

SOUTH BROWARD HOSPITAL DISTRICT
REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE
SOUTH BROWARD HOSPITAL DISTRICT
INCLUDING REPRESENTATIVES OF THE MEDICAL STAFF OF EACH OF ITS HOSPITALS

June 23, 2021

A Regular Meeting of the Board of Commissioners of the South Broward Hospital District (S.B.H.D.) was held in person, and by video and telephone conference on Wednesday, June 23, 2021, at 5:43 p.m.

The following members were present:

Mr. Douglas Harrison	Chairman	In person
Dr. Luis Orta	Vice Chairman	In person
Ms. Elizabeth Justen	Secretary Treasurer	In person
Mr. Jose Basulto		In person
Ms. Laura Raybin Miller		In person

The following members were absent:

Mr. Brad Friedman
Mr. Steven Harvey

A registration sheet listing attendees in person is on file in the Executive Office.

1. CALL TO ORDER / PUBLIC MEETING CERTIFICATION

There being a physical quorum present, the meeting was called to order by Mr. Harrison, who noted that public participation is welcome.

Mr. Frank Rainer, Senior Vice President and General Counsel, confirmed, and provided his certification as General Counsel, that all public notice and open meeting (Sunshine) legal requirements had been complied with for this meeting.

2. PRESENTATIONS

a. Request Board Approval of Resolution No. 465 Honoring Pablo E. Uribasterra, M.D., Former Chief of the Medical Staff at Memorial Hospital Miramar

Dr. and Mrs. Uribasterra were in attendance and Dr. Uribasterra was invited to speak. Dr. Uribasterra stated it was an honor to serve as the Chief of Staff of an exemplary hospital in an exemplary healthcare system. He was thankful for the help he received towards making his term successful and productive, especially during the challenging times. Dr. Uribasterra thanked everyone for making it an enjoyable experience for him, and stated he was looking forward to continuing to be a part of the medical staff in the years to come.

Mr. Harrison thanked Dr. Uribasterra for his service and presented him with an award, in appreciation of his service, and read out Resolution No. 465. Flowers were presented to Mrs. Uribasterra and photographs were taken.

Ms. Miller ***moved, seconded*** by Mr. Basulto, that:

***THE BOARD OF COMMISSIONERS APPROVES RESOLUTION NO. 465
HONORING PABLO E. URIBASTERRA, M.D., FORMER CHIEF OF THE
MEDICAL STAFF AT MEMORIAL HOSPITAL MIRAMAR***

The Motion ***carried*** unanimously.

3. APPROVAL OF MINUTES

a. Regular Meeting Held May 26, 2021

A copy of the above Minutes is on file in the Executive Office.

Mr. Basulto ***moved, seconded*** by Dr. Orta, that:

***THE BOARD OF COMMISSIONERS APPROVES THE MINUTES OF THE
REGULAR MEETING HELD MAY 26, 2021***

The Motion ***carried*** unanimously.

4. REPORTS TO THE BOARD; REPORTS FROM BOARD OFFICERS AND STANDING COMMITTEES

a. Contracts Committee Meeting Held June 16, 2021; Dr. L. Orta, Chair

Dr. Orta reviewed the Minutes of the Contracts Committee meeting held June 16, 2021, a copy of which is on file in the Executive Office. Ms. Nina Beauchesne, Executive Vice President and Chief Transformation Officer, gave further details of the individual contracts, and took questions.

1) Request Board Approval of the New Physician Employment Agreement between South Broward Hospital District and Basit Javaid, M.D., Medical Director, Transplant Nephrology

Mr. Harrison ***moved, seconded*** by Ms. Justen, that:

***THE BOARD OF COMMISSIONERS APPROVES THE NEW
PHYSICIAN EMPLOYMENT AGREEMENT BETWEEN SOUTH
BROWARD HOSPITAL DISTRICT AND BASIT JAVAID, M.D.,
MEDICAL DIRECTOR, TRANSPLANT NEPHROLOGY***

The Motion ***carried*** unanimously.

2) Request Board Approval of the Renewal of the Physician Employment Agreement between South Broward Hospital District and I-Wen Wang, M.D., Chief, Adult Heart Surgical Transplant Program

Mr. Harrison ***moved, seconded*** by Ms. Justen, that:

***THE BOARD OF COMMISSIONERS APPROVES THE RENEWAL
OF THE PHYSICIAN EMPLOYMENT AGREEMENT BETWEEN
SOUTH BROWARD HOSPITAL DISTRICT AND I-WEN WANG,
M.D., CHIEF, ADULT HEART SURGICAL TRANSPLANT
PROGRAM***

The Motion **carried** unanimously.

- 3) ***Request Board Approval of the Renewal of the Physician Employment Agreement between South Broward Hospital District and Francisco A. Tarrazzi, M.D., Thoracic Surgery***

Mr. Basulto **moved, seconded** by Mr. Harrison, that:

***THE BOARD OF COMMISSIONERS APPROVES THE RENEWAL
OF THE PHYSICIAN EMPLOYMENT AGREEMENT BETWEEN
SOUTH BROWARD HOSPITAL DISTRICT AND FRANCISCO
A. TARRAZZI, M.D., THORACIC SURGERY***

The Motion **carried** unanimously.

- 4) ***Request Board Approval of the Renewal of the Physician Employment Agreement between South Broward Hospital District and Michael Dolberg, M.D., Colon and Rectal Surgery***

Mr. Harrison **moved, seconded** by Ms. Justen, that:

***THE BOARD OF COMMISSIONERS APPROVES THE RENEWAL
OF THE PHYSICIAN EMPLOYMENT AGREEMENT BETWEEN
SOUTH BROWARD HOSPITAL DISTRICT AND MICHAEL
DOLBERG, M.D., COLON AND RECTAL SURGERY***

The Motion **carried** unanimously.

- 5) ***Request Board Approval of the Renewal of the Physician Employment Agreement between South Broward Hospital District and Marvin Smith, M.D., Adult Orthopaedic Surgery***

Mr. Basulto **moved, seconded** by Mr. Harrison, that:

***THE BOARD OF COMMISSIONERS APPROVES THE RENEWAL
OF THE PHYSICIAN EMPLOYMENT AGREEMENT BETWEEN
SOUTH BROWARD HOSPITAL DISTRICT AND MARVIN
SMITH, M.D., ADULT ORTHOPAEDIC SURGERY***

The Motion **carried** unanimously.

Ms. Beauchesne gave details of other contracts, which were presented for information only.

In the absence of Mr. Saul Kredi, Vice President, Supply Chain Management, Mr. David Smith, Executive Vice President and Chief Financial Officer, presented an RFP for Core Chemistry Solution services, which was awarded to Ortho-Clinical Diagnostics, Inc. Mr. Harrison informed Board members that the District has its own RFP process which is publicly noticed and published.

- 6) ***Request Board Approval of the Minutes of the Contracts Committee Meeting Held June 16, 2021***

Mr. Basulto **moved, seconded** by Mr. Harrison, that:

**THE BOARD OF COMMISSIONERS APPROVES THE MINUTES
OF THE CONTRACTS COMMITTEE MEETING HELD JUNE 16,
2021**

The Motion *carried* unanimously.

b. Building Committee Meeting Held June 16, 2021; Mr. B. Friedman, Chair

In the absence of Mr. Friedman, Mr. Harrison asked Mr. David Schlemmer, Vice President, Construction and Property Management, to review the Minutes of the Building Committee meeting held June 16, 2021, a copy of which is on file in the Executive Office. Mr. Schlemmer elaborated on various items and took questions.

1) *Request Board Acceptance of the Lowest Responsive and Responsible Bidder, Engel Construction, Inc., in the Amount of \$569,609.25, for the Memorial Regional Hospital Cardiac Cath Lab Project*

Mr. Schlemmer confirmed that there was an \$85,000 contingency allocated for the project.

Mr. Basulto *moved, seconded* by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS ACCEPTS THE LOWEST
RESPONSIVE AND RESPONSIBLE BIDDER, ENGEL
CONSTRUCTION, INC., IN THE AMOUNT OF \$569,609.25, FOR
THE MEMORIAL REGIONAL HOSPITAL CARDIAC CATH LAB
PROJECT**

The Motion *carried* unanimously.

Ms. Michelle Weston, Project Manager with Engel Construction, Inc., was in attendance virtually and thanked the Board for the opportunity.

2) *Request Board Acceptance of the Guaranteed Maximum Price from Thornton Construction Company, Inc., in the Amount of \$13,613,113.00, for the Wind Retrofit Project at Memorial Regional Hospital South*

Mr. Basulto *moved, seconded* by Mr. Harrison, that:

**THE BOARD OF COMMISSIONERS ACCEPTS THE
GUARANTEED MAXIMUM PRICE FROM THORNTON
CONSTRUCTION COMPANY, INC., IN THE AMOUNT OF
\$13,613,113.00, FOR THE WIND RETROFIT PROJECT AT
MEMORIAL REGIONAL HOSPITAL SOUTH**

Mr. Schlemmer confirmed that the contingency allocation was included in the amount and would be controlled by Memorial Healthcare System.

Mr. Harrison thanked Mr. Peter Powers, Chief Executive Officer, Memorial Regional Hospital, for showing him and his son around the previous day. At Mr. Harrison's request, Mr. Douglas Zaren, Chief Executive Officer and Administrator, Memorial Regional Hospital South, gave further details of the wind retrofit project.

The Motion *carried* unanimously.

Mr. Thomas Thornton, President, and Mr. Felipe Laserna, Vice President of Construction with Thornton Construction Company, Inc., were in attendance at the meeting, and thanked the Board for the opportunity. Mr. Laserna gave details of the sequence of the work on the project.

3) ***Request Board Approval of the Minutes of the Building Committee Meeting Held June 16, 2021***

Mr. Basulto ***moved, seconded*** by Dr. Orta, that:

***THE BOARD OF COMMISSIONERS APPROVES THE MINUTES
OF THE BUILDING COMMITTEE MEETING HELD JUNE 16, 2021***

The Motion ***carried*** unanimously.

5. **REPORT OF SPECIAL COMMITTEES**

None.

6. **ANNOUNCEMENTS**

Mr. Harrison reported that Ms. Simone Marstiller, Florida Secretary of AHCA (Agency for Health Care Administration), visited Memorial Regional Hospital and Joe DiMaggio Children's Hospital for a Meet and Greet on June 22, 2021. Mr. Harrison attended the event, and explained to the newer Board members the role of AHCA as a regulatory agency for hospitals.

7. **UNFINISHED BUSINESS**

None.

8. **BOARD REGULAR BUSINESS**

a. **Report from the President of Medical Staff, Memorial Regional Hospital and Joe DiMaggio Children's Hospital; B. Freedman, M.D.**

1) ***Executive Committee Report Regarding Recommendations for Appointments, Advancements, etc.***

Benjamin Freedman, M.D., presented the Executive Committee Report regarding recommendations for appointments, advancements, etc., convened on June 16, 2021, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto ***moved, seconded*** by Dr. Orta, that:

***THE BOARD OF COMMISSIONERS APPROVES
RECOMMENDATIONS OF THE EXECUTIVE COMMITTEE OF THE
MEDICAL STAFF AT MEMORIAL REGIONAL HOSPITAL AND
JOE DIMAGGIO CHILDREN'S HOSPITAL***

The Motion ***carried*** unanimously.

2) ***Request Board Approval of the Utilization Review Plan***

Benjamin Freedman, M.D., presented the Utilization Review Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto ***moved, seconded*** by Dr. Orta, that:

***THE BOARD OF COMMISSIONERS APPROVES THE
UTILIZATION REVIEW PLAN***

The Motion ***carried*** unanimously.

3) Request Board Approval of the Performance Improvement Plan

Benjamin Freedman, M.D., presented the Performance Improvement Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto ***moved, seconded*** by Dr. Orta, that:

***THE BOARD OF COMMISSIONERS APPROVES THE
PERFORMANCE IMPROVEMENT PLAN***

The Motion ***carried*** unanimously.

4) Request Board Approval of the Infection Control Plan

Benjamin Freedman, M.D., presented the Infection Control Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto ***moved, seconded*** by Dr. Orta, that:

***THE BOARD OF COMMISSIONERS APPROVES THE INFECTION
CONTROL PLAN***

The Motion ***carried*** unanimously.

b. Report from the Chief of Staff, Memorial Hospital West; D. Smith, D.O.

1) Executive Committee Report Regarding Recommendations for Appointments, Advancements, etc.

Douglas Smith, D.O., congratulated Dr. Uribasterra and stated that he would miss working with him. Dr. Smith then presented the Executive Committee Report regarding recommendations for appointments, advancements, etc., convened on June 14, 2021, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto ***moved, seconded*** by Dr. Orta, that:

***THE BOARD OF COMMISSIONERS APPROVES
RECOMMENDATIONS OF THE EXECUTIVE COMMITTEE OF THE
MEDICAL STAFF AT MEMORIAL HOSPITAL WEST***

The Motion ***carried*** unanimously.

2) Request Board Approval of the Utilization Review Plan

Douglas Smith, D.O., presented the Utilization Review Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto ***moved, seconded*** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE
UTILIZATION REVIEW PLAN**

The Motion **carried** unanimously.

3) Request Board Approval of the Performance Improvement Plan

Douglas Smith, D.O., presented the Performance Improvement Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE
PERFORMANCE IMPROVEMENT PLAN**

The Motion **carried** unanimously.

4) Request Board Approval of the Infection Control Plan

Douglas Smith, D.O., presented the Infection Control Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE INFECTION
CONTROL PLAN**

The Motion **carried** unanimously.

c. Report from the Chief of Staff, Memorial Hospital Miramar; J. Villegas, M.D.

1) Executive Committee Report Regarding Recommendations for Appointments, Advancements, etc.

Juan Villegas, M.D., wished everyone a Happy Father's Day, and reported that Dr. Uribasterra had been a great mentor to him. Dr. Villegas presented the Executive Committee Report regarding recommendations for appointments, advancements, etc., convened on June 9, 2021, submitted for consideration, a copy of which is on file in the Executive Office.

Dr. Orta **moved, seconded** by Ms. Justen, that:

**THE BOARD OF COMMISSIONERS APPROVES
RECOMMENDATIONS OF THE EXECUTIVE COMMITTEE OF THE
MEDICAL STAFF AT MEMORIAL HOSPITAL MIRAMAR**

The Motion **carried** unanimously.

2) Request Board Approval of the Utilization Review Plan

Juan Villegas, M.D., presented the Utilization Review Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE
UTILIZATION REVIEW PLAN**

The Motion **carried** unanimously.

3) Request Board Approval of the Performance Improvement Plan

Juan Villegas, M.D., presented the Performance Improvement Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE
PERFORMANCE IMPROVEMENT PLAN**

The Motion **carried** unanimously.

4) Request Board Approval of the Infection Control Plan

Juan Villegas, M.D., presented the Infection Control Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE INFECTION
CONTROL PLAN**

The Motion **carried** unanimously.

As the Motions and Votes for agenda items 2-4 had taken place separately to the Motion and Vote for agenda item 1, it was agreed to put the Votes together to make one Vote.

Dr. Orta **moved, seconded** by Mr. Basulto, that:

**THE BOARD OF COMMISSIONERS APPROVES
RECOMMENDATIONS OF THE EXECUTIVE COMMITTEE OF THE
MEDICAL STAFF AT MEMORIAL HOSPITAL MIRAMAR,
TOGETHER WITH THE UTILIZATION REVIEW PLAN,
PERFORMANCE IMPROVEMENT PLAN AND INFECTION
CONTROL PLAN**

The Motion **carried** unanimously.

d. Report from the Chief of Staff, Memorial Hospital Pembroke; B. Shatkin, M.D.

1) Executive Committee Report Regarding Recommendations for Appointments, Advancements, etc.

Blane Shatkin, M.D., presented the Executive Committee Report regarding recommendations for appointments, advancements, etc., convened on June 10, 2021, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES
RECOMMENDATIONS OF THE EXECUTIVE COMMITTEE OF THE
MEDICAL STAFF AT MEMORIAL HOSPITAL PEMBROKE**

The Motion **carried** unanimously.

2) Request Board Approval of the Utilization Review Plan

Blane Shatkin, M.D., presented the Utilization Review Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE
UTILIZATION REVIEW PLAN**

The Motion **carried** unanimously.

3) Request Board Approval of the Performance Improvement Plan

Blane Shatkin, M.D., presented the Performance Improvement Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE
PERFORMANCE IMPROVEMENT PLAN**

The Motion **carried** unanimously.

4) Request Board Approval of the Infection Control Plan

Blane Shatkin, M.D., presented the Infection Control Plan, submitted for consideration, a copy of which is on file in the Executive Office.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE INFECTION
CONTROL PLAN**

The Motion **carried** unanimously.

e. Financial Report; Mr. D. Smith, Executive Vice President and Chief Financial Officer

1) Request Board Acceptance of the Financial Report for the Month of April 2021

Mr. David Smith presented the financial report for the month of April 2021, which was not presented the previous month, due to the ongoing audit process. Mr. Smith confirmed that the audit will be presented at the next Audit and Compliance Committee meeting. Discussion on the financial report took place, and Mr. Smith took questions.

Mr. Basulto **moved, seconded** by Dr. Orta, that:

**THE BOARD OF COMMISSIONERS APPROVES THE FINANCIAL
REPORT FOR THE MONTH OF APRIL 2021**

The Motion **carried** unanimously.

Request Board Acceptance of the Financial Report for the Month of May 2021

Mr. Smith presented the financial report for the month of May 2021.

A discussion took place on the need to improve nursing numbers within the system. Ms. Margie Vargas, Senior Vice President and Chief Human Resources Officer, gave details of the ways in which Memorial is recruiting back travelers nurses, noting that it is a slow process, but we have a great strategy and are monitoring the financial aspect.

Mr. Harrison thanked Mr. Kevin Janser, Senior Vice President and Chief Development Officer, for the monies which the Foundation has given, especially noting the recent \$20 million donation. Mr. Harrison also voiced his gratitude to Mr. Paul Sallwasser, Chief Executive Officer, Florida Community Health Network, Corp. (FCHN) and his team.

Mr. Basulto **moved, seconded** by Ms. Justen, that:

***THE BOARD OF COMMISSIONERS APPROVES THE FINANCIAL
REPORT FOR THE MONTH OF MAY 2021***

The Motion **carried** unanimously.

2) Request Board Approval of Resolution No. 466, Amending Fiscal Year 2020-2021 Budgeted Operating Expenditures of the South Broward Hospital District

Mr. Smith read out Resolution No. 466, and gave further details.

Mr. Basulto **moved, seconded** by Ms. Justen, that:

***THE BOARD OF COMMISSIONERS APPROVES RESOLUTION
NO. 466, AMENDING FISCAL YEAR 2020-2021 BUDGETED
OPERATING EXPENDITURES OF THE SOUTH BROWARD
HOSPITAL DISTRICT***

Mr. Smith explained the reason for the budget amendment and clarified the Resolution wording.

The Motion **carried** unanimously.

f. Legal Counsel; Mr. F. Rainer, Senior Vice President and General Counsel

1) Request Board Approval of the Memorial Healthcare System Risk Management Plan - 2021

Mr. Rainer presented the Risk Management Plan for 2021 and confirmed that there were no changes to the Plan.

Ms. Justen **moved, seconded** by Mr. Basulto, that:

***THE BOARD OF COMMISSIONERS APPROVES THE MEMORIAL
HEALTHCARE SYSTEM RISK MANAGEMENT PLAN - 2021***

Mr. Rainer took questions. Mr. Harrison thanked Mr. Rainer for his work on the Plan.

The Motion **carried** unanimously.

2) Affiliation and Medical Education Agreements Update

Mr. Rainer presented the bi-yearly Affiliation and Medical Education Agreements Update, detailing the Undergraduate and Graduate Medical Education Programs and Affiliation Agreements. Upon request by Mr. Harrison, Mr. Janser gave additional information.

No action was required by the Board.

3) Reminder: 2020 Statement of Financial Interests Form Due to the Broward County Supervisor of Elections by July 1, 2021

Mr. Rainer reminded the Board to submit their 2020 Statement of Financial Interests Forms by July 1, 2021. Mr. Harrison asked Mr. Rainer to send an e-mail to Board members, followed by a telephone call to those who had not returned their form.

This item was for information only.

9. NEW BUSINESS

None.

10. PRESIDENT'S COMMENTS

Mr. Fernandez began by reporting on the expenditures over \$300,000 during May and June, including Nurse Travelers expenditure of nearly \$10 million.

It was noted that FEMA will not reimburse more than the maximum amount of Mr. Fernandez's signature authority. Currently Board policy allows Mr. Fernandez to spend up to \$300,000 per month, and a discussion took place on raising this to \$10 million.

Mr. Basulto was happy to make a Motion to say that in the event of a Federal or State declared natural disaster affecting the South Broward Hospital District, the President and Chief Executive Officer has the authority to spend up to \$10 million per month, and will report these expenditures to the Board.

A discussion took place on the wording of the Motion. Mr. Harrison asked Mr. Rainer to bring the Board policy wording to the July Board meeting for further discussion and voting. Ms. Justen suggested a temporary Motion and Vote until the July Board meeting, which was agreed.

Mr. Harrison **moved, seconded** by Ms. Justen, that:

THE BOARD OF COMMISSIONERS APPROVES THAT IN THE EVENT OF A FEDERAL OR STATE DECLARED NATURAL DISASTER AFFECTING THE SOUTH BROWARD HOSPITAL DISTRICT, THE PRESIDENT AND CHIEF EXECUTIVE OFFICER HAS THE AUTHORITY TO SPEND UP TO \$10 MILLION PER MONTH, AND WILL REPORT THESE EXPENDITURES TO THE BOARD

The Motion **carried** unanimously.

Mr. Fernandez then reported the following:

Joe DiMaggio Children's Hospital was nationally ranked by US News and World Report as among the 50 Best Children's Hospitals for Orthopedics (No. 1 in Florida) and Cardiology and Heart Surgery.

Mr. Basulto was selected to receive the South Florida Hispanic Chamber of Commerce's 2021 Health and Wellness Champion "Humanitarian Leader" Award. The award recognizes leadership and experience in the healthcare industry. The event will be held at the Biltmore Hotel on June 25, 2021.

The Graduate Medical Education (GME) Stanley Marks White Coat Ceremony will take place at Memorial Hospital West Parking Garage on July 15, 2021, starting at 5:30 p.m.

11. CHAIR'S COMMENTS

Mr. Harrison asked that if there is anything the Board needs to take action on, with regard to the pandemic, that this should be brought to the Board's attention.

12. COMMISSIONERS' COMMENTS

Ms. Miller thanked everyone for their hard work during the pandemic and congratulated staff on their recent promotions, stating this made her proud. Ms. Miller offered her condolences to Mr. Fernandez and his family regarding a personal matter and Mr. Harrison thanked Ms. Miller for reaching out to him about this.

Mr. Basulto noted that his term as a Commissioner was coming to an end and he did not yet know if his term would be renewed. He stated that it has been an honor and a privilege to work for the South Broward Hospital District and with its staff, and thanked everyone for what they have taught him and felt blessed to have been a part of Memorial.

Ms. Justen thanked everyone for their hard work and informed Mr. Fernandez that she was thinking of him regarding his personal matter. She offered her congratulations to staff on their promotions and hoped that everyone has a good year moving forward.

Dr. Orta echoed the sentiments of the other Board members, and congratulated Mr. Basulto on his award.

In closing, Mr. Harrison voiced his appreciation of other Board members asking him for guidance, and offered his condolences and support to Mr. Fernandez. He thanked everyone for their hard work, noting that the organization is bigger than all its staff.

13. ADJOURNMENT

There being no further business to come before the Board, Mr. Harrison declared the meeting adjourned at 7:26 p.m.

**THE BOARD OF COMMISSIONERS OF THE SOUTH BROWARD
HOSPITAL DISTRICT**

BY: _____
Douglas Harrison, Chair

ATTEST: _____
Elizabeth Justen, Secretary Treasurer

**SOUTH BROWARD HOSPITAL DISTRICT
SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE
SOUTH BROWARD HOSPITAL DISTRICT
JUNE 28, 2021**

The following Board members were in attendance:

Mr. Douglas Harrison	Chairman
Mr. Luis E. Orta	Vice Chairman
Ms. Elizabeth Justen	Secretary Treasurer
Ms. Laura Raybin Miller	

The following Board members attended virtually:

Mr. Jose Basulto	Via WebEx
Mr. Brad Friedman	Via WebEx
Mr. Steven Harvey	Via WebEx

The following additional staff were in attendance:

Ms. Denise DiCesare
Mr. Aurelio M. Fernandez
Mr. Frank Rainer

The South Broward Hospital District Board of Commissioners (Board) met on June 28, 2021, at 5:30 p.m., to conduct the annual performance reviews of Aurelio M. Fernandez, III, President and Chief Executive Officer (CEO), Frank Rainer, Senior Vice President and General Counsel, and Denise DiCesare, Chief Compliance and Internal Audit Officer, for Fiscal Year 2021.

Frank Rainer, Senior Vice President and General Counsel, confirmed that all public notice requirements had been complied with.

1. ANNUAL PERFORMANCE EVALUATION OF DENISE DICESARE, CHIEF COMPLIANCE AND INTERNAL AUDIT OFFICER

Mr. Harvey, Board Chair of the Audit and Compliance Committee, led the evaluation of Ms. DiCesare, due to his work with Ms. DiCesare as the Chair of the Audit Committee. Mr. Harvey was very complimentary as to how quickly Ms. DiCesare assumed the leadership role of the Audit and Compliance Department and how thorough she is during meetings. He agreed that she needs to attend more external meetings to network and assimilate into the compliance community. Also, it was suggested that she reach out to the Executive Staff to establish stronger relationships. The Board's comments were favorable as to her role and interaction with the Board.

A motion was made by Mr. Harvey and seconded by Ms. Justen to accept Ms. DiCesare's evaluation by acclamation and grant her a 1.5% salary pro-rated adjustment reflecting the service time in this new role.

Mr. Harvey ***moved, seconded*** by Ms. Justen:

THE BOARD OF COMMISSIONERS APPROVES A 1.5% SALARY PRO-RATED ADJUSTMENT REFLECTING THE SERVICE TIME IN THIS NEW ROLE FOR DENISE DICESARE, CHIEF COMPLIANCE AND INTERNAL AUDIT OFFICER.

The motion carried unanimously.

2. ANNUAL PERFORMANCE EVALUATION OF FRANK RAINER, SENIOR VICE PRESIDENT AND GENERAL COUNSEL

Ms. Miller opened Mr. Rainer's evaluation by stating that he has been able to transition a very challenging Legal Department into a well-run and efficient performance team. She commented on how responsive he is with Commissioners and how he keeps everyone informed regarding Sunshine regulations. All other Commissioners were also very complimentary of the work he is doing and the type of resource he is for them. Mr. Harrison did share with him the issues noted on his MHS Annual Administrative Leader Evaluation peer feedback responses that need attention. Mr. Harrison suggested that he schedule regular meetings with Executive Staff to become better acquainted and develop better interpersonal relationships. Mr. Fernandez stated that during the pandemic, when attorneys were working remotely, MHS never missed a deadline.

A motion was made by Ms. Justen and seconded by Mr. Harvey to accept Mr. Rainer's evaluation by acclamation and grant him a 3% salary adjustment.

Ms. Justen ***moved, seconded*** by Mr. Harvey:

THE BOARD OF COMMISSIONERS APPROVES A 3% SALARY ADJUSTMENT FOR FRANK RAINER, SENIOR VICE PRESIDENT AND GENERAL COUNSEL.

The motion carried unanimously.

3. ANNUAL PERFORMANCE EVALUATION OF AURELIO M. FERNANDEZ, III, PRESIDENT AND CHIEF EXECUTIVE OFFICER

Mr. Harrison opened Mr. Fernandez' evaluation by summarizing how MHS led the market during COVID-19 and how we were able to retain staff during some very difficult circumstances. Comments by other Commissioners were similar as to how we were able to keep a positive operating bottom line without having to access CARES Act Provider Relief funding. Discussion regarding recruitment of outside executives in the A-Team and its benefits were something that will elevate the organization by bringing management with new perspectives. Overall, it was a very positive evaluation in addition to everything that was accomplished during the pandemic.

A motion was made by Mr. Harrison and seconded by Dr. Orta to accept Mr. Fernandez' evaluation by acclamation and grant him a 3% salary adjustment.

Mr. Harrison ***moved, seconded*** by Dr. Orta:

THE BOARD OF COMMISSIONERS APPROVES A 3% SALARY ADJUSTMENT FOR AURELIO M. FERNANDEZ, III, PRESIDENT AND CHIEF EXECUTIVE OFFICER.

The motion carried unanimously.

Following the evaluation, discussion ensued regarding a search for a new CEO and a timeline for said search. Mr. Harrison stated that he would like to start the search sooner rather than later and engage the members of the Board in participating in identifying a search organization. Overall, the objective is to have a smooth transition process to minimize disruption within the System.

3. ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 9:30 p.m.

**THE BOARD OF COMMISSIONERS OF THE SOUTH BROWARD HOSPITAL
DISTRICT**

BY: _____
Douglas Harrison, Chairman

ATTEST: _____
Elizabeth Justen, Secretary Treasurer

SOUTH BROWARD HOSPITAL DISTRICT

**BOARD WORKSHOP MEETING OF THE BOARD OF COMMISSIONERS OF THE
SOUTH BROWARD HOSPITAL DISTRICT**

JULY 20, 2021

A Board Workshop Meeting of the Board of Commissioners of the South Broward Hospital District (S.B.H.D.) was held on Tuesday, July 20, 2021, at 5:00 p.m.

The following attendees were present:

Mr. Douglas Harrison Chairman
Ms. Elizabeth Justen Secretary Treasurer
Mr. Brad Friedman

The following attendees attended virtually:

Dr. Luis Orta Vice Chairman
Mr. Jose Basulto
Mr. Steven Harvey

Ms. Laura Raybin Miller was absent from the meeting.

Other attendees included: Aurelio M. Fernandez, Matthew Muhart, Monica Puga, Richard Ashenoff, Jeffrey Bross and Jeffrey Sturman

1. CALL TO ORDER / PUBLIC MEETING CERTIFICATION

The meeting was called to order by Mr. Harrison, who noted that public participation is welcome.

Richard Probert, Esq., provided certification as Deputy General Counsel that all public notice and open meeting (Sunshine) legal requirements had been complied with for this meeting.

2. MHS VALUE BASED CARE PRESENTATION

Mr. Muhart presented the concept of value based care reimbursement and how it benefits the organization. He shared how it is different from the traditional fee for service model and how a shift in methodology to wellness and efficiencies will drive the delivery system.

Ms. Puga explained how bundled payments work and how successful those services have been over the past three years resulting in significant financial benefits to the System.

Mr. Ashenoff explained the direct to employer plan where services can be provided at a lower cost with higher quality.

Mr. Muhart explained the benefits of being in the Medicare Advantage space and how it will benefit those 65 years of age and older by providing a high quality option for care.

The presentation was well received and the Commissioners were appreciative of the time spent explaining how MHS is operating within Population Health.

3. ADJOURNMENT

There being no further business to come before the Board, Mr. Harrison declared the meeting adjourned at 7:00 p.m.

South Broward Hospital District

BOARD OF COMMISSIONERS

Douglas A. Harrison, *Chairman* • Dr. Luis E. Orta, *Vice Chairman* • Elizabeth Justen, *Secretary Treasurer*

Jose Basulto • Brad Friedman • Steven Harvey • Laura Raybin Miller

Aurelio M. Fernandez, III, *President and Chief Executive Officer* • Frank P. Rainer, *Senior Vice President and General Counsel*

Group: **AUDIT AND COMPLIANCE COMMITTEE**

Date: July 14, 2021

Time: 3:30 p.m.

Chairman: Steven Harvey

Location: Executive Conference Room

In Attendance: Steven Harvey, John Primeau (Non-Voting), Brad Friedman, Elizabeth Justen, Dr. Luis Orta, Aurelio Fernandez, Leah Carpenter, Frank Rainer, Pascale Prepetit, Richard Leon, David Smith, Jennifer Connelly, Christina Mullins, Denise DiCesare, Carlos Hernandez of RSM, Kirk Cornack of RSM, Anil Harris of RSM, Betty Martin and Ileana Alvarez of Zomma Group, LLP, and Jenny Ballesteros of Zomma Group, LLP

1. **CALL TO ORDER/PUBLIC MEETING NOTICE CERTIFICATION:** Mr. Frank Rainer, Senior Vice President and General Counsel, confirmed that all public notice requirements had been complied with.

2. **NEW BUSINESS:**

A. RSM US LLP – FY 2021 Audit Financial Statement Results

Mr. Hernandez reviewed the 2021 Audit Results and Management Letter (required by the Florida Auditor General) indicating that there were no audit adjustments made and no material weaknesses or significant deficiencies to report. They reviewed the auditor opinion letter noting the unmodified opinion for Memorial Healthcare System. They also reviewed the audited financial statements for the fiscal year ended April 30, 2021.

Request Board Approval of the Audited Financial Statements, Audit Results Report and Management Letter for the Fiscal Period Ended April 30, 2021.

B. Zomma Group – FY 2021 Single Audit Results

Betty Martin reviewed the Single Audit Report for the fiscal year ended April 30, 2021, noting the unmodified opinion for Memorial Healthcare System.

Request Board Approval of the Single Audit Report and Schedule of Federal Awards, State Financial Assistance, and Local Awards and Supplementary Information for the Fiscal Period Ended April 30, 2021.

3. **REVIEW OF THE AUDIT AND COMPLIANCE SECOND QUARTER REPORT:**

I. WRITTEN STANDARDS AND PROCEDURES

MEMORIAL HEALTHCARE SYSTEM

MEMORIAL REGIONAL HOSPITAL • MEMORIAL REGIONAL HOSPITAL SOUTH • JOE DIMAGGIO CHILDREN'S HOSPITAL • MEMORIAL HOSPITAL WEST
MEMORIAL HOSPITAL MIRAMAR • MEMORIAL HOSPITAL PEMBROKE • MEMORIAL MANOR • MEMORIAL HOME HEALTH SERVICES

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The Corporate Policy on DEA Compliance was reviewed and the Corporate Policy on Disability and the Corporate Policy on Emergency Care were revised during the quarter.

II. COMPLIANCE OFFICER

The Compliance Officer attended two sessions each of the Florida Hospital Association's Compliance Roundtable and Privacy & Security Roundtable during the quarter as part of her ongoing efforts to stay up-to-date with emerging industry compliance matters.

III. TRAINING AND EDUCATION

The Compliance Department provided compliance training at seven sessions of New Employee Orientation, one session of Leadership Essentials, and one session of the Compliance Working Committee.

IV. MONITORING & AUDITING

V. RESPONSE & PREVENTION

A. Internal Audits were conducted of:

- Retirement Plan for Employees of South Broward Hospital District;
- Laptop Inventory and Security Controls for MHS; and
- Active Directory Security Controls at MHS.

Opportunities for improvement in record documentation were noted in the Laptop Inventory and Security Controls for MHS. Management has developed detailed corrective action plans for this audit.

B. Recurring internal audits were conducted of:

- Food and Nutritional Services;
- Facilities Management;
- MPG Physicians;
- Construction Projects;
- Requests For Proposal And Competitive Quotes; and
- Board Expenses.

No irregularities were found in the audits.

C. Compliance audits were conducted of:

- 340B Program at Memorial Healthcare System Contract Pharmacies - FY 2021 Fourth Quarter;
- Anesthesiology in the Operating Room at Memorial Hospital West; and
- Pediatric Cardiac Catheterization of MRH.

Opportunities for improvement in record documentation were noted in the Anesthesiology in the Operating Room at Memorial Hospital West and in the Pediatric Cardiac Catheterization of Memorial Regional Hospital. Management has developed detailed corrective action plans for each of these audits.

D. The following other reports were provided to the Committee:

Committee members were provided with a copy of the Investor Contact Log for the quarter.

Committee members were provided with a copy of the list of RSM and Zomma Group Non Audit Engagements for the quarter.

Committee members were provided with an update on the nationwide audit and investigation activities of various federal and state agencies.

VI. OPEN LINES OF COMMUNICATION

A. Hotline Calls

During the quarter, 25 calls, 3 of which were callbacks, were placed to the System's Compliance Hotline covering 22 new topics and no old topics.

Two topics were compliance allegations (two calls, one callback).

One topic was quality of care (one calls).

Two topics were workplace violence allegations (two calls).

All of the calls were investigated and one of the workplace violence allegations was substantiated.

Finally, one topic was a Guidance/Informational (one call) and 16 topics (16 calls, two callbacks) were employee-management relations issues. The employee-management relations issues have been forwarded to the Human Resources Department.

Committee members were presented with the fiscal year end Hotline Tally information and hotline categories were compared to prior years.

B. Privacy Report

Pascale Prepetit, Corporate Director of Privacy, updated the Committee members on the number of investigations for the first quarter of the calendar year. She also informed the Committee members that MHS is leveraging FairWarning-Imprivata's Artificial Intelligence as an additional proactive monitoring tool.

VII. ENFORCEMENT & DISCIPLINE

Sanction checks were conducted of employees, physicians, vendors, volunteers and students. One non-staff referring physicians was sanctioned. Accounts Receivable Management was notified so that appropriate action can be taken.

There being no further business, the meeting was adjourned at 4:50 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Steven Harvey', is written over a horizontal line.

Steven Harvey
Chairman, Audit and Compliance Committee



MEMORIAL REGIONAL HOSPITAL • MEMORIAL REGIONAL HOSPITAL SOUTH • JOE DIMAGGIO CHILDREN'S HOSPITAL
MEMORIAL HOSPITAL WEST • MEMORIAL HOSPITAL MIRAMAR • MEMORIAL HOSPITAL PEMBROKE

DATE: April 30, 2021

TO: Aurelio Fernandez, President and Chief Executive Officer, MHS

SUBJECT: AUDIT AND COMPLIANCE – FOURTH QUARTERLY REPORT FISCAL YEAR 2021

Attached is a copy of the fourth quarterly report of fiscal year 2021 summarizing the activities of the Internal Audit and Compliance Department from February 1, 2021 through April 30, 2021 for your records.

Please let me know if you have any questions regarding this report.

A handwritten signature in black ink, reading 'Denise D. DiCesare'.

Denise D. DiCesare
Chief Compliance and Internal Audit Officer

cc: Leah Carpenter, Executive Vice President and Chief Operating Officer, MHS
Matt Muhart, Executive Vice President and Chief Strategy Officer, MHS
Frank Rainer, Senior Vice President and General Counsel, SBHD
Dave Smith, Executive Vice President and Chief Financial Officer, MHS

I. WRITTEN STANDARDS AND PROCEDURES

The following policies and procedures were reviewed and/or revised during the quarter:

Reviewed:

- DEA.

Revised:

- Disability; and
- Emergency Care.

II. COMPLIANCE OFFICER

The compliance officer attended the following meetings during the quarter:

Florida Hospital Association: Compliance Roundtable: Two Sessions

Florida Hospital Association: Privacy & Security Roundtable: Two Sessions

III. TRAINING AND EDUCATION

The following compliance training was provided during the quarter:

New Employee Orientation: Seven sessions

Leadership Essentials: One Session

Compliance Working Committee: One Session

IV. MONITORING & AUDITING

V. RESPONSE & PREVENTION

A. Internal Audit

Internal Audit of the Retirement Plan for Employees of South Broward Hospital District

Background

The Retirement Plan for Employees of South Broward Hospital District (SBHD) was established on May 1, 1969. The plan has been amended several times and most recently amended and restated effective May 1, 2015. Full-time new hires after November 1, 2011 are no longer eligible to participate in the defined benefit plan. Instead, they are offered participation in a 401(a) defined contribution plan. Effective January 3, 2017, Memorial Healthcare System (MHS) contracted with Transamerica Retirement Solutions, LLC (TRS) to provide administrative, benefit disbursements and trust and custody services for the Retirement Plan. With this background, the purpose of this audit was to determine if the terms of the contract between MHS and TRS are operating as agreed and that pension benefits were paid to eligible beneficiaries with proper documentation.

Using a random sample of 30 pension payments from the HR Masterfile of pensioner's accounts,

we traced them to pension calculation worksheets and bank reconciliations performed by Corporate Finance. In order to determine the accuracy of the pension administration services provided by TRS, we checked the eligibility of 15 new retirees processed and paid by TRS in December 2019 and verified that retirement payments to employees on the TRS Death Notice Report for December 2019 were appropriately discontinued or switched to any named survivors. In addition, we reviewed a copy of the letter that was sent to former employees of MHS with an offer of a one-time lump sum distribution from the defined benefit pension plan prior to normal retirement age of 65 years in March 2020. Finally, we reviewed the pension bank reconciliation process performed by Corporate Finance in consultation with Human Resources (HR) and Treasury and copies of the pension bank reconciliations for calendar years 2019 and 2020.

Observations

The sample of 15 retirees on the TRS New Retiree Report for December 2019 were covered employees and therefore eligible for pension payments. Pension payments for retirees on the Death Report for the same month were appropriately discontinued in subsequent periods. All 30 audit selections of pension payments taken from the HR Masterfile were properly authorized, calculated and disbursed. Several random selections included in our 'New Retirees sample were traced to the one-time lump sum distribution report. The amounts disbursed by TRS for those selections agreed to pension calculation worksheets and bank reconciliations without exceptions. The pension bank reconciliations properly accounted for all payments made to retirees by TRS, cross checked to funding reports prepared by MHS Treasury and any reconciling items were discussed at the Corporate Finance, HR and MHS Treasury pension committee meetings. We discussed the results of our review with Ed Werner, Administrative Director, HR and Veldia Jackson, Coordinator, Benefits, HR.

Recommendations

There were no findings in this audit, no recommendations or action plan is necessary.

Internal Audit of Laptop Inventory and Security Controls for Memorial Healthcare System

Background

Memorial Healthcare System (MHS) has recently accelerated the availability of mobile computing devices (laptops) assisting the workforce to initiate physical distancing while remaining an effective team member from home. When working remotely, MHS employees generally access MHS resources using the Citrix receiver. The Citrix receiver creates a virtual environment wherein the laptop can access internal MHS services and applications, but the laptop is provided no reporting mechanism to MHS servers. Some MHS employees remotely connect using a Virtual Private Network (VPN) which allows the laptop to communicate directly with MHS servers and an inventory of the laptop hardware and software details is enabled. The MHS Standard Practice *Enterprise Acceptable Use Policy* provides guidance on how laptops are to remain current with industry patching standard by stating, "It is the responsibility of the User to ensure that virus protection and other security patches remain current. Specifically, for laptop computers this requires connecting to the network at least once a week, and accepting all updates that are pushed to the mobile computing device via IT. Under no circumstance are these updates to be refused or

deleted once installed." Directly connecting the laptop to the internal MHS network facilitates real-time inventory on hardware, antivirus and malware updates, application updates, software inventory, and Windows operating system patching. However, such checks cannot be performed while the device is working remotely using Citrix and with little expectation of successfully updating when connecting with the VPN. With this background, the purpose of this audit was to determine if MHS laptops meet current security standards, evaluate the completeness of laptop inventory, identify active laptops that have not been present on the MHS network for an extended period of time and identify the most recently known security patches for those laptops.

Observations

We pulled a full inventory of laptops from the Lawson Asset Management system excluding laptops already marked as disposed. We used RAT-STATS Random Number Generator to select 30 random laptops. MHS utilizes McAfee ePolicy Orchestrator (ePO) and the Microsoft System Center Configuration Manager (SCCM) to continuously collect data elements about Microsoft Windows devices connected to the internal MHS network; however, these data elements are purged if the laptop does not reestablish a connection to the MHS internal network in 365 days and 55 days, respectively. Out of our 30 randomly selected laptops, 16 have been present on the MHS internal network within 55 days of our data sampling and were collected by SCCM, an additional four of the laptops have been present on the network within the last year and have been collected by ePO, but 10 of our randomly selected laptops have not been present on the network within the past year and no data elements were collected. Of those 10, we verified that six had certificates of destruction confirming that the laptops were properly disposed and four are unaccounted for. Of the 20 laptops with available ePO and SCCM data elements, two were running Windows 7 and four were running a previous MHS version of Windows 10.

Recommendations

We recommended a process developed wherein all identifiable data elements collected for MHS laptops are retained indefinitely. We also recommended developing a procedure for remote users to connect the laptop to the MHS internal network to receive security updates in accordance with the MHS Enterprise Acceptable Use Policy Standard Practice.

Mr. Jeffrey Sturman, Senior Vice President and Chief Information Officer agreed with our recommendations and has provided a detailed response and action plan.

Internal Audit of the Active Directory Security Controls at Memorial Healthcare System

Background

Memorial Healthcare System (MHS) leverages the Microsoft Active Directory (AD) to authenticate and authorize all users and Microsoft Windows computers within the MHS computer network. Rights for users include access to the MHS network, specific portions of the network, as well as membership to group storage locations, such as the MHS common drives called Home, Shared, etc. Rights for computers include specific network setting for specialized software and ability to download and install requested software. AD also inventories and collects security information on each connected computer to provide security updates and patches as they become

available. We reviewed three types of AD accounts with known risks. Those risks are domain administrators, the default administrator account, and user accounts with passwords that have been unchanged for an extended length of time.

As an identity and authentication infrastructure, exploitation of AD gives attackers the information they need to gain access to databases, servers, and storage. Access to certain AD accounts can be used to elevate privileges. AD is managed by a select group in the Information Technology (IT) Server Services Department called domain administrators. The domain administrators have supervisory roles to define groups, group rights, and approval of Windows security updates. When signed in as a domain administrator, the domain administrator's activities are logged and stored into AD. The MHS IT Security Department has defined domain administrator activities that could be deemed suspicious or outside the scope of daily responsibilities. Any such activity is flagged and investigated by the IT Security Department. A second account type is the default AD administrator credentials that are the username and password that the manufacturer provides for the initial setup. These credentials are often publicly shared by the manufacturers in the product documentation, and the same credentials are used for every device the manufacturer sells. A third account is the dormant account, which occurs when a MHS user account becomes unattended, such as when Staff Relief personnel do not return for a period, or when an employee uses Family Medical Leave Act (FMLA). Abandoned or unattended MHS user accounts pose a security risk as the confidentiality of their user credentials can become compromised the longer the password remains unchanged. The MHS *Enterprise Username and Password Policy* requires all MHS user accounts to change their password every 90 days, which prevents stale passwords from accessing the network. With that background, the purpose of this audit is to verify the monitoring of domain administrator account activity, security controls around the default AD domain administrator account, and management of dormant accounts.

Observations

We reviewed all 20 domain administrator flagged tickets for the month of December 2020 and determined the IT Security Department's investigation was complete and impartial. All 20 tickets were investigated by a department outside of Server Services and investigational notes are logged and maintained in the MHS ticketing system for historical review as needed. We utilized Hyena, an application to administer AD to verify that the default AD administrator account has been removed from the MHS AD environment. To identify any dormant accounts, we reviewed a random selection of 50 MHS user accounts with a password older than 90 days. All of those accounts were required to change their password at next login. There were three groups that were exempt from changing their password in accordance with the *Enterprise Username and Password Policy*. The groups were Board Members, Fire Rescue, and Healthcare District of Palm Beach County (HCDPBC). We were provided documentation of the previously approved Board Member and Fire Rescue exemptions. Board Member and Fire Rescue groups are being monitored for internal MHS computer logins since neither should ever access internal MHS resources. The HCDPBC exemption was made in error and, subsequent to this audit, has been corrected.

Recommendations

There were no recommendations for this audit and an action plan is not required.

Recurring Quarterly Audits of Food & Nutritional Services and Facilities Management

Invoices in the Food & Nutritional Services Department and Facilities Management Department were audited by Elevate. No irregularities were found during these audits.

South Broward Hospital District Construction Projects

Twenty-seven payment vouchers for 10 construction projects were audited during the quarter, as shown on Exhibit A. No irregularities were found during these audits.

South Broward Hospital District Requests For Proposal And Competitive Quotes

Ten Requests for Proposal and 30 Competitive Quotes were audited during the quarter, as shown on Exhibit B. No irregularities were found during these audits.

Board Expenses

Board Expenses were audited during the quarter. The list of expenses audited for the quarter will be handed out and discussed during the meeting.

B. Compliance

Compliance Audit of the 340B Program at Memorial Healthcare System Contract Pharmacies - FY 2021 Fourth Quarter

Background

The 340B Program is administered and overseen by the Health Resources and Services Administration (HRSA) which is within the Health and Human Services Department (HHS). The 340B Drug Pricing Program requires drug manufacturers to provide outpatient drugs to eligible health care organizations/covered entities at significantly reduced prices. Eligible health care organizations are defined by statute. To participate in the 340B Program, eligible organizations must register and be enrolled with the 340B Program and comply with all the requirements. The requirements include maintaining an up-to-date 340B database; recertifying eligibility every year; and preventing duplicate discounts by having mechanisms in place to prevent receiving a 340B price and a Medicaid drug rebate for the same drug. With respect to preventing duplicate discounts, Memorial Healthcare System (MHS) bills Medicaid for 340B purchased medications, meaning it carves-in Medicaid which is approved by HRSA/ Office of Pharmacy Affairs (OPA). Covered entities are subject to audit by manufacturers and/or the federal government. Any covered entity that fails to comply with 340B Program requirements may be liable to manufacturers for refunds of the discounts obtained. To be eligible to receive 340B-purchased drugs patients (1) must have an established relationship with the covered entity such that the entity maintains records of the individual's care; and (2) must receive care from a professional employed by the covered entity or under contract or other arrangement with the covered entity such that responsibility for the care remains with the covered entity. Under the guidelines, an individual is not considered a patient of the covered entity if the only health care service received by the individual from the entity is the dispensing of a drug for subsequent self-administration or administration in the home setting. The

only exception is patients of state-operated or -funded AIDS drug purchasing assistance programs. MHS participates in the 340B Program for Memorial Regional Hospital (MRH) which includes Memorial Regional Hospital South (MRHS) and Joe DiMaggio Children's Hospital (JDCH); Memorial Hospital Pembroke (MHP); Memorial Hospital West (MHW); and Memorial Hospital Miramar (MHM). HRSA has developed guidelines to allow covered entities to contract with one or more outside pharmacies to act as dispensing agents. The covered entity and contract pharmacy must establish and maintain a tracking system to prevent diversion of drugs to individuals who are not patients of the covered entity. Covered entities are responsible for monitoring and ensuring contract pharmacy compliance with 340B Program requirements such as patient definition and the duplicate discount prohibition. MHS uses a software vendor, Verity Solutions Group (Verity), application to help manage its contract pharmacy arrangements. There are seven contract pharmacies. The purpose of this audit was to determine if MHS contract pharmacies are in compliance with the HRSA 340B Program requirements.

Observations

We examined 154 340B eligible contract pharmacy claims, 22 for each of the seven outpatient pharmacies of which 12 were specific targeted areas. There were no findings.

Recommendations

There are no recommendations and an action plan is not required.

Compliance Audit of Documentation of Anesthesiology Services in the Surgical Services at Memorial Hospital West

Background

Envision is contracted to provide anesthesiology and medical administrative services relating to Anesthesiology for Memorial Healthcare System (MHS). Envision provides all the anesthesiology needs to Memorial Hospital West (MHW) Surgical Services. According to the contract, Envision will follow all MHS policies and procedures. Per the MHS Departmental Nursing/Pharmacy Policy and Procedure titled, "Medication Administration – Policy Statement", medications are to be administered in accordance with Federal and State laws, the orders of the practitioner(s) responsible for the patient's care, and accepted standards of practice. MHS uses an Automated Dispensing Cabinet (ADC), an advanced point-of-use system that automates the distribution, management, and control of medications. All medications to be used during surgery including intravenous fluid (IVF), anesthetics, controlled substances and multiple other medications are removed from the ADC, which keeps a record of the user and the amount of each drug removed. Controlled substances are drugs that have the potential for abuse or dependence. Federal regulations require detailed documentation of the disposition of all controlled substances, which includes the documentation of the persons' names who are administering, wasting and witnessing the wastage. During operative stage (intraoperative), EPIC creates an order in the background when medications are withdrawn from the ADC and administration is documented in EPIC. Anesthesia providers document all events and medications administered under the anesthesia record in EPIC. The purpose of this audit was to determine if documentation supports medical necessity; determine the accuracy of charging for medications withdrawn from the ADC that

were administered, wasted, discarded or returned; and determine compliance with Federal guidelines and MHS policies and procedures by Anesthesiology providers in the Surgical Services at MHW.

Observations

All accounts had events and medication administration documented under the anesthesia record in Epic. All accounts had documentation of the planned and the actual type of anesthesia used. All accounts had start and finish times of anesthesia, and start and finish times of procedure documented. Twenty-one out of 30 accounts had documentation discrepancies related to medications, IVFs and anesthetics administered that were not removed from the ADC for the patient, and/or medications dispensed from the ADC for the patient that were not documented as administered, returned, discarded or wasted according to the MHS Nursing/Pharmacy Departmental Policy and Procedure titled “Automated Dispensing Cabinet (ADC)-Nursing/Pharmacy Responsibilities” leaving the medications unaccounted for. According to Anesthesiology management, at times medications are returned to the ADC via returned function in bulk. In one of the Operating Room accounts with discrepancies, the documentation showed evidence that the provider did not waste the medication per the MHS Nursing/Pharmacy Departmental Policy and Procedure titled, “Controlled Substances Waste” policy. In the Prehold area, we noted that the Lactated ringer (LR), an IVF which was started by Registered Nurses (RN) according to the Anesthesiology order were not dispensed from the ADC or a secure place that records the user and the amount removed for the patient. According to Surgical Services management and Pharmacy management, LR is high volume and there may not be enough space in the ADC to meet all of the Prehold needs. In the Recovery area we noted that three accounts showed evidence that the RNs did not waste the Anesthesiology ordered medications per the MHS “Controlled Substances Waste” policy. We noted three other accounts had errors in documentation of the doses that were actually wasted, such as documenting zero as a wasted amount or the documented wasted amount did not match the partial administration of the medication dosage. Also, we noted some RNs in the Recovery area utilized single-use vials as a multi-use for the same patient. The same dosage was administered frequently in increments exactly as Anesthesiology ordered based on the pain scale when needed. This is not a standardized process and procedures for this process cannot be found in the Controlled Substance Waste policy.

All 30 accounts were charged for the correct type of anesthesia used. A total of nine out of 30 accounts had charge discrepancies related to medications and/or IVFs. Four of the discrepancies were medications administered by anesthesiology providers that had a documentation error leading to incorrect charges and did not correlate with the medications dosage dispensed from the ADC. Five of the nine accounts with charge discrepancies were in the Prehold area or Recovery area and were for medications that did not correlate with the amount of medications dispensed from the ADC.

Recommendations

We recommended the Anesthesiology management and Surgical Services management develop a process to account and reconcile all medications removed from the ADC with the provider administration for each account. We recommended reeducating the Anesthesiology staff on the“(ADC) Nursing/ Pharmacy Responsibilities” policy. We recommended reeducating the staff on the “Medication Administration - Policy Statement” policy and that controlled substances

medications are always administered as ordered and wasted as per the “Controlled Substances Waste” policy. We recommended the Pharmacy management and Surgical Services management develop a process to account for all LRs and reconcile with the administration for each account in the Prehold area. We recommended updating and standardizing the MHS “Controlled Substances Waste” policy to the current process and practice in Recovery area to include incremental administration as well as titration. We recommended that Pharmacy management reeducate Surgical Services management regarding the requirements of the Pharmacy Department’s policy and procedure, “Controlled Substance Diversion Prevention and Detection” policy and monitor to ensure that Surgical Services management adhere to the requirements of the policy.

Felicia Turnley, Associate Administrator and Interim Chief Executive Officer, MHW and Kevin Corcoran, Chief Financial Officer, MHW agreed with the findings and recommendations of this audit and have provided an action plan.

Compliance Audit of Documentation and Billing Of Pediatric Cardiac Catheterization Memorial Regional Hospital

Background

Cardiac catheterization (cardiac cath) is a non-surgical procedure performed to examine the structure and function of the heart. During cardiac cath, a long hollow thin tube known as a catheter is introduced to a vein or artery in the neck, groin, or arm and inserted through the blood vessels leading to the heart to assess for diagnosis, planning, and intervention. Cardiac catheters can be performed for congenital heart conditions (present at birth) and non-congenital heart conditions. Cardiac catheters are non-surgical procedures performed in infants, children, and teens to determine if there is a problem with the heart called diagnostic cath, or to repair a problem known as an interventional cath. Performance of a diagnostic cardiac cath and interventional procedure on the same encounter is the standard of practice when medically appropriate. These procedures are performed in cardiac cath laboratories.

In the 2019 Outpatient Prospective Payment System Rule (OPPS), the Centers for Medicare and Medicaid Services (CMS) added 17 cardiac procedures to the list of Ambulatory Surgical Center (ASC) approved procedures. These procedures, represented by Current Procedure Terminology (CPT) codes 93451-93462 and 93566-93572, include left and right heart cath, and cardiac angiography. CMS outlines coverage guidelines for Cardiac catheters and coronary angiography, indications for right heart catheters, left heart catheters, and combined heart catheters, and the medical decision making when interventional procedures are not performed during the same session as the diagnostic procedures, as well as the medical necessity for each procedure when multiple catheterization and angiographic procedures are performed during the same session. The medical necessity criteria documentation requirements include an interpretation and report of all procedures performed and imaging for each angiographic procedure (film, video or digital) to be retained and available for review by the Medicare contractor. Components that decide how cardiac catheters are coded is based on the reason and type of procedure performed; whether it is for congenital or non-congenital heart conditions; performed for the right heart only, left heart only or combined left and right heart; diagnostic procedure, interventional procedure or both; and the technique and complexity of the procedure performed. The Cardiac and Vascular Institute at Memorial Regional Hospital (MRH) has cardiac cath laboratories where diagnostic and interventional catheters are

performed. The Pediatric Heart Institute (PHI) at Joe DiMaggio Children's Hospital (JDCH) provides all of the comprehensive preoperative and the postoperative, assessments, evaluations, management, supervision and follow-up care. The adult cardiac cath team performs the cath procedures for both the adults and pediatric patients at MRH. JDCH management requested an audit of the pediatric cardiac cath coding, charging and billing procedures for accuracy. The purpose of this audit was to determine if documentation supports medical necessity and services billed; and to determine the accuracy of coding, charging and billing of pediatric cardiac cath procedures at MRH.

Observations

All 30 medical records had a diagnosis documented that met medical necessity requirements and an order for the procedure performed. The CPT code(s) for the cardiac cath procedure(s), coronary angiography, and contrast injection procedure(s) were linked to the appropriate International Classification of Diseases, Tenth Revision, and Clinical Modification (ICD-10-CM) diagnosis code. All medical records had start time and end time of procedure documented. All accounts had a brief summary of the description and explanation of the diagnosis and procedure performed documented by the cardiac surgeon the day of procedure. Also, the Department of Pediatric Cardiology documented interpretation and detailed report including preoperative diagnoses and procedures; clinical history; procedures performed with descriptions and labeled images; findings; postoperative diagnosis; discussion and follow up plan within a week. All 30 accounts had correct Operating Room time charges entered. All accounts had a primary procedure CPT code attached to the Operating Room time charge. There are opportunities for improvement with regards to ensuring the CPT code entered accurately describes the correct procedures including the non-chargeable add-on codes as required by CMS. Medicare bundles all of the add-on CPT codes into a payment with the primary procedure. Three accounts did not have the non-chargeable add-on CPT codes entered according to documentation. Two accounts had incorrect CPT codes entered indicating combined right heart cath and retrograde left heart cath for congenital cardiac anomalies, but should have been combined right heart cath and transseptal left heart cath through an existing septal opening with or without retrograde left heart cath, for congenital cardiac anomalies. The differences in these CPT codes are the complexity of the procedure and technique the surgeon used to perform the procedure. There is no effect on reimbursement.

Recommendations

We recommended reeducating Health Information Management (HIM) coders on the CMS requirements and CPT code rules and guidelines. We recommended the five accounts that required corrections be updated with correct CPT codes and rebilled as appropriate.

Diane Evangelista, Administrative Director, HIM, MHS, Peter Powers, Administrator and Chief Executive Officer, MRH, and Walter Bussell, Chief Financial Officer, MRH agreed with the findings and recommendations of this audit and have provided an action plan.

C. Services Provided By Protiviti

A list of Services Provided by Protiviti for the quarter will be discussed during the meeting.

D. Other Reports

Investor Log

The Investor Contact Log for the quarter is attached for your review. See Exhibit C.

Non-Audit Engagements

A list of RSM and Zomma Group Non Audit Engagements for the quarter is attached for your review. See Exhibit D.

Compliance Environment

A discussion of Nationwide Audit and Investigation Activities for the quarter will be held during the meeting.

VI. OPEN LINES OF COMMUNICATION

A. Hotline Calls

During the quarter, 25 calls, three of which were callbacks, were placed to the System's Compliance Hotline covering 22 new topics. Three topics were compliance allegations (two calls, one callback). Two topics were workplace safety allegation (two calls). One topic was a quality of care (one call). All of the calls were investigated and one of the allegations was substantiated.

Finally, one topic was informational (one call) and 16 topics (16 calls, two callbacks) were employee-management relations issues. The employee-management relations issues have been forwarded to the Human Resources Department.

VII. ENFORCEMENT & DISCIPLINE

Sanction checks were conducted of employees, physicians, vendors, volunteers and students. One non-staff referring physician was sanctioned. Accounts Receivable Management was notified so that appropriate action can be taken.

SBHD Construction Projects
Period Ending 4/30/2021

Exhibit A

	Ambulatory Surgery Center ANF Group, Inc. #450218ASC MHM	Electrical Switch Gear Replacement Turner Construction Co. #400817 MRH	Pharmacy USP 800 Gerrits Construction Inc. #430119 MHW	Cooling Tower Turner Construction Co. #400420 MRH	New Parking Garage Stiles Thornton Joint Venture #400116 MRH	Pharmacy USP 800 Thornton Construction Co. #400120 MHS
	Amount	Amount	Amount	Amount	Amount	Amount
Original Contract Sum	\$ 5,589,844	\$ 2,107,284	\$ 2,392,288	\$ 941,432	\$ 42,061,799	\$ 2,034,436
Prior Change Orders	(1,248,372)	(521,523)				(52,723)
Current Change Orders	(182,370)	(45,510)	-		* -63505	28,013
Prior Owner Purchase Orders	-	-	(108,269)	(269,166)	(12,605,688)	-
Current Owner Purchase Orders	-	-	11877	31,771	(4,969,154)	-
Current Contract Sum to Date	\$ 4,159,102	\$ 1,540,251	\$ 2,295,896	\$ 704,037	\$ 24,423,452	\$ 2,009,726
Previous Payments	1,181,528	1,278,362	1,276,938	493,034	24,423,452	1,784,263
10	242,736	10 131,986	-	7 88,625		13 51,615
11	355,564	11 32,839	-	8 45,367		-
12	295,438	12 97,064	-	9 30,795		-
				-		
Total Payments	\$ 2,075,265	\$ 1,540,251	\$ 1,276,938	\$ 657,821	\$ 24,423,452	\$ 1,835,879
Balance	\$ 2,083,836	\$ -	\$ 1,018,958	\$ 46,216	\$ (0)	\$ 173,847
Owner Purchased Materials						
Retainage	181,849	-	45,510			102,083
Payments	2,075,265	1,540,251	1,276,938	657,821	24,423,452	1,835,879
Work completed	\$ 2,257,114	\$ 1,540,251	\$ 1,322,449	\$ 657,821	\$ 24,423,452	\$ 1,937,961
Status	Active	Active	Active	Active	Active	Active

SBHD Construction Projects
Period Ending 4/30/2021

Exhibit A

	Dishwasher Renovation Gerritts Construction Inc. #400618 MRH	MOB Women Center ANF Group, Inc. #450218 MHM	MRI Expansion Engel Construction, Inc. #402417 MRH	Memorial Cancer Institute Hallandale ANF Group, Inc. #401820 MHS	Cath Lab#6 Engel Construction, Inc. #400320 MRH	JDCH Vertical Expansion Robins & Morton Group #460117 JDCH
	Amount	Amount	Amount	Amount	Amount	Amount
Original Contract Sum	\$ 1,391,697	\$ 35,067,236	\$ 1,335,578	\$ 3,318,035	\$ 1,047,757	\$ 108,993,259
Prior Change Orders						
Current Change Orders			56,571			-
Prior Owner Purchase Orders	(18,985)			(267,572)		(10,396,400)
Current Owner Purchase Orders	10,398			(285,560)	34,440	
Current Contract Sum to Date	\$ 1,383,110	\$ 35,067,236	\$ 1,392,149	\$ 2,764,904	\$ 1,082,197	\$ 98,596,859
Previous Payments	994,331	18,214,320	379,174		354,082	14,008,758
	8 81,698	13 1,196,331	9 123,324	4 230,875	7 74,741	7 5,877,031
	9 108,574	14 1,131,705	10 73,250	5 542,272	8 99,727	8 3,773,452
	-	15 1,052,902	11 135,027	6 210,643	9 102,602	9 3,455,789
Total Payments	1,184,603	21,595,259	710,775	983,790	631,152	27,115,029
Balance	\$ 198,508	\$ 13,471,977	\$ 681,375	\$ 1,781,113	\$ 451,045	\$ 71,481,830
Owner Purchased Materials						
Retainage	48,659	1,068,696	\$ 78,975	128,471	70,128	2,126,574
Payments	1,184,603	21,595,259	710,775	1,492,228	631,152	27,115,029
Work completed	\$ 1,233,262	\$ 22,663,954	\$ 789,750	\$ 1,620,699	\$ 701,280	\$ 29,241,604
Status	Active	Active	Active	Active	Active	Active

Memorial Healthcare System
RFP and Competitive Quote Audits

RFPs	Current Phase - 4th Quarter FY 2021	Audited Through	Exceptions
1 Contract Management Solution	Analysis	Advertising/Mailing	None
2 Enterprise Resource Planning Solution	Analysis	Receipt	None
3 Enterprise Resource Planning Cloud Solution Implementation Services	Analysis	Receipt	None
4 Interpretation & Translation Services	Analysis	Receipt	None
5 Air Transportation for Organ Procurement RFQ	Oral Presentation	Oral Presentation	None
6 EPIC Implementation and Consulting Services	Selection	Receipt	None
7 MHS Neonatology Services	Selection	Selection	None
8 Contact Center Technology	Selection	Selection	None
9 Core Chemistry Solution	Selection	Selection	None
10 Vendor Management System 2.0 RFQ	Analysis	Analysis	None

**Memorial Healthcare System
RFP and Competitive Quote Audits**

Completed Competitive Quotes	Amount \$	Exceptions
1 Standing Order Renewal for COVID 19 Xpress Test Kits for MHS	434,520	None
2 Standing Order for Reagents for Flow Cytometry Laboratory	515,897	None
3 Small Nitrile Gloves	333,000	None
4 Standing Order for Reagents at Memorial Pharmacy & Pathology Miramar	2,749,388	None
5 Cranberry Nitrile Exam Gloves for MHS	333,000	None
6 Cranberry Nitrile Exam Gloves for MHS	333,000	None
7 Janitorial Services for MRHS	300,098	None
8 Annual Subscription for HIM Hospital Coding for MHS	1,655,029	None
9 Design & Implementation Access & Intake Operations	1,610,000	None
10 Three Year Agreement Chatbot Services	750,000	None
11 HPE 3PAR Storage Area Network Services & Support for MHS	165,937	None
12 Five Year Smartcare Select Service Agreement	1,472,422	None
13 Brachytherapy Upgrade & Oncentra Hardware Service Agreement for MRH & MHW	880,650	None
14 Microsoft Office 365 True-up for Office 365 EMS E3 Licensing for MHS	999,614	None
15 Heart Lung Perfusion Equipment for Cardiac & Vascular Institute at MRH	431,960	None
16 Bedside Cardiac Monitors for Interventional Radiology at MHW	240,802	None
17 StealthStation S8 Equipment for Neuro Services at MHW	417,395	None
18 Sterilization System for Surgical Services at MHW	260,000	None
19 Innova IGS Equipment for Cardio & Vascular Institute at MRH	797,216	None
20 Stryker Medical Surgical Beds for MHP	410,788	None
21 Vantage View System for Cardiac & Vascular Institute at MRH	305,000	None
22 Servo U Ventilators for Respiratory Care at JDCH	367,128	None
23 Leica Bond Immunohistochemistry Hybridization for Pathology at MRH	127,476	None
24 Verity 340B Split Billing Software	113,400	None
25 Verity 340B Split Billing Service Agreement	145,800	None
26 Cubicle Curtain Cleaning Service Agreement	190,000	None
27 Three Year Renewal for Fair Warning Managed Privacy Services	279,400	None
28 Service Agreement for Network Management Hybrid SaaS Software	341,725	None
29 Software Upgrade and Service Agreement for Hematology Analyzers MHS	316,000	None
30 Uninterruptible Power Supply Systems & Five Year Service Agreement for MHS	732,925	None

**Memorial Healthcare System
Investor Contact Log
Fiscal Year 2021**

Quarter: Ended	Contact:	Representing:	Discussion:
July 31, 2020	Stephen Infranco	Standard & Poors	COVID-19 update calls with both rating agencies in June.
	Beth Wexler	Moody's Investor Services	
October 31, 2020		None	
January 31, 2021		None	
April 30, 2021	Byron Isaak	Isaak Bond	Muni bond dealer inquired about certain coverage ratios, liquidity levels, leverage and call provisions in the Series 2015 bonds

**Memorial Healthcare System
Non Audit Engagement Report
Q4 FY 2021**

Quarter Ended	RSM US LLP Engagement:		
Q4 FY2021	For professional services rendered and expenses incurred in connection with the preparation of Memorial Healthcare System YE 04/30/2020 tax returns.	\$	15,000
Q4 FY2020	Total spend, provided for comparative purpose	\$	22,185

Quarter Ended	Zomma Group LLP Engagement:		
Q4 FY2021	For professional services rendered and expenses incurred in connection with Non Audit Engagements	\$	-
Q4 FY2020	Total spend, provided for comparative purpose	\$	-

To: Denise (Denny) Dicesare, Chief Compliance and Internal Audit Officer, MHS

Date: March 30, 2021

From: Matt Muhart, Executive Vice President and Chief Administrative Officer, MHS
 Jeffrey Sturman, Senior Vice President and Chief Information Officer, MHS

Subject: **Action Plan: Internal Audit of Laptop Inventory and Security Controls for Memorial Healthcare System**

DocuSigned by:

Matt Muhart

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Jeffrey Sturman

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Attached is our Action Plan, which identifies the steps which will be taken to address the recommendations made in the above referenced audit.

Recommendations	Response/Action Plan	Estimated Completion Date
We recommend a process be developed wherein all laptops are inventoried and will include a unique, identifiable element, such as Service Tag/Serial Number complete hardware description and complete inventory of software versions installed, including malware and antivirus; purchase date; received date; deployment date; the MHS employee currently assigned to the device; date of destruction; and date last inventoried by SCCM and/or ePO while retaining the collected data elements for an extended length of time.	Information Technology with the leadership of Anthony Hamedl is currently in process of building out our ServiceNow application to capture the following information. <ul style="list-style-type: none"> • Service Tag / Serial Number • Model • Employee or Department assigned • Cost Center • Host Name Assets to remain until such time as removed from MHS Fixed Asset listing as disposed. Selection of system, Information and process to be re-evaluated with the selection and approval of MHS ERP solution.	ServiceNow: All MS operating system workstations and laptops deployed after June 1 st , 2021. ServiceNow: All
We recommend developing a procedure for remote users to receive security updates in accordance with the MHS Enterprise Acceptable Use Policy Standard Practice.	Through a joint effort we are evaluating solutions from Microsoft which would allow corporate windows devices not connected to the MHS Network to continue to be patched and ensure these assets remain compliant.	SCCM Cloud based solution, estimated deployment November, 2021

cc: Aurelio M. Fernandez, President and Chief Executive Officer, MHS



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MEMORIAL HOSPITAL WEST • MEMORIAL HOSPITAL MIRAMAR • MEMORIAL HOSPITAL PEMBROKE

To: Denise Dicesare, Chief Compliance and Internal Audit Officer, MHS

Date: June 18, 2021

From: Felicia Turnley, Associate Administrator and Interim Chief Executive Officer, MHW
Kevin Corcoran, Chief Financial Officer, MHW *Kevin Corcoran 6/22/21*

Subject: **Action Plan: Compliance Audit of Documentation of Anesthesiology Services in the Surgical Services at Memorial Hospital West**

Attached is our Action Plan, which identifies the steps which will be taken to address the recommendations made in the above referenced audit.

Recommendations	Response/Action Plan	Estimated Completion Date
We recommend the Anesthesiology management and Surgical Services management develop a process to account and reconcile all medications removed from the Automated Dispensing Cabinet (ADC) with the provider administration for each account.	Implementation of Anesthesia Epic/Pyxis reconciliation process in real time. This allows the Providers to audit themselves. Pharmacy will provide oversight for outliers and discrepancies reaching out to the Providers. Pharmacy will pull in Anesthesia leadership when Provider is unable to reconcile. Pharmacy and Anesthesia leadership will then review and determine if discrepancy in documentation is due to poor practice or potential diversion. If diversion is suspected the event will be sent to the MHW Multi-Disciplinary Diversion Team to review. Appropriate HR and Regulatory requirements will be followed if diversion is suspected. Software will be implemented in June along with continued real time education in July. Completion date is based upon implementation and	August 13, 2021

	100% compliance.	
We recommend reeducating the Anesthesiology staff on the “Automated Dispensing Cabinet (ADC) Nursing/Pharmacy Responsibilities” policy.	Education has been created and will be rolled out specific to the OR/Procedural areas focusing on regulatory compliance and appropriate handling of medications including controlled substances. The education also includes diversion education and the requirement of all healthcare personnel duty to keep medications safe from diversion.	July 31, 2021
We recommend reeducating the staff on the “Medication Administration - Policy Statement” policy and that controlled substances medications are always administered as ordered and wasted as per the “Controlled Substances Waste” policy.	Education has been created and will be rolled out specific to the OR/Procedural areas focusing on regulatory compliance and appropriate handling of medications including controlled substances. The education also includes diversion education and the requirement of all healthcare personnel duty to keep medications safe from diversion.	July 31, 2021
We recommend the Pharmacy management and Surgical Services management develop a process to account for all Lactated Ringers (LR) and reconcile with the administration for each account in the Prehold area.	Move the plain fluids to a secured area (this was identified during a walkthrough with the Director of Surgical Services and the Recovery Room Manager to ensure the fluids can be utilized and charged on the correct patient. This will ensure correct documentation without delaying patient care.	July 15, 2021
We recommend updating and standardizing the MHS “Controlled Substances Waste” policy to the current process and practice in Recovery area to include incremental administration as well as titration.	Policy is updated and is moving through the appropriate approval channels. Personnel will standardize their process for removing controlled substances, giving incremental doses and then wasting the remainder.	July 31, 2021
We recommend that Pharmacy management reeducate Surgical Services management regarding the requirements of the Pharmacy Department’s policy and procedure, “Controlled Substance Diversion Prevention and Detection” and then monitor to ensure that Surgical Services management adhere to the requirements of the policy.	Pharmacy and Surgical Services have met and education has been completed.	June 4, 2021

We recommend Accounts Receivable Management review the identified accounts with charging errors and rebill or refund if needed.	ARM will have the accounts re-opened in the Medicare system and rebilled.	July 15, 2021

cc: Aurelio M. Fernandez, President and Chief Executive Officer, MHS



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To: Denise Dicesare, Chief Compliance and Internal Audit Officer, MHS

Date: June 17, 2021

From: Diane Evangelista, Administrative Director, HIM, MHS
Peter Powers, Administrator and Chief Executive Officer, MRH
Walter Bussell, Chief Financial Officer, MRH

Subject: **Action Plan:** Compliance Audit of Documentation and Billing of Pediatric Cardiac Catheterization at Memorial Regional Hospital

Attached is our Action Plan, which identifies the steps which will be taken to address the recommendations made in the above referenced audit.

Recommendations	Response/Action Plan	Estimated Completion Date
We recommend reeducating HIM coders on the Medicare requirements and CPT code rules and guidelines.	Coders were provided education on 1/19/2021 with re-education 5/25/2021 based on audit findings. Also, education was provided on 2/16/2021 focusing on pediatric heart catheterization specifically for congenital heart conditions. Monthly follow-up auditing of pediatric cardiac catheterizations will commence July 2021 with continued education provided to coding staff as warranted.	1/19/2021 5/25/2021 July 2021 and ongoing.
We recommend the five accounts that required corrections be updated with correct CPT codes and rebilled as appropriate.	Coding corrections were made on 4/29/ 2021 and sent for rebilling	4/29/ 2021

cc: Aurelio M. Fernandez, President and Chief Executive Officer, MHS

**South Broward Hospital District
d/b/a Memorial Healthcare System
Single Audit Report and Schedule
of Expenditures of Federal Awards,
State Financial Assistance, and Local Awards
and Supplementary Information and
Schedule of Findings and Questioned Costs
For the Year Ended
April 30, 2021**

South Broward Hospital District d/b/a Memorial Healthcare System
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Independent Auditor's Report

To the Board of Commissioners of
South Broward Hospital District d/b/a Memorial Healthcare System

Report on Schedule of Expenditures of Federal Awards, State Financial Assistance, and Local Awards

We have audited the accompanying Schedule of Expenditures of Federal Awards, State Financial Assistance, and Local Awards of South Broward Hospital District d/b/a Memorial Healthcare System (the System) for the year ended April 30, 2021, and the related notes (the financial statement).

Management's Responsibility

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Title 45 CFR Part 74, Appendix E, *Principles for Determining Cost Applicable to Research and Development Under Grants and Contracts with Hospitals* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the System's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the expenditures of Federal Awards, State Financial Assistance, and Local Awards of the System for the year ended April 30, 2021, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement. The accompanying Actual Expenses and Revenue Schedule, Schedule of Bed-Day Availability Payments, Schedule of State Earnings, and Schedule of Related Party Transaction Adjustments are presented for purposes of additional analysis as required by the State of Florida Department of Children and Families Community Substance Abuse and Mental Health Services Grants and are not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statement as a whole.

ZOMMA Group, LLP
Coral Gables, FL

Independent Auditor's Report on Compliance for Each Major Federal Program on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Commissioners of
South Broward Hospital District d/b/a Memorial Healthcare System

Report on Compliance for Each Major Federal Program

We have audited South Broward Hospital District d/b/a Memorial Healthcare System's (the System) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the System's major Federal programs for the year ended April 30, 2021. The System's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the System's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Title 45 CFR Part 74, Appendix E, *Principles for Determining Cost Applicable to Research and Development Under Grants and Contracts with Hospitals* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of the System's compliance.

Opinion of Each Major Federal Program

In our opinion, the System complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended April 30, 2021.

Report on Internal Control Over Compliance

Management of the System is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the System's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the System's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with the type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

ZOMMA Group, LLP
Coral Gables, FL

South Broward Hospital District d/b/a Memorial Healthcare System
Schedule of Expenditures of Federal Awards,
State Financial Assistance, and Local Awards
For the Year Ended April 30, 2021

Federal Agency / Passed Through Agency	Program Title	CFDA Number**	Contract Number	Expenditures		
				Direct Award	Indirect Award	Total
FEDERAL AWARDS						
U.S. Department of Treasury						
<i>Passed through Broward County</i>	Coronavirus Relief Fund	21.019	Unknown	\$ -	\$ 4,000,000	\$ -
					4,000,000	
	Total U.S. Department of Treasury				4,000,000	4,000,000
U.S. Department of Health & Human Services						
<i>Passed through North Broward Hospital District</i>	Consolidated Health Centers	93.224	Unknown		99,749	
					99,749	
<i>Passed through State of Florida Department of Health/Division of Emergency Management</i>	Strategic National Stockpile	N/A	Unknown		79,500	
					79,500	
<i>Passed through OIC of Broward County Inc.</i>	Teenage Pregnancy Prevention Program (PAUSE)	93.297	6 TP1AH000118-01-01		193,651	
					193,651	
<i>Passed through NIH, Alliance for Clinical Trials in Oncology Foundation & Partners</i>	Cancer Treatment Research	93.395	1UG1CA189823-01		29,800	
					29,800	
<i>Passed through NIH, Florida Association of Pediatric Tumor Programs, Inc.</i>	Cancer Control	93.399	Unknown		130,363	
					130,363	
<i>Passed through Health Resources and Services Administration</i>	COVID-19 Testing for the Uninsured	93.461	Unknown	2,996,507		
				2,996,507		
<i>Passed through State of Florida Department of Health</i>	Injury Prevention and Control Research and State and Community Based Programs	93.136	BW759		17,043	
	Injury Prevention and Control Research and State and Community Based Programs	93.136	BW756		70,046	
					87,089	
<i>Passed through Broward Regional Health Planning Council</i>	Maternal, Infant, & Early Childhood Home Visiting Program	93.505	NFP-MHS 18-20		74,977	
<i>Passed through Broward Regional Health Planning Council</i>	Maternal, Infant, & Early Childhood Home Visiting Program	93.505	NFP-MHS 19-20		194,292	
					269,269	
<i>Passed through Broward Healthy Start Coalition, Inc.</i>	Medical Assistance Program	93.778	MHS18HS		657,728	
					657,728	
<i>Passed through DCF, Broward Behavioral Health Coalition, Inc.</i>	State Opioid Response Grants	93.788	38368-19		299,205	
	State Opioid Response Grants	93.788	38368-20		1,592,959	
					1,892,164	
<i>Passed through DCF, Broward Behavioral Health Coalition, Inc.</i>	FL Partnership for Success Hospital Pilot Program	93.243	38368-19		25,000	
<i>Passed through DCF, Broward Behavioral Health Coalition, Inc.</i>	FL Partnership for Success Hospital Pilot Program	93.243	38368-20		123,267	
					148,267	
<i>Mayo Clinic</i>	Mayo Clinic	N/A	COVID 19		235,000	
					235,000	
<i>Passed through Broward County Board of Commissioners</i>	HIV Emergency Relief Project Grant	93.914	17-CP-HCS-8312-RW-01		558,812	
	HIV Emergency Relief Project Grant-Covid 19	93.914	21-CP-HCS-8312-RW-01		128,271	
					687,083	
<i>Passed through State of Florida Department of Health</i>	HIV Prevention Activities - Health Dept. Based	93.940	CODPK		142,800	
					142,800	
<i>Passed through DCF, Broward Behavioral Health Coalition, Inc.</i>	Block Grants for Community Mental Health Services	93.958	38368-19		43,464	
	Block Grants for Community Mental Health Services	93.958	38368-20		702,645	
					746,109	
<i>Passed through DCF, United Way of Broward County Inc.,</i>	Block Grant for Prevention and Treatment of Substance Abuse	93.959	65301		307,225	
<i>Passed through DCF, Broward Behavioral Health Coalition, Inc.</i>	Block Grant for Prevention and Treatment of Substance Abuse	93.959	38368-19		194,332	
	Block Grant for Prevention and Treatment of Substance Abuse	93.959	38368-20		932,671	
					1,434,228	
<i>Passed through DCF, Broward Behavioral Health Coalition, Inc.</i>	Comprehensive Community Mental Health services For Children With SED	93.104	38368-20		54,883	
					54,883	
<i>Passed through Broward Healthy Start Coalition, Inc.</i>	Maternal and Child Health Services Block Grant	93.994	MHS18HS		317,047	
<i>Passed through State of Florida Department of Health</i>	Maternal and Child Health Services Block Grant	93.994	COQVO		255,150	
					572,197	
<i>Passed through The Florida Hospital Association, ASPR</i>	National Bioterrorism Hospital Preparedness Program	93.889	Unknown		236,875	
					236,875	
	Total U.S. Department of Health & Human Services				2,996,507	7,696,755
Federal Emergency Management Agency						
<i>Passed through State of Florida Division of Emergency Management</i>	Hurricane Irma Public Assistance Program	97.036	Z0719		472,082	
					472,082	
	Total Federal Emergency Management Agency				472,082	472,082
	Total Federal Awards			\$ 2,996,507	\$ 12,168,837	\$ 15,165,344

** All programs are grouped and totaled by CFDA / CSFA.

Continued on next page

The accompanying notes are an integral part of this financial statement.

South Broward Hospital District d/b/a Memorial Healthcare System
Schedule of Expenditures of Federal Awards,
State Financial Assistance, and Local Awards
For the Year Ended April 30, 2021

Federal Agency / Passed Through Agency	Program Title	CSFA Number**	Contract Number	Expenditures		
				Direct Award	Indirect Award	Total
STATE PROJECTS						
Florida Division of Emergency Management	Local Emergency Management and Mitigation Initiatives	31.064	19-SP-XX-11-16-08	\$ 206	\$ -	\$ -
				206		
	Total Florida Division of Emergency Management			206		206
State of Florida Department of Health	Trauma Center Financial Support	64.075	MOU TRA11	219,190	-	-
				219,190		
	Children’s Specialty Health Care- Contracted	64.076	COQAF	107,300		
				107,300		
	Total State of Florida Department of Health			326,490		326,490
	Total State Projects			326,696		326,696
LOCAL GOVERNMENT AWARDS						
Broward County Commissioners	Consumer Support Project	N/A	17-CP-HCS-8312-01	217,281		
	Psychiatric Inpatient Services	N/A	17-CP-HCS-8312-01	823,878		
	Adult Mental Health Program	N/A	17-CP-HCS-8312-01	537,382		
				1,578,541		
	Primary Care Services	N/A	19-CP-HCS-8312-01	4,987,957		
				4,987,957		
	Behavioral Health -Substance Abuse	N/A	19-CP-CSA-8312-01	390,303		
				390,303		
	Total Broward County Commissioners			6,956,801		6,956,801
Broward County Sheriff's Office	New Day Counseling Program	N/A	10-2608	49,692		
				49,692		
	Total Broward County Sherriff's Office			49,692		49,692
Children Services Council of Broward County						
	CSC Youth Force Program	N/A	16-2173	742,289		
				742,289		
	New Directions Program	N/A	18-2176	591,124		
				591,124		
	Family TIES Program	N/A	19-2178	727,608		
				727,608		
	Teen REACH Program	N/A	19-2179	373,516		
				373,516		
	Supporting MOMS Program	N/A	19-2177	488,155		
				488,155		
	Behavioral Respite & Engagement for At-Risk-Kids (BREAK) Program	N/A	17-2175	86,127		
				86,127		
	Healthy Youth Transition	N/A	16-2174	706,703		
				706,703		
	Total Children Services Council of Broward County			3,715,522		3,715,522
Broward Behavioral Health Coalition	Trauma Program	N/A	34368-18/19	1,750		
				1,750		
	Total Broward Behavioral Health Coalition			1,750		1,750
	Total Local Government Awards			\$ 10,723,765	\$ -	\$ 10,723,765

** All programs are grouped and totaled by CFDA / CSFA.

Continued on next page

The accompanying notes are an integral part of this financial statement.

South Broward Hospital District d/b/a Memorial Healthcare System
Schedule of Expenditures of Federal Awards,
State Financial Assistance, and Local Awards
For the Year Ended April 30, 2021

Federal Agency / Passed Through Agency	Program Title	CFDA/CSFA Number**	Contract Number	Expenditures		
				Direct Award	Indirect Award	Total
OTHER ENTITIES AWARDS						
<u>KID INC Kinship Initiatives Support Services (KISS)</u>	Kids in Distress	N/A	KID-MHS-16-4	\$ 89,398.65	\$ -	\$ -
	Kids in Distress	N/A	KID-MHS-20-1	138,284		
				227,683		
<u>United Way</u>	Community Court Program	N/A	Unknown	97,037		
	Publix Last Resort Emergency Fund	N/A	Unknown	16,060		
				113,097		
<u>State of Florida Department of Health</u>	Primary Care Services	N/A	BW744	148,436		
				148,436		
<u>FADAA</u>	MAT Program	N/A	Unknown	46,943		
				46,943		
Total Other Entities Awards				536,159		536,159
Total Award Expenditures Per Schedule FY 2021				\$ 14,583,127	\$ 12,168,837	\$ 26,751,964

** All programs are grouped and totaled by CFDA / CSFA.

South Broward Hospital District d/b/a Memorial Healthcare System
Notes to the Schedule of Expenditures of Federal Awards,
State Financial Assistance, and Local Awards
For the Year Ended April 30, 2021

Note 1 Purpose of the Schedule

The accompanying Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards (the Schedule) of South Broward Hospital District d/b/a Memorial Healthcare System (the System) is supplementary information and is an important part of the reporting package required by:

- Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Title 45 CFR Part 74, Appendix E, *Principles for Determining Cost Applicable to Research and Development Under Grants and Contracts with Hospitals* (Uniform Guidance).

As a result, some amounts presented in the Schedule may differ from amounts presented in, or used in the presentation of the basic financial statements of the System.

The Schedule includes the grant activities for the System for the year ended April 30, 2021. The auditor is required to determine and provide an opinion on whether the Schedule is presented fairly, in all material respects, in relation to the financial statement as a whole. Further, the information in the Schedule serves as the primary basis for the auditor's major programs, which is a key component of performing a single audit. The Schedule also provides assurance to those agencies that award financial assistance, that their programs or grants are included in the audit.

Note 2 Summary of Significant Accounting Policies

Basis of Presentation

The information in the Schedule is presented in accordance with the Uniform Guidance. The Schedule, at a minimum, entails the following:

1. Listing of individual Federal, State, and Local programs by awarding agency for which the System expended funds for the year ended April 30, 2021
2. Total Federal, State, and Local awards expended for the year ended April 30, 2021
3. Catalog of Federal Domestic Assistance (CFDA) and Catalog of State Financial Assistance (CSFA) number for each program that had expenditures for the year ended April 30, 2021
4. The name of the pass-through entity and the identifying number assigned by the pass-through entity for awards received as a subrecipient
5. The total amount provided to subrecipients from each Federal and State program, if any
6. Notes that describe the significant accounting policies used in preparing the Schedule and notes indicating the indirect cost rate applied

South Broward Hospital District d/b/a Memorial Healthcare System
Notes to the Schedule of Expenditures of Federal Awards,
State Financial Assistance, and Local Awards
For the Year Ended April 30, 2021

Note 2 Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

Reporting Entity

The System's reporting entity is described in Note 1 of the basic financial statement. The Schedule includes all Federal and State assistance programs administered by the System during the year ended April 30, 2021, that are subject to a Uniform Guidance audit.

Basis of Accounting

The expenditures presented on the Schedule are reported on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and following the Uniform Guidance, wherein certain types of expenditures are unallowable or have conditions or limits as far as the reimbursement.

- Indirect Costs – The Schedule includes a portion of allocated costs from a federally approved indirect cost rate plan. The System did not elect to use the 10% de minimis cost rate.
- Matching Costs – All expenditures are recorded based on funded amounts, while additional cost such as matching costs are not included in the Schedule.
- Capital Costs – The System records grant funds restricted for the acquisition of capital assets as non-operating revenue in the accounting period in which they are earned and become measurable. Resources recorded as contributed capital for the year ended April 30, 2021 were \$79,500.

Because the Schedule presents only a selected portion of the operations of the System, it is not intended to and does not present the financial position, changes in net assets or cash flows of the System.

Note 3 Pass-Through Federal and State Assistance

- The majority of the System's Federal assistance is received from pass-through entities and are identified as such on the Schedule. State Funds are typically directly awarded from the State but can also be awarded through a pass-through entity.
- The System records expenditures of Federal programs and State awards when paid in cash to a pass-through entity (Subrecipients of the District). For the year ended April 30, 2021, the System did not pass-through any funds to sub-recipients as reflected on the Schedule.

South Broward Hospital District d/b/a Memorial Healthcare System
Notes to the Schedule of Expenditures of Federal Awards,
State Financial Assistance, and Local Awards
For the Year Ended April 30, 2021

Note 4 Federal Programs and State Awards not subject to a Uniform Guidance Audit

Matching Resources and Maintenance of Effort amounts for Federal programs as well as vendor-relationship specified contracts, are listed on the Schedule, but are not included when computing the threshold for single audit requirements totals.

State Contracts on the Schedule, not Subject to a Uniform Guidance Audit or Section 215.97, F.S:

- BW744 – State of Florida Department of Health – Vendor relationship

Note 5 Program Clusters

The U.S. Office of Management and Budget Compliance Supplement defines a cluster of programs as a grouping of closely related programs that share common compliance requirements. There were programs that met this criterion for the current year.

Note 6 Contingencies

Grant monies received and disbursed by the System are for specific purposes subject to review by grantor agencies. Such reviews may result in requests for reimbursement due to unallowable expenditures. Based on prior experience, the System does not believe that such unallowances, if any, would have a material effect on the financial position of the System. As of April 30, 2021, management is not aware of any material questioned or unallowable costs as a result of grant audits in process or completed.

Note 7 Subsequent Event

Subsequent events have been evaluated through , which is the date the financial statement was available to be issued. There were no events of this nature requiring recording or disclosure in the Schedule for the year ended April 30, 2021.

In response to the COVID-19 pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act which provides emergency assistance and health care response for affected individuals, families, and businesses. During the years ended April 30, 2020 and 2021, the System recognized approximately \$40 million and \$143 million, respectively, of Provider Relief Funds (PRF) through the CARES Act. These funds were not included in the Schedule for the year ended April 30, 2020, following a provision in the 2020 OMB Compliance Supplement Addendum allowing entities to defer reporting such funds in a fiscal year ending on or after December 31, 2020. Further, these funds were not included in the Schedule for the year ended April 30, 2021, in accordance with guidance published by the Department of Health and Human Services on July 15, 2021, which states that nonfederal entities will include PRF expenditures and/or lost revenues on the Schedule for fiscal years ending on or after June 30, 2021.

South Broward Hospital District d/b/a Memorial Healthcare System
Schedule of Findings and Questioned Costs
Year Ended April 30, 2021

Part I – Summary of Auditor’s Results

Financial Statements Section

The auditor’s report and opinion on the financial statement and report on compliance and internal control based on the audit of the financial statements were prepared by other auditors.

Type of auditor's report issued (unmodified, qualified, adverse, or disclaimer).

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified that are not considered to be material weaknesses?

_____ Yes X None reported

Noncompliance material to the financial statements noted?

_____ Yes X No

Federal Awards and State Financial Assistance Section

Type of auditor's report issued on compliance for major programs unmodified, qualified, adverse, or disclaimer).

Unmodified

Internal control over major programs:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified that are not considered to be material weaknesses?

_____ Yes X None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance?

_____ Yes X No

**South Broward Hospital District d/b/a Memorial Healthcare System
Schedule of Findings and Questioned Costs (Continued)
Year Ended April 30, 2021**

Part I – Summary of Auditor’s Results (continued)

Federal Awards and State Financial Assistance Section (continued)

Identification of major Federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
21.019	Coronavirus Relief Fund
93.461	COVID -19 Testing for the Uninsured
93.297	Teenage Pregnancy Prevention Program

Dollar threshold used to distinguish between Type A and Type B programs:

- Federal Programs \$ 750,000

Auditee qualified as low-risk auditee for Federal purposes? X Yes No

Part II – Financial Statement Findings Section

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violation of provisions of contracts and grant agreements, and abuse related to the financial statements for Government Auditing Standards that require reporting in a Uniform Guidance and *Government Auditing Standards* audit.

- No matters were reported.

**South Broward Hospital District d/b/a Memorial Healthcare System
Schedule of Findings and Questioned Costs (Continued)
Year Ended April 30, 2021**

Part III – Federal Awards Findings and Questioned Cost Section

This section identifies the audit findings required to be reported by the Uniform Guidance (for example, material weaknesses, significant deficiencies, and material instances of noncompliance, including questioned costs), as well as any abuse findings involving federal awards that are material to a major Federal program.

- **No matters were reported.**

Part IV – Other Matters

Corrective Action Plan – Current Year Findings

This section is intended to address each audit finding included in the current year auditor's reports.

- No corrective plan per 2 CFR sections 200.511(a) and 200.511(c) of the Uniform Guidance Section .315 is required because there were no audit findings related to Federal programs.

Summary Schedule of Prior Audit Findings – Federal programs

This section reports the status of any audit findings included in the prior audit's schedule of findings and questioned costs related to Federal awards. The summary schedule also includes audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected or no longer valid or not warranting further action.

- No Summary of Prior Audit Findings per Uniform Guidance Subpart F 200.516 is required because there were no prior audit findings related to Federal programs.

Supplementary Information

DRAFT

**South Broward Hospital District d/b/a Memorial Healthcare System
Actual Expenses and Revenue Schedule
Substance Abuse and Mental Health Covered Services
For the Contract Year Ended June 30, 2020**

FUNDING SOURCES & REVENUES			Crisis Support/ Emergency	Drop-In/Self Help Ctr.	Inpatient	Outreach	Incidental Expenses	Recovery Support (Indiv.)	Mental Health Total	Intervention (Indiv.)	Medical Services	Medication-Assisted Tx	Outpatient (Indiv.)	Outreach	Inpatient Detoxification	Incidental Expenses	Aftercare (Indiv.)	Substance Abuse										Total for State SAMH- Funded Covered Services or Projects	Total for Non-State Funded Covered Services or Projects	Total for All Covered Services or Projects	Non-SAMH Covered Services or Projects	Total Funding
																		Outpatient Detoxification	Outpatient Group	Intervention (Group)	Aftercare (Group)	Recovery Support (Indiv.)	Recovery Support (Group)	Prevention - Indicated	Cost Reimbursement	Substance Abuse Total						
A			04	07	09	15	28	46	B	11	12	13	14	15	24	28	29	32	35	42	43	46	47	48	B3	C	D	E	F	G	H	
IA. STATE SAMH FUNDING																																
Current Year Funding																																
Expenditure Report OICAF	Provider Subcontract#	Funding Source: F-Federal S-State P-P/Federal and State	\$ 21,688	\$ 55,616	\$ -	\$ 15,955	\$ - 83	\$ 8,898	\$ 102,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,240	\$ -	\$ 102,240	\$ -	\$ 102,240	
MH009	34368-17-5	F/S	99,708	58,832					158,540																		158,540	\$ -	158,540	\$ -	158,540	
MH018	34368-17-5	F/S								184,525	11,220	150	229,330	83,779		909	5,444		32,827	3,007	939	12,373				564,503	564,503	564,503	564,503	564,503	564,503	
MS011	34368-17-5	F/S																								551,614	551,614	551,614	551,614	551,614	551,614	
MS021	34368-17-5	F/S																														
MSOFH	34368-17-5	F													169,140			382,474														
MSOH4	34368-17-5	F																							37,500	37,500	112,500	37,500	112,500	37,500	112,500	
MS912	34368-17-5	F													112,500											112,500	112,500	112,500	112,500	112,500	112,500	
MSSM2	34368-17-5	F													1,000,000											1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
MSSOR	34368-17-5	F															10,739		84,080			2,960	6,653			470,658	470,658	470,658	470,658	470,658	470,658	
MSSOW	34368-17-5	F																	22,171			604	3,895			111,460	111,460	111,460	111,460	111,460	111,460	
	65301	F													300,000											300,000	300,000	300,000	300,000	300,000	300,000	
Total Current Year Funding			\$ 121,396	\$ 55,616	\$ 58,832	\$ 15,955	\$ 83	\$ 8,898	\$ 260,780	\$ 184,525	\$ 321,888	\$ 101,051	\$ 264,820	\$ 1,496,279	\$ 169,140	\$ 15,605	\$ 5,444	\$ 382,474	\$ 139,078	\$ 3,007	\$ 939	\$ 15,937	\$ 10,548	\$ 366,332	\$ 37,500	\$ 3,514,567	\$ 3,775,347	\$ -	\$ 3,775,347	\$ -	\$ 3,775,347	
Carry Forward Funding																																
Expenditure Report OICAF	Provider Subcontract#	Funding Source: F-Federal S-State P-P/Federal and State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Carry Forward Funding			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL STATE SAMH FUNDING =																																
			\$ 121,396	\$ 55,616	\$ 58,832	\$ 15,955	\$ 83	\$ 8,898	\$ 260,780	\$ 184,525	\$ 321,888	\$ 101,051	\$ 264,820	\$ 1,496,279	\$ 169,140	\$ 15,605	\$ 5,444	\$ 382,474	\$ 139,078	\$ 3,007	\$ 939	\$ 15,937	\$ 10,548	\$ 366,332	\$ 37,500	\$ 3,514,567	\$ 3,775,347	\$ -	\$ 3,775,347	\$ -	\$ 3,775,347	
II. OTHER GOVERNMENT FUNDING																																
TOTAL OTHER GOVERNMENT FUNDING =			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
IC. ALL OTHER REVENUES																																
TOTAL ALL OTHER REVENUES =			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL FUNDING =			\$ 121,396	\$ 55,616	\$ 58,832	\$ 15,955	\$ 83	\$ 8,898	\$ 260,780	\$ 184,525	\$ 321,888	\$ 101,051	\$ 264,820	\$ 1,496,279	\$ 169,140	\$ 15,605	\$ 5,444	\$ 382,474	\$ 139,078	\$ 3,007	\$ 939	\$ 15,937	\$ 10,548	\$ 366,332	\$ 37,500	\$ 3,514,567	\$ 3,775,347	\$ -	\$ 3,775,347	\$ -	\$ 3,775,347	
Substance Abuse																																
EXPENSE CATEGORIES			Crisis Support/ Emergency	Drop-In/Self Help Ctr.	Inpatient	Outreach	Incidental Expenses	Recovery Support (Indiv.)	Mental Health Total	Intervention (Indiv.)	Medical Services	Medication-Assisted Tx	Outpatient (Indiv.)	Outreach	Inpatient Detoxification	Incidental Expenses	Aftercare (Indiv.)	Outpatient Detoxification	Outpatient Group	Intervention (Group)	Aftercare (Group)	Recovery Support (Indiv.)	Recovery Support (Group)	Prevention - Indicated	Cost Reimbursement	Substance Abuse Total	Total for State SAMH- Funded Covered Services or Projects	Total for Non-State Funded Covered Services or Projects	Total for All Covered Services or Projects	Non-SAMH Covered Services or Projects	Total Expenses	
																																A
IIA. PERSONNEL EXPENSES																																
(1) Salaries			\$ 258,015	\$ 34,260	\$ 108,139	\$ 9,608	\$ -	\$ 5,335	\$ 415,357	\$ 145,032	\$ 184,462	\$ 51,395	\$ 200,277	\$ 1,017,671	\$ 312,448	\$ -	\$ 4,279	\$ 322,434	\$ 83,498	\$ 2,364	\$ 808	\$ 10,546	\$ 4,486	\$ 239,768	\$ 22,316	\$ 2,601,784	\$ 3,017,141	\$ -	\$ 3,017,141	\$ -	\$ 3,017,141	
(2) Fringe Benefits			\$ 30,686	\$ 6,678	\$ 20,688	\$ 1,873	\$ -	\$ 1,040	\$ 80,963	\$ 26,436	\$ 35,142	\$ 9,842	\$ 36,726	\$ 200,146	\$ 39,853	\$ -	\$ 780	\$ 59,670	\$ 15,792	\$ 431	\$ 150	\$ 1,064	\$ 859	\$ 46,964	\$ 6,786	\$ 901,565	\$ 82,530	\$ 3,599,671	\$ -	\$ 3,599,671		
TOTAL PERSONNEL EXPENSES =			\$ 308,701	\$ 40,938	\$ 128,827	\$ 11,481	\$ -	\$ 6,375	\$ 496,322	\$ 171,468	\$ 219,604	\$ 61,237	\$ 237,003	\$ 1,217,817	\$ 372,303	\$ -	\$ 5,059	\$ 382,104	\$ 99,290	\$ 2,795	\$ 958	\$ 12,510	\$ 5,345	\$ 286,752	\$ 29,102	\$ 3,103,349	\$ 3,599,671	\$ -	\$ 3,599,671	\$ -	\$ 3,599,671	
IIB. OTHER EXPENSES																																
(1) Building Occupancy			\$ 376	\$ 5,309	\$ 115	\$ 1,915	\$ -	\$ 1,047	\$ 8,762	\$ 8,035	\$ 17,260	\$ 5,006	\$ 12,682	\$ 20,528	\$ 333	\$ -	\$ 237	\$ 32,046	\$ 7,802	\$ 131	\$ 80	\$ 1,044	\$ 437	\$ 18,393	\$ -	\$ 124,014	\$ 132,776	\$ -	\$ 132,776	\$ -	\$ 132,776	
(2) Professional Services			\$ 50,259	\$ 3,121	\$ 14	\$ 8	\$ 53,452	\$ 78	\$ 149	\$ 43	\$ 119	\$ 1,084	\$ 8,895	\$ 2	\$ 276	\$ 68	\$ 1	\$ 1	\$ 1	\$ 9	\$ 4	\$ 171	\$ 10,899	\$ 64,351	\$ 64,351	\$ 2,454	\$ 2,454	\$ 2,454	\$ 2,454	\$ 2,454	\$ 2,454	
(3) Travel			\$ 99	\$ 168	\$ 47	\$ 26	\$ 300	\$ 146	\$ 106	\$ 106	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	\$ 209	
(4) Equipment			\$ 27	\$ 110	\$ 31	\$ 17	\$ 235	\$ 277	\$ 328	\$ 95	\$ 383	\$ 8,871	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	\$ 11,448	
(5) Food Services			\$ 3,369	\$ 372	\$ 31	\$ 3,741	\$ 10	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	
(6) Medical and Pharmacy			\$ 280	\$ 150	\$ 150	\$ 430	\$ 1,096	\$ 986	\$ 3,396	\$ 3,256	\$ 19,136	\$ 444	\$ 12,842	\$ 50	\$ 2,971	\$ 3,905	\$ 28	\$ 8	\$ 207	\$ 288	\$ 49,115	\$ 49,545	\$ 49,545	\$ 49,545	\$ 49,545	\$ 49,545	\$ 49,545	\$ 49,545	\$ 49,545	\$ 49,545	\$ 49,545	
(7) Subcontracted Services																																
(8) Insurance																																
(9) Interest Paid																																
(10) Operating Supplies & Expenses			\$ 2,131	\$ 1,056	\$ 335	\$ 213	\$ 102	\$ 164	\$ 4,001	\$ 5,460	\$ 3,165	\$ 918	\$ 6,367	\$ 6,384	\$ 1,097	\$ 161	\$ 5,876	\$ 1,474	\$ 89	\$ 7	\$ 99	\$ 80	\$ 3,668	\$ 35,345	\$ 39,346	\$ 39,346	\$ 39,346	\$ 39,346	\$ 39,346	\$ 39,346	\$ 39,346	
(11) Other Bad Debt																																
(12) Donated Items																																
TOTAL OTHER EXPENSES =			\$ 56,551	\$ 6,693	\$ 4,093	\$ 2,220	\$ 102	\$ 1,262	\$ 70,921	\$ 15,556	\$ 22,390	\$ 9,504	\$ 23,423	\$ 56,214	\$ 11,889	\$ 12,842	\$ 458	\$ 42,710	\$ 13,496	\$ 254	\$ 98	\$ 1,409	\$ 830	\$ 22,809	\$ -	\$ 233,882	\$ 304,803	\$ -	\$ 304,803	\$ -	\$ 304,803	
TOT. PERSONNEL & OTIL EXP. =			\$ 365,252	\$ 47,631	\$ 132,920	\$ 13,701	\$ 102	\$ 7,637	\$ 567,243	\$ 187,024	\$ 241,994	\$ 70,741	\$ 260,426	\$ 1,274,031	\$ 384,194	\$ 12,842	\$ 5,517	\$ 424,814	\$ 112,786	\$ 3,049	\$ 1,056	\$ 13,919	\$ 6,175	\$ 309,561	\$ 29,102	\$ 3,337,231	\$ 3,904,474	\$ -	\$ 3,904,474	\$ -	\$ 3,904,474	
IIC. DISTRIBUTED INDIRECT COSTS																																
(a) Other Support Costs (Optional)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(b) Administration			\$ 70,692	\$ 9,375	\$ 29,502	\$ 2,610	\$ -	\$ 1,460	\$ 113,639	\$ 39,266	\$ 50,289	\$ 14,023	\$ 54,274	\$ 278,880	\$ 85,258	\$ -	\$ 1,158	\$ 87,502	\$ 22,737	\$ 640	\$ 219	\$ 2,865	\$ 1,224	\$ 65,666	\$ 6,665	\$ 710,666	\$ 824,305	\$ -	\$ 824,305	\$ -	\$ 824,305	
TOT. DISTRD INDIRECT COSTS =			\$ 70,692	\$ 9,375	\$ 29,502	\$ 2,610	\$ -	\$ 1,460	\$ 113,639	\$ 39,266	\$ 50,289	\$ 14,023	\$ 54,274	\$ 278,880	\$ 85,258	\$ -	\$ 1,158	\$ 87,502	\$ 22,737	\$ 640	\$ 219	\$ 2,865	\$ 1,224	\$ 65,666	\$ 6,665	\$ 710,666	\$ 824,305	\$ -	\$ 824,305	\$ -	\$ 824,305	
TOTAL ACTUAL OPER. EXPENSES =			\$ 435,944	\$ 57,006	\$ 162,422	\$ 16,311	\$ 102	\$ 9,097	\$ 680,882	\$ 226,290	\$ 292,283	\$ 84,764	\$ 314,700	\$ 1,552,911	\$ 469,452	\$ 12,842	\$ 6,675	\$ 512,316	\$ 135,523	\$ 3,689	\$ 1,275	\$ 16,784	\$ 7,399	\$ 375,227	\$ 35,767	\$ 4,047,897	\$ 4,728,779	\$ -	\$ 4,728,779	\$ -	\$ 4,728,779	
IID. UNALLOWABLE COSTS																																
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL ALLOWABLE OPER. EXP. =			\$ 435,944	\$ 57,006	\$ 162,422	\$ 16,311	\$ 102	\$ 9,097	\$ 680,882	\$ 226,290	\$ 292,283	\$ 84,764	\$ 314,700	\$ 1,552,911	\$ 469,452	\$ 12,842	\$ 6,675	\$ 512,316	\$ 135,523	\$ 3,689	\$ 1,275	\$ 16,784	\$ 7,399	\$ 375,227	\$ 35,767	\$ 4,047,897	\$ 4,728,779	\$ -	\$ 4,728,779	\$ -	\$ 4,728,779	
IIE. CAPITAL EXPENDITURES																																
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					

South Broward Hospital District d/b/a Memorial Healthcare System
Schedule of Bed-Day Availability Payments
For the Contract Year Ended June 30, 2020

Program	Cost Center	State Contracted Rate	Total Units of Service Provided	Total Units of Service Paid for by 3rd Party Contracts, Local Govt. or Other State Agencies	Maximum # of Units Eligible for Payment by Department	Amount Paid for Services by the Department	Maximum \$ Value of Units in Column F	Amount Owed to Department (G-H or \$0, whichever is greater)
A	B	C	D	E	(D-E) F	G	(F x C) H	I
Children's Mental Health	Crisis Stabilization Unit	-	-	-	-	-	-	-
Adult Mental Health	Crisis Stabilization Unit	-	-	-	-	-	-	-
Children's Substance Abuse	Substance Abuse Detox	\$ 319.79	2,190	529	1,661	\$ 169,140	\$531,200	-
Adult Substance Abuse	Substance Abuse Detox	-	-	-	-	-	-	-
Adult Mental Health	Short-term Residential Treatment	-	-	-	-	-	-	-

Total Amount Owed to Department = \$ -

South Broward Hospital District d/b/a Memorial Healthcare System
Schedule of State Earnings
For the Contract Year Ended June 30, 2020

Total Expenditures (Line 1)	\$ 4,728,779
Less Other State and Federal Funds (Line 2)	-
Less Non-Match SAMH Funds (Line 3)	(2,864,984)
Less Unallowable Costs per 65E-14, F.A.C. (Line 4)	-
Total Allowable Expenditures (Line 5: Sum of lines 1, 2, 3, and 4)	<u>1,863,795</u>
Maximum Available Earnings (Line 6: Line 5 times 75%)	1,397,846
Amount of State Funds Requiring Match (Line 7)	910,363
Amount Due to Department (Line 6 - Line 7 or \$0, whichever is less)	<u><u>\$ -</u></u>

(1) This computation determines whether local match requirements (as stated in the Department of Children and Families Substance Abuse and Mental Health Contract) have been satisfied. The computation of allowable matching is governed by Chapter 65E-14 Community Substance Abuse & Mental Health Services - Financial Rules.

South Broward Hospital District d/b/a Memorial Healthcare System
Schedule of Related Party Transaction Adjustments
For the Contract Year Ended June 30, 2020

	Related Party	Allocation of Related Party Transactions Adjustment				
		State-Designated Cost Centers				
		1	2	3	Total
Revenues From Grantee						
Rent	XXX					
Services	XXX					
Interest	XXX					
Other	XXX					
Total Revenue From Grantee	XXX					NOT APPLICABLE
Expenses Associated with Grantee Transactions						
Personnel Services	YYY					
Depreciation	YYY					
Interest	YYY					
Other	YYY					
Total Associated Expenses	YYY					
Related Party Transaction Adjustment	ZZZ	ZZZ	ZZZ	ZZZ	ZZZ	ZZZ