



**SPECIAL AUDIT COMMITTEE
JULY 8, 2016
9:00 A.M.**

**MCCORMICK ROOM
30 7TH STREET EAST
SAINT PAUL, MN**

Please note: Committee/Board meeting times are tentative. Committee/Board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

Committee Chair Hoffman calls the meeting to order.

- (1) Appointment of an Executive Director of the Office of Internal Auditing (pp. 1-2)**

Members

Robert Hoffman, Chair
Philip Krinkie, Vice Chair
Kelly Charpentier-Berg
Jay Cowles
Erma Vizenor

Bolded items indicate action required.

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES**

Agenda Item Summary Sheet

Name: Audit Committee

Date: July 8, 2016

Title: Appointment of an Executive Director of the Office of Internal Auditing

Purpose (check one):

Proposed
New Policy or
Amendment to
Existing Policy

Approvals
Required by
Policy

Other
Approvals

Monitoring /
Compliance

Information

Brief Description:

In accordance with Policy 1A.4, Part 5, Executive Director of Internal Auditing, the Board of Trustees will consider the appointment of an individual as executive director of the Office of Internal Auditing.

Scheduled Presenter(s):

Committee Chair Hoffman

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

BOARD ACTION

**APPOINTMENT OF AN EXECUTIVE DIRECTOR OF THE
OFFICE OF INTERNAL AUDITING**

1 **BACKGROUND**

2 In accordance with Policy 1A.4, Part 5, Executive Director of Internal Auditing, the Board of
3 Trustees will consider the appointment of an individual as executive director for the Office of
4 Internal Auditing.

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7 **RECOMMENDED COMMITTEE MOTION**

8 The Audit Committee recommends that the Board of Trustees adopt the following motion.

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11 **RECOMMENDED BOARD MOTION**

12 The Board of Trustees, upon the recommendation of the Audit Committee, appoints David Pyland as
13 executive director of the Office of Internal Auditing effective August 1, 2016. The terms and
14 conditions of the appointments shall be governed by the Personnel Plan for MnSCU
15 Administrators.

16

17 *Date of Approval: July 8, 2016*

David J. Pyland, CPA

SUMMARY

Consulting Executive with a successful background in establishing and building governance, risk and control consulting practices on a national and local basis.

Internal Audit Leader with a proven ability to advise boards and senior management on business risks and controls and establish start-up audit functions. Extensive understanding of business systems and process enables the identification of operational opportunities and bottom-line improvements.

PROFESSIONAL EXPERIENCE

CAROLINAS HEALTHCARE SYSTEM, Charlotte, NC

2009 – 2015

Integrated health system with more than 30 affiliated hospitals in North and South Carolina. It has an operating budget of over \$7.7 billion, 7,460 licensed beds, 60,000 employees, and 900 care locations.

Director, CHS Audit Services (Chief Audit Director, CHS Physician Networks)

Build management relationships and sell the value of internal audit. Drive annual audit plans by identifying and assessing the highest risk areas of the organization. Build an effective internal audit function with qualified professional staff, effective strategies, and supporting tools. Oversee the audit plan, investigations, and special requests.

- Identified numerous business process and control improvements in complex areas of high risk and high impact to the company, including surgery, lab, credentialing and revenue cycle management. The bottom-line impact was substantial.
- Collaborated with Compliance and Legal on high-profile engagements involving regulatory risks, including hospital-based clinics, billing documentation, physician contracting and business office operations. Legal and compliance drove identified improvements.
- Provided controls consulting to senior management for most major process and system changes.
- Developed an effective annual audit planning process consisting of management interviews and surveys focused on strategic and foundational company goals.
- Implemented automated audit work papers and developed supporting policies and procedures.
- Passed an external quality peer review, with no exceptions.
- Enhanced audit department efficiency through data analytic audit strategies.
- Executed the audit plan, presented audit results to the appropriate stakeholders, and monitored management action plans through completion.
- Maintained substantial knowledge of health care compliance, accounting, finance, and revenue cycle management through continuing education.

PYLAND CONSULTING, LLC, Houston, TX

2004 – 2009

Independent consulting firm established to provide internal audit and risk management services to Fortune 500 companies based in Texas.

President and Managing Consultant

Sold and managed consulting services delivered personally and through contract employees.

- Managed SOX for two years for a \$2.2 billion public company operating in 120 countries.
- Delivered Sarbanes-Oxley implementation and maintenance, process improvement, and internal control documentation and testing.
- Provided full-time and project professionals in all areas of accounting, tax and audit services.

JEFFERSON WELLS, Houston, TX**2002 – 2004**

As a wholly owned subsidiary of Manpower, Inc., a \$12.4 billion global Fortune 200 organization, Jefferson Wells provides professional services in the areas of internal audit, tax, finance, and information technology.

Managing Director, Risk and Control Services

Managed the Houston-based internal audit and control services practice and delivered internal audit, risk management and Sarbanes-Oxley services with a primary focus on Health Care, Oil and Gas, Chemicals, Banking, and Higher Education.

- Served as the Chief Audit Executive for three public companies and one bank; reported to the audit committee and attended private sessions without management.
- Provided direct oversight for 30 employees, which included 1 director, 8 managers and 21 professionals in Houston, one of the largest practice locations in the country.

UNITEDHEALTH GROUP, Minneapolis, MN**2000 – 2002**

A Fortune 100 company with \$25 billion in annual revenues and approximately 32,000 employees. Operates under the segment names of UnitedHealthcare, Uniprise, Ovations, Ingenix and Specialized Care Services.

Chief Audit Executive, Internal Audit and Business Risk Management

Managed the corporate internal audit department; developed and executed the annual audit plan. Key areas audited included underwriting, contracting, claims, member services, care coordination and strategic technology implementation projects.

- Directed the implementation of a company-wide risk management program.
- Managed a \$4 million budget, 40 contract professionals and 2 internal staff.

PRICEWATERHOUSECOOPERS, Dallas, TX**1998 - 2000**

The largest "Big Four" accounting and consulting firm with 150,000 employees in 150 countries.

National Director, Healthcare Internal Audit Services

Led the firm's initiative to establish a national health care internal audit, risk and control consulting practice.

- Cultivated relationships with the largest hospital and health insurance companies.
- Coordinated closely with all health care industry PWC partners on the sale and delivery of consulting services.
- Established an ongoing national thought-leadership and best-practices health care round table, which led to nomination by the national health care partner for PWC's Global Innovation Award.

COLUMBIA / HCA HEALTHCARE CORPORATION, Dallas, TX**1995 - 1998**

A Fortune 200 company with \$16 billion in annual revenues, operating approximately 200 hospitals and other healthcare facilities in 24 U.S. states, England and Switzerland.

Managing Director, Consulting and Internal Audit Services

Served as the Managing Director of the Dallas, TX satellite office and a Corporate Director for the 200-person consulting and audit department in Nashville, TN.

- Established and managed a start-up Dallas office for Consulting and Audit Services; hired, trained and directed a staff of 25 professionals.
- Areas of focus included acute care hospitals, university medical centers, central business offices, collection centers, home health agencies and ambulatory surgical centers.

EDUCATION AND CERTIFICATION

Sam Houston State University, Huntsville, TX

BBA in Finance, Cum Laude

Outstanding Finance Student Award; Finance GPA 4.0

Certified Public Accountant (CPA)

Active License in Texas, Colorado and North Carolina

PROFESSIONAL ASSOCIATIONS

Institute of Internal Auditors, Member
Assn. of Healthcare Internal Auditors, Member
(National Conference Speaker, 2011)

American Institute of CPAs, Member
North Carolina Association of CPAs, Member
Healthcare Financial Mgmt. Assn., Member