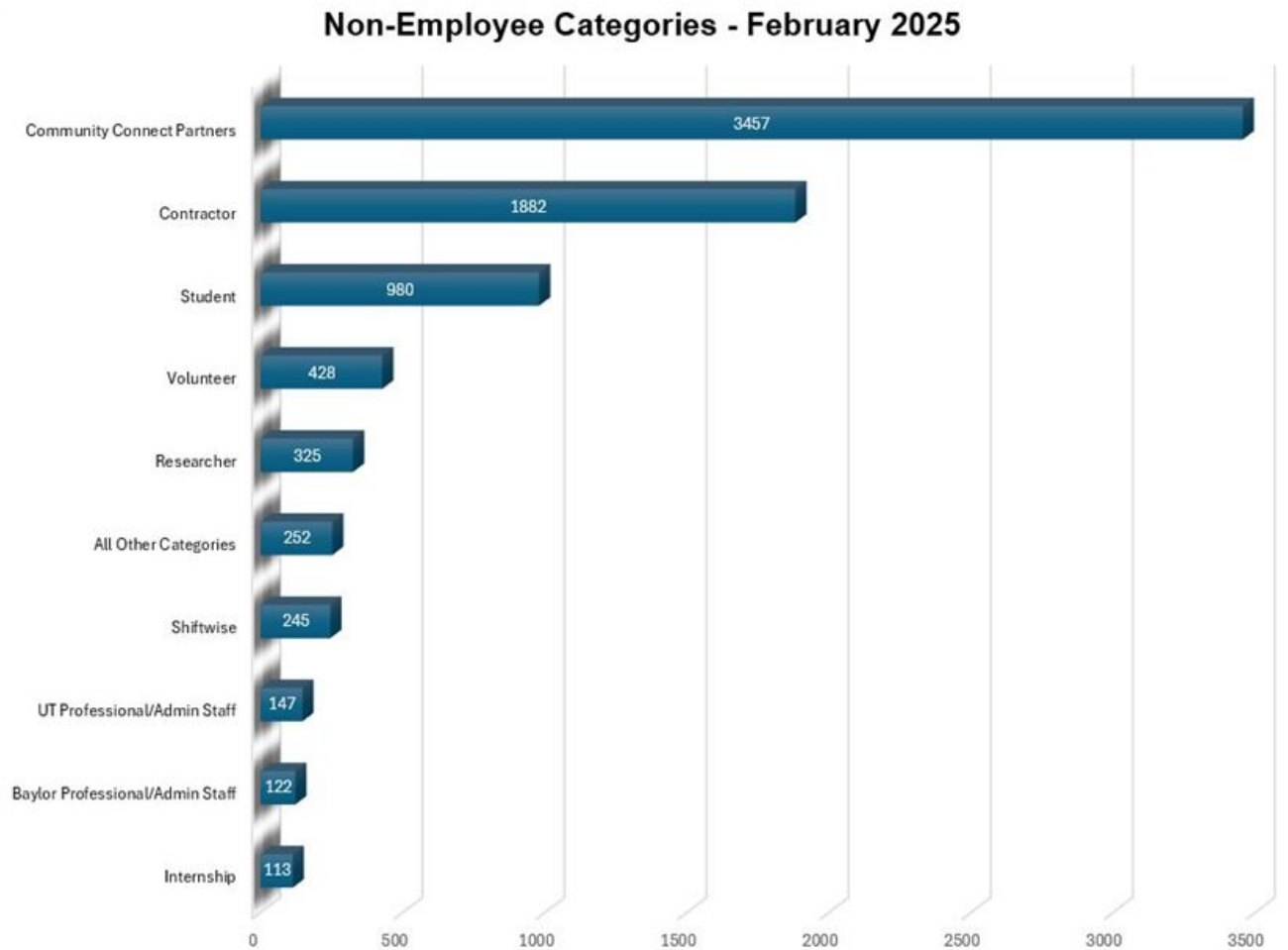
Non-employees (i.e., contractors) provide goods or services to Harris Health and typically require access to a Harris Health facility, whether inside or outside of patient care areas.

The following departments are involved in the contractor onboarding process:

- **Hiring Department** – Responsible for verifying contractor competency, and managing the end-to-end contractor hiring process, including sourcing, screening, interviewing, assessing, and selecting.
- **Human Resources Data Management** – Responsible for reviewing and approving contractor access requests.
- **Human Resources Learning Operations** – Responsible for developing and maintaining contractor training content within the Learning Management System.
- **Harris Health Occupational Health Services** – Provides guidance on vaccination protocols and other preventive measures to reduce communicable disease transmission and mitigate health and safety risks among workforce members.
- **Harris Health Department of Public Safety** – Responsible for issuing and managing badge access for contractors who have successfully completed required online training.

As of February 2025, Harris Health had 7,951 active non-employees. The chart on **page 17** lists the primary non-employee categories.

# Background



Source: PeopleSoft.

# Accountability

Internal Audit conducted this engagement in accordance with the International Standards for the Professional Practice of Internal Auditing (Standards). The Standards require that we comply with the Code of Ethics and obtain reasonable assurance that significant risks to the activity are minimized to an acceptable level.

The work performed required our staff to exercise professional judgment. Since the engagement's scope did not include a detailed examination of all transactions, there is a risk that some instances of fraud, errors, or omissions may not have been detected during this engagement. Management is responsible for ensuring sufficient internal controls are in place to minimize the risk of significant fraud, errors, or omissions.

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# Thank You

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**Michael Post, CPA, CIA**

Harris County Auditor

Mike.Post@aud.hctx.net

Phone: 832-927-4560

**Sharon Brantley Smith, MBA, CIA, CPHRM, CFE, CISA, CGAP**

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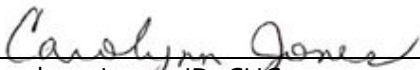


Thursday, September 11, 2025

Executive Session

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Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA and Other Federal and State Health Care Program Requirements, Including Status of Fraud and Abuse Investigations, Pursuant to Tex. Health & Safety Code Ann. §161.032.



Carolynn Jones, JD, CHC  
Executive Vice President, Chief Compliance and Risk Officer

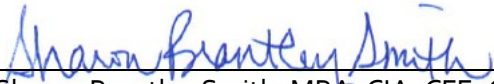
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Thursday, September 11, 2025

Executive Session

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Presentation Regarding Harris County Auditor's Report Regarding Outsourced Medical Services Contract Payment Internal Audit, Pursuant to Tex. Occ. Code Ann. §151.002 and Tex. Health and Safety Code Ann. §161.032.



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Sharon Brantley Smith, MBA, CIA, CFE, CISA, CGAP  
Chief Assistant County Auditor, Harris Health  
Harris County Auditor's Office

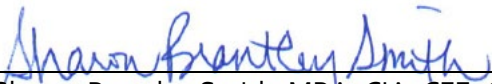
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Thursday, September 11, 2025

Executive Session

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Presentation Regarding Harris County Auditor's Report Regarding Correctional Health Provider Invoice Internal Audit, Pursuant to Tex. Occ. Code Ann. §151.002 and Tex. Health and Safety Code Ann. §161.032.



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Sharon Brantley Smith, MBA, CIA, CFE, CISA, CGAP  
Chief Assistant County Auditor, Harris Health  
Harris County Auditor's Office

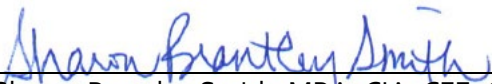
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Thursday, September 11, 2025

Executive Session

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Presentation Regarding Harris County Auditor's Regarding MOVEit Incident Response Assessment,  
Pursuant to Tex. Gov't Code Ann. §§551.0761 and 552.1391.



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Sharon Brantley Smith, MBA, CIA, CFE, CISA, CGAP  
Chief Assistant County Auditor, Harris Health  
Harris County Auditor's Office

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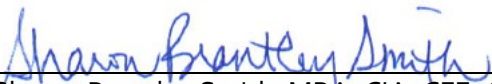


Thursday, September 11, 2025

Executive Session

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Presentation Regarding Harris County Auditor's Report Related to Cash Handling Internal Audit, Pursuant to Tex. Health & Safety Code Ann. §161.032.



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Sharon Brantley Smith, MBA, CIA, CFE, CISA, CGAP  
Chief Assistant County Auditor, Harris Health  
Harris County Auditor's Office

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## BOARD OF TRUSTEES

### Joint Conference Committee

Thursday, September 11, 2025

12:00 P.M.

*(or immediately following the Compliance & Audit Committee meeting)*

The meeting will be conducted via Zoom and may be viewed online at:

<http://harrishealthtx.swagit.com/live>.

#### Mission

Harris Health is a community-focused academic healthcare system dedicated to improving the health of those most in need in Harris County through quality care delivery, coordination of care, and education.

## AGENDA

<b>I. Call to Order and Record of Attendance</b>	<b>Dr. Andrea Caracostis</b>	<b>2 min</b>
<b>II. <a href="#">Approval of the Minutes of Previous Meeting</a></b>	<b>Dr. Andrea Caracostis</b>	<b>2 min</b>
• Joint Conference Committee Meeting – May 8, 2025		
<b>III. Physician Leadership Reports</b>	<b>Dr. Andrea Caracostis</b>	<b>25 min</b>
<b>A. Medical Executive Board (MEB) Chair/Vice Chair</b>	<b>Dr. Kunal Sharma and Dr. Asim Shah</b>	<i>(5 min)</i>
<b>B. Chiefs of Staff</b>		
• Ben Taub Hospital	<b>Dr. Sandeep Markan</b>	<i>(5 min)</i>
• LBJ Hospital	<b>Dr. Tien Ko</b>	<i>(5 min)</i>
<b>C. Assistant Chiefs of Staff</b>		
• BCM	<b>Dr. Fareed Khan</b>	<i>(5 min)</i>
• UT	<b>Dr. Mohammad Zare</b>	<i>(5 min)</i>
<b>IV. Adjournment</b>	<b>Dr. Andrea Caracostis</b>	<b>1 min</b>

HARRIS HEALTH SYSTEM  
MINUTES OF THE BOARD OF TRUSTEES  
JOINT CONFERENCE COMMITTEE MEETING  
Thursday, May 8, 2025  
12:00 PM

AGENDA ITEM		DISCUSSION	ACTION/RECOMMENDATIONS
I.	<b>Call to Order and Record of Attendance</b>	Dr. Andrea Caracostis, Committee Chair, called the meeting to order at 12:01 p.m. It was noted there was a quorum present, and the attendance was recorded. The meeting may be viewed online through the Harris Health website: <a href="http://harrishealthtx.swagit.com/live">http://harrishealthtx.swagit.com/live</a> .	
II.	<b>Approval of the Minutes of Previous Meeting</b>	<ul style="list-style-type: none"> <li>Joint Conference Committee Meeting – March 13, 2025</li> </ul>	<b>Moved by Dr. Kunal Sharma, seconded by Dr. Sandeep Markan, and unanimously approved the minutes of the March 13, 2025 meeting. Motion carried.</b>
III.	<b>Physician Leadership Reports</b>		
	<b>A. Medical Executive Board Chair/Vice Chair</b>	<p>Dr. Kunal Sharma, Chair of the Medical Executive Board (MEB), reported that the medical staff recently participated in the annual faculty medical staff retreat held jointly by Baylor College of Medicine and UTHealth. Dr. Sharma highlighted that Dr. Caracostis was in attendance, reflecting strong leadership engagement. He proudly announced that Lyndon B. Johnson Hospital (LBJ) achieved Magnet® recognition for nursing excellence. In addition, LBJ celebrated Nursing Week across the System, demonstrating a continued commitment to honoring and supporting nursing professionals. Dr. Sharma also shared upcoming research initiatives, noting that Ben Taub (BT) Hospital will host its Research Day on May 14<sup>th</sup>, while LBJ's Research Day is scheduled for October 15<sup>th</sup>.</p> <p>Dr. Asim Shah, Vice Chair of the MEB, acknowledged BT's observance of Mental Health Awareness Month in May. He also encouraged attendees to participate in the upcoming BT Research Day.</p>	<b>As Presented.</b>

	<p><b>B. Chief of Staffs</b></p> <ul style="list-style-type: none"> <li>• LBJ Hospital</li> <li>• Ben Taub Hospital</li> </ul>	<p>Dr. Tien Ko, Chief of Staff at LBJ Hospital, announced recent leadership appointments at LBJ Hospital. As of April 1st, Dr. Laura Moore has assumed the role of Medical Director and Chief of Surgery. Additionally, Dr. Colleen Rodriguez has completed the Executive MBA Program and is now serving as the Medical Director of the Operating Room. Dr. Ko noted that the Emergency Room continues to experience high patient volumes, with over 80,000 visits. Faculty physicians are now participating in medical screenings, which has had a significant impact on improving quality metrics—described as a “game changer” for patient care.</p> <p>Dr. Sandeep Markan, Chief of Staff at BT, reported a continued strong performance in quality outcomes and reaffirmed the hospital’s commitment to delivering high-quality patient care. He recognized the Trauma and Emergency Center (EC) teams for their ability to manage high patient volumes and acuity levels, emphasizing their cohesive and effective teamwork during a demanding season. Dr. Markan also acknowledged the Psychiatric teams for their valuable contributions and reported successful outcomes from recent trauma sites and laboratory surveys. In addition, he highlighted the celebrations of Nurses Week and Hospital Week as important moments of recognition for staff. He expressed appreciation for the leadership of Dr. Glorimar Medina, CEO, Hospital Campuses, and Dr. Jennifer Small, CEO, ACS, and encouraged all attendees to participate in the upcoming Ben Taub Research Day.</p>	<p><b>As Presented.</b></p>
	<p><b>C. Assistant Chiefs of Staff</b></p> <ul style="list-style-type: none"> <li>• UT</li> <li>• BCM</li> </ul>	<p>Dr. Mohammad Zare, Assistant Chief of Staff at UTHealth, shared the success of a recent health fair hosted at Settegast and El Franco Lee clinics. The event provided a wide range of health services, including:</p> <ul style="list-style-type: none"> <li>• Mammography screenings</li> <li>• Blood pressure checks</li> <li>• Diabetic and dental screenings</li> <li>• Patient education</li> </ul> <p>Dr. Zare also highlighted a new partnership between ACS and Population Health focused on managing diabetic patients and individuals with chronic diseases. He reported notable improvements in patient satisfaction scores, particularly in the area of provider communication and listening.</p> <p>Dr. Fareed Khan, Assistant Chief of Staff at Baylor College of Medicine, provided several operational updates:</p> <ul style="list-style-type: none"> <li>• Generators have been deployed throughout clinics to mitigate electric grid</li> </ul>	<p><b>As Presented.</b></p>

		<p>issues following disasters.</p> <ul style="list-style-type: none"> <li>• Quality Management (QM) and Ambulatory Surgery Centers (ASCs) have expanded dialysis services, including peritoneal dialysis.</li> <li>• Baylor Ophthalmology will begin performing cataract and glaucoma surgeries at ASCs, helping free up operating room capacity at hospitals.</li> <li>• The GI department is working to increase its screening capacity, supporting early detection efforts.</li> </ul> <p>Dr. Khan announced that the Northwest Health Center celebrated its 50th anniversary and shared positive feedback regarding the new ambulatory center design standards, noting improved clinic flow and layout. He concluded by recognizing Dr. Martha Mimms and Dr. Eric Silberfein for their exceptional patient satisfaction scores.</p>	
<b>IV.</b>	<b>Adjournment</b>	There being no further business, the meeting adjourned at 12:26 p.m.	

I certify that the foregoing are the Minutes of the Meeting of the Joint Conference Committee of the Board of Trustees of the Harris Health System held on May 8, 2025.

Respectfully submitted,

Andrea Caracostis, MD, MPH, Committee Chair,

Recorded by Cherry A. Joseph, MBA

Thursday, May 8, 2025

Harris Health Board of Trustees Joint Conference Committee Attendance

COMMITTEE MEMBERS PRESENT	COMMITTEE MEMBERS ABSENT	OTHER BOARD MEMBERS PRESENT
Dr. Andrea Caracostis ( <i>Committee Chair</i> )	Sima Ladjevardian	
Dr. Sandeep Markan, Chief of Staff ( <i>BT Hospital</i> )	Dr. Esmail Porsa, Harris Health Chief Executive Officer	
Dr. Tien Ko, Chief of Staff ( <i>LBJ Hospital</i> )		
Dr. Fareed Khan, Assistant Chief of Staff ( <i>BCM</i> )		
Dr. Mohammad Zare, Assistant Chief of Staff ( <i>UT</i> )		
Dr. Kunal Sharma, Medical Executive Board Chair		
Dr. Asim Shah, Medical Executive Board Vice Chair		
Louis Smith, Harris Health Chief Operating Officer		
Dr. Steven Brass, Harris Health Chief Medical Executive Officer		
Dr. Matasha Russell, Chief Medical Executive ( <i>ACS</i> )		

HARRIS HEALTH EXECUTIVE LEADERSHIP, STAFF & SPECIAL INVITED GUESTS	
Carolynn Jones	Jerry Summers
Cherry Joseph	John Matcek
Daniel Smith	Matthew Schlueter
Ebon Swofford ( <i>Harris County Attorney's Office</i> )	Dr. Michael Nnadi
Dr. Glorimar Medina	Randy Manarang
Dr. Jackie Brock	Sara Thomas ( <i>Harris County Attorney's Office</i> )
Dr. Jennifer Small	Shawn DeCosta
Jennifer Zarate	

Virtual Attendee Notice: If you joined as a group and would like to be counted as present, please submit an email to: [BoardofTrustees@harrishealth.org](mailto:BoardofTrustees@harrishealth.org) before close of business the day of the meeting.