

December 17, 2021

Jason Allen, CPA, CFE, Audit Director
University of Utah Hospitals and Clinics
201 Presidents Circle, Room 210
Salt Lake City 84112

Dear Mr. Allen:

Thank you for giving us the opportunity to present our proposal to provide audit services for the University of Utah Hospitals and Clinics (UUHC) and, more importantly, to become your trusted advisors. As a highly valued client, UUHC will experience the benefits of working with an experienced and collaborative team committed to meeting deadlines and avoiding surprises.

Our firm has a proven record of serving Academic Medical Centers (AMCs), hospitals, health systems, and other healthcare organizations. Our value proposition is based on the following:

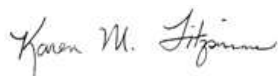
- ▶ **Extensive experience with AMCs and healthcare organizations of comparable size and complexity.** We have extensive experience with AMCs and healthcare organizations similar to UUHC. We have an expansive network of professionals experienced in providing audit, tax, and hospital advisory services across the healthcare sector. Our commitment to serve UUHC includes providing the best resources you will find within the industry - resources that understand the importance of delivering quality professional services well in advance of agreed upon deadlines.
- ▶ **Meaningful communication and world-class service as a high priority client.** UUHC needs a service provider that builds collaborative relationships with clients. UUHC will be a high priority and valued client to us and that will be reflected in our level of service and communication. Our clients enjoy the benefit of high levels of partner and senior manager attention. We build collaborative relationships demonstrated by effective and timely communication of the audit plan, audit execution, and resolution of material issues that arise. We will co-develop expectations and engage in timely meaningful communication with you at every stage of the audit.
- ▶ **Client service rooted in flexibility & respect.** Our mission is to create mutually beneficial and respectful relationships with our clients. The foundation of our client relationships is flexibility - understanding that there are different views, opinions, and ways of interacting with clients. Our teams are trained to communicate in an open and respectful manner with the goal of developing proactive long-term relationships with the clients we serve.
- ▶ **Access to national leaders and subject matter experts.** UUHC needs a professional service provider that can provide the world-class technical resources and talent when and where you need it. With us, you will have direct access to our national healthcare industry leaders and technical subject matter experts for timely guidance on emerging technical matters, as well as webinars and resources to stay current on technical topics. In addition, we have structured our firm's quality control environment to provide technical resources closer to clients. Faster decisions means never being put in a position to resolve technical issues at the last minute.
- ▶ **Seamless transition.** Among our core competencies is transition management. We have significant experience with carefully and efficiently transitioning new clients. We sincerely appreciate the risks involved with changing CPA firms and to that end, we have implemented a transition process that mitigates risk and drives efficiency and effectiveness from day one.
- ▶ **Competitive fees.** UUHC needs a cost-effective professional service provider that provides effective assurance services, access to world-class technical resources, and a responsive service team. We believe that we are uniquely positioned to provide the level of service UUHC needs at a competitive price. Our goal is to build a mutually beneficial long-term relationship with you, and we think our fee quote expresses our desire to invest in that relationship. In the unlikely event our fee quote is misaligned with the scope of work, please allow us the opportunity to revisit our fee estimate in light of additional information. Our service delivery promise to you includes always charging a competitive fee aligned with the value we provide.

This proposal details our qualifications in response to the RFP. We are very confident that your needs are well matched with the services we offer, our proactive service delivery approach, and open communication style. We look forward to continuing the conversation.

Sincerely,



Billy Kim
Lead Engagement Partner



Karen Fitzsimmons
Assurance Partner & Engagement
Quality Control Reviewer



Steven Shill
National Healthcare Industry Leader
& Consulting Partner

RFP Roadmap

SECTIONS A & B

PROPOSAL	PAGE(S)
A. Profile of the Independent Contractor	
1. The organization of the CPA firm, including: <ul style="list-style-type: none"> a) Date established or year of organization; b) Size of the Offeror and whether it is local, regional, national or international in operations; c) Ownership (public company, subsidiary, etc.). 	5 - 6
2. The location of the office from which the work is to be done and the number of professional staff, by staff level, employed at that office.	7
3. A positive statement that the following mandatory criteria are satisfied: <ul style="list-style-type: none"> a) An affirmation that the Offeror is properly licensed and or authorized to practice as a certified public accountant in the State of Utah. b) An affirmation that the Offeror meets the independence requirements of the AICPA Code of Professional Conduct and the GAO Government Auditing Standards. c) An affirmation that the Offeror meets continuing professional education requirements contained in the Government Auditing Standards. 	10
4. A copy of the Offeror's most recent peer review report.	8
B. Offeror's Qualifications	
1. The Offeror's response to the mandatory qualifications as described in the cover letter of this RFP must be included. Responses that do not meet all of the mandatory qualifications will not be evaluated and will be deemed non-responsive.	10 - 17
2. Identification of the audit partners, audit managers, field supervisors and other staff who will work on the audit, including staff from other than the local office. Résumés should be included which outline relevant experience for members at the manager level and above.	18 - 25
3. If other Contractors will participate in the audit, those Contractors will be required to provide similar information. A justification for using subcontractors must be provided describing the work that will be done by the subcontractor and how that arrangement augments the services provided by the CPA firm.	18
4. Certification that neither it nor any proposed subcontractors have: <ul style="list-style-type: none"> a) Any affiliations with person(s) recognized by law enforcement officers as being habitual criminals or members of criminal cartels. b) Any convictions or judgments (civil or criminal) for fraud, deceit, or crimes involving moral turpitude. c) A petition under the Bankruptcy Act, or any State insolvency law, filed by or against any of the named. d) Any order, judgment, or decree of any federal or State authority barring, suspending, or otherwise limiting the right or license of the bidder to engage in any business practice or activity. 	26
5. At least three (3) references for clients which have used services similar to those required are to be provided. Include business name, address, phone number and contact person for each reference. The OSA or its designee reserve the right to contactor visit any of the Offeror's current and/or past customers to evaluate the level of performance and customer satisfaction.	26
Value-Added Specialty Services for UUHC	27 - 32



A. Profile of the Independent Contractor

National Presence

For more than 100 years, our firm, a Delaware limited liability partnership, has been recognized as a premier accounting, tax, and advisory organization for our exceptional client service; experienced, accessible service teams; focus on quality and efficiency; and our ability to adapt to, and navigate successfully in, a changing marketplace.

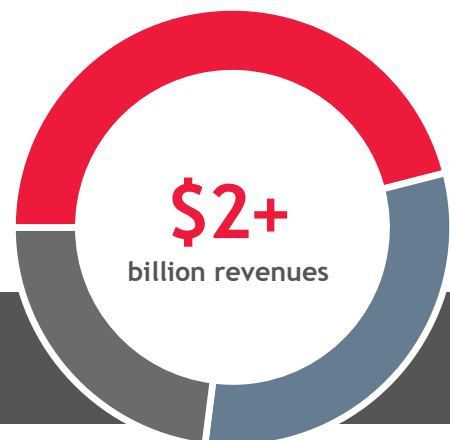
Founded in 1910, the firm has grown to serve clients through 70+ offices and over 800 independent alliance firm locations nationwide.



Accounting and Audit
40%

Tax
35%

Consulting/Advisory
25%



10.9% increase over last year



70+
Offices



800+
Alliance Firm locations



9,647
Total personnel

Global Reach

Our global network extends across 167 countries and territories, with 97,292 people working out of 1,728 offices – and they're all working towards one goal: *to provide our clients with exceptional service.*

Accounting and Audit

42%

Tax

22%

Consulting/Advisory

36%



Year on year **10.8%** growth rate at constant exchange rates



167

Countries



1,728

Offices



97,292

Total personnel

AFGHANISTAN ALBANIA ALGERIA ANDORRA ANGOLA ANGUILLA ANTIGUA & BARBUDA ARGENTINA ARMENIA ARUBA AUSTRALIA AUSTRIA AZERBAIJAN BAHAMAS BAHRAIN BANGLADESH BARBADOS BELARUS BELIZE BELGIUM BOLIVIA BONAIRE BOSNIA HERZEGOVINA BOTSWANAN BRAZIL BRITISH VIRGIN ISLANDS BULGARIA BURUNDI CANADA CAPE VERDE CAYMAN ISLANDS CHILE CHINA COLOMBIA COSTA RICA CROATIA CURACAO CYPRUS CZECH REPUBLIC DENMARK & FAROE ISLANDS DOMINICAN REPUBLIC ECUADOR EGYPT EL SALVADOR ESTONIA ETHIOPIA FIJI FINLAND FRANCE FRENCH GUIANA FRENCH POLYNESIA GEORGIA GERMANY GIBRALTAR GREECE GREENLAND GUATEMALA GUERNSEY HONDURAS HONG KONG HUNGARY ICELAND INDIA INDONESIA IRAQ IRELAND ISRAEL ITALY IVORY COAST JAMAICA JAPAN JERSEY JORDAN KAZAKHSTAN KENYA KOREA KOSOVO KUWAIT LATVIA LEBANON LIECHTENSTEIN LITHUANIA LUXEMBOURG MACAU MACEDONIA MALAWI MALAYSIA MALDIVES MALTA MAURITIUS MEXICO MOLDOVA MONGOLIA MONTENEGRO MOROCCO MOZAMBIQUE NAMIBIA NEPAL NETHERLANDS NEW CALEDONIA NEW ZEALAND NICARAGUA NIGER NIGERIA NORWAY OMAN PAKISTAN PANAMA PAPUA NEW GUINEA PARAGUAY PERU PHILIPPINES POLAND PORTUGAL PUERTO RICO QATAR REPUBLIC OF SRPSKA REUNION ISLAND ROMANIA RUSSIA RWANDA SAMOA SAUDI ARABIA SERBIA SEYCHELLES SIERRA LEONE SINGAPORE SLOVAK REPUBLIC SLOVENIA SOUTH AFRICA SPAIN SRI LANKA ST. LUCIA ST. MAARTEN ST. VINCENT & THE GRENADINES SURINAME SWEDEN SWITZERLAND TAIWAN TAJIKISTAN TANZANIA THAILAND TOGO TRINIDAD & TOBAGO TUNISIA TURKEY TURKMENISTAN TURKS & CAICOS UGANDA UKRAINE UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA URUGUAY U.S. VIRGIN ISLANDS VENEZUELA VIETNAM WALLIS & FUTUNA WEST BANK & GAZA ZAMBIA ZIMBABWE



Local Presence

SALT LAKE CITY LOCATION

We believe there is no substitute for local presence, experience, and insight. We offer a hands-on service approach, backed by our national and global technical resources.

It's our people, the knowledge we bring to engagements, our commitment to quality service, and the candid relationships we develop with clients that has made us the distinctive choice of Utah businesses for professional accounting services for more than 100 years.

We provide audit, tax, and advisory services to local companies in a range of industries. In 2020, we received the following awards:

- ▶ NAFE Top Companies for Executive Women by the National Association for Female Executives
- ▶ Nation's Best and Brightest in Wellness by the National Association for Business Resources
- ▶ Best Places to Work for Dads by Fatherly

SALT LAKE CITY BY THE NUMBERS



80 professionals, including
40 CPAs

Professional Level	Number of Employees
Partner	5
Director	10
Senior Manager	12
Manager	8
Senior Associate	21
Associate	24

SALT LAKE CITY NOTABLE CLIENTS

- ▶ Brigham Young University
- ▶ Canyons School District
- ▶ Davis School District
- ▶ Park City School District
- ▶ Powdr Corp
- ▶ Sandy City
- ▶ Snowbird
- ▶ Tooele County School District
- ▶ Weber School District

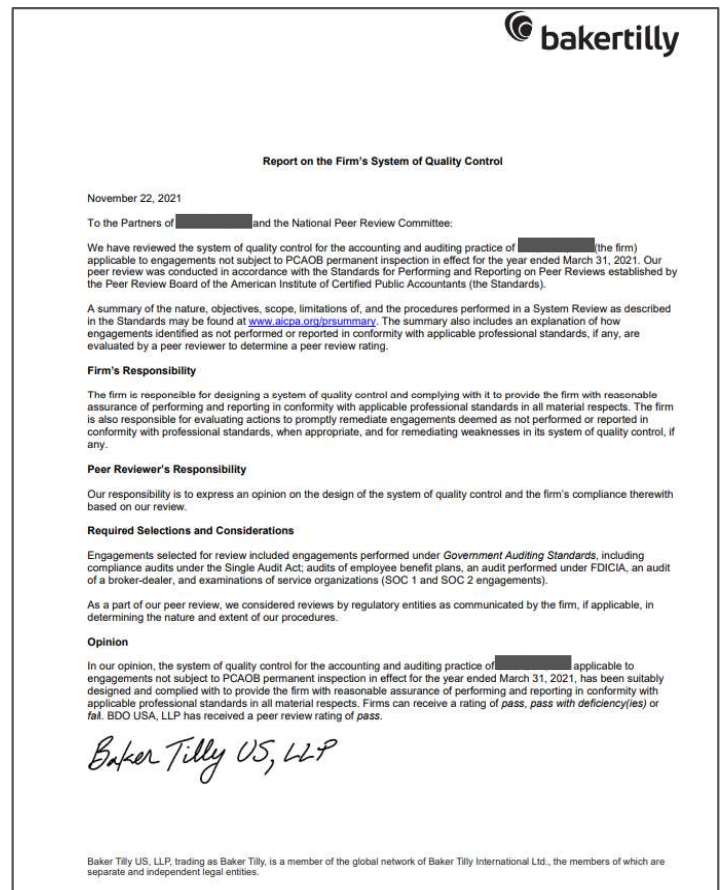
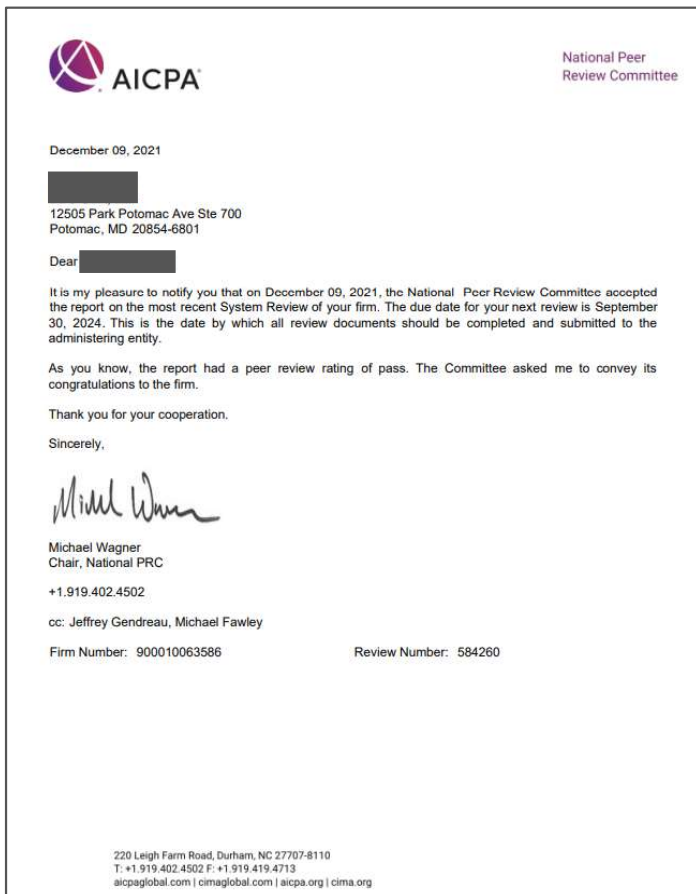
Peer Review

As a member of the AICPA, we are subject to triennial external peer reviews of the portion of our auditing practice applicable to non-SEC issuers.

Our latest peer review, released on 12/9/21, concluded that the system of quality for the firm's accounting and auditing practice applicable to non-SEC issuers was suitably designed, and the firm had complied with its own quality guidelines.

The peer review also concluded the system provided the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our firm received a rating of pass. The latest report can be found at the link below by searching our firm [here](#).

Per the RFP requirements, our firm name has been redacted in the letters below.





B. Offeror's Qualifications

Affirmative Statements

We affirm that we meet the following criteria:

- ▶ We meet the Government Auditing Standards' continuing professional education, independence, peer review, and licensing requirements. Our most recent peer review report can be found on [page 8](#) and our commitment to audit independence and continuing professional education is detailed on the [following page](#).
- ▶ Our firm, as well as managers and above assigned to the engagement, hold current CPA licenses and will maintain those in good standing for the duration of the audit. We hold CPA licenses in every state (and DC, Puerto Rico, and US Virgin Islands), except Indiana, North Dakota, and Alabama. We are still allowed to practice in the other states without a firm license, as individuals can perform the same services, he/she would in their home state (individual mobility between states). So, we can perform services in all 50 states, and are firm licensed in 47 plus territories including DC, Puerto Rico, and the US Virgin Islands. CPA license numbers for the individuals assigned to this engagement can found within the professional biographies beginning on [page 19](#).
- ▶ We have a minimum of five years' experience in auditing healthcare organizations of similar size and scope, including academic medical centers. Details regarding our experience can be found on [pages 12 - 15](#).
- ▶ We have experience in auditing financial statements prepared in accordance with *Governmental Accounting Standards*. We also have multiple actuaries on staff that have significant experience with GASB 67/68 and GASB 74/75. As a firm, we have made investments in these individual because of the sheer number of governmental pension or healthcare systems we audit as well as governmental employers with significant pension or OPEB liabilities. We are also prepared to provide UUHC's personnel with relevant training and updates related to matters and developments promulgated by pronouncements issued by the GASB or other administrative bodies
- ▶ We are equipped to provide expert business advice and updates to management concerning accounting and health care financial policy issues. Details regarding our plan to keep UUHC up-to-date can be found on [page 16](#).
- ▶ We will provide UUHC access to thought and technical leadership resources on emerging issues with GASB and other current accounting issues. Details regarding our relevant thought leadership can be found on [page 16](#).
- ▶ We affirm that we will meet or beat all of UUHC's deadlines both for the performance of interim work as well as for meeting deadlines to complete the audit.



Audit Independence and Continuing Professional Education

LICENSE TO PRACTICE

We affirm that the firm is properly licensed to practice as a certified public accountant in the State of Utah. A copy of our state license is available upon request.

AUDIT INDEPENDENCE

Not only do we have to ensure that we remain independent of our audit clients, we also have to ensure that we are perceived to be independent by any readers of your financial statements. We therefore have a number of safeguards in place to ensure this is the case.

As your audit partner, it will be Billy Kim's responsibility to authorize any non-audit services that we may be asked to provide to you; this includes corporate tax services. All of our colleagues are aware that they must obtain Billy's prior approval before undertaking such work on your behalf.

Prior to accepting any non-audit engagement, we would discuss our potential appointment with you, explaining any threats to our independence and the safeguards we propose to minimize such threats to an acceptable level. This ensures that both parties are totally confident that, by accepting such an appointment, our objectivity is not impaired.

If any of our staff believe that they might be conflicted, they have a duty to make the circumstances known to the partners. Any staff with financial, business, or personal relationships with you will not be allowed to be part of the audit team. The firm fully complies with the auditing profession's ethical standards on independence.

CONTINUING PROFESSIONAL EDUCATION

We affirm that we meet the continuing education requirements of the Utah State Board of Accountancy. We participate triennially in a peer review process led by an external team that consists of individuals in a peer accounting firm to ensure that all continuing education requirements have been achieved. In addition to the external triennial review process, we participate annually in a continuing education review led by an internal inspections team to validate that continuing education requirements have been fulfilled on a state level as well as validate that all requirements have been fulfilled by the AICPA, PCAOB, YellowBook, & EBP as outlined by the respective governing bodies.

That monitoring includes:

- ▶ Pre-issuance reviews of selected engagement workpapers, reports, and financial statements.
- ▶ Analysis and assessment of: (a) new professional pronouncements, (b) results of independence testing, (c) continuing professional education undertaken by professional personnel as it relates to State, AICPA, and firm CPE requirements, (d) decisions related to acceptance and continuance of client relationships and engagements, and (e) focus group sessions with firm personnel.
- ▶ Policies and procedures for inspection of local offices and selected engagements to provide reasonable assurance that the firm's policies and procedures for quality control are suitably designed and being effectively applied.

To further monitor state and other requirements, we recently implemented a CPE tracking and reporting tool available to all client service professionals, HR representatives, and compliance members of the firm to allow real time tracking of required continuing education. This tracking and reporting system is pre-programmed with the CPE rules of every state in the United States. In addition to tracking state requirements, this tool also tracks YellowBook requirements, PCAOB requirements, in-firm requirements, as well as a variety of other certifications.

Driving the Future of Healthcare

Annually, we serve 1,000+ healthcare clients, including leading hospitals and health systems across the country.

Our experience and insight extends across the healthcare continuum. Our national team of professionals offers the hands-on experience and technical skill to address the distinctive business needs of our healthcare clients. We supplement our technical approach by analyzing and advising our clients on the many elements of running a successful healthcare organization.

We understand the unique accounting, financial, and advisory requirements that deserve experienced attention in the healthcare sector. Working with our clients, our knowledgeable partners and staff can help resolve issues and design approaches to yield more productive operations. Through years of working in this sector, our professionals have developed a significant capability and fluency in the general accounting and business issues that may face healthcare organizations including:

- ▶ Acute Care Hospitals & Health Systems
- ▶ Health Plans, HMOs, & Managed Care Organizations
- ▶ Home Health & Palliative Care
- ▶ Long-Term Care
- ▶ Physician & Dental Organizations
- ▶ Social Health Services
- ▶ Fertility and Family Planning Clinics

“

We transitioned to an entirely new management team in the same year that the firm became our auditor. During this time, we did undergo a system conversion. The firm showed excellence in client service and responsiveness and ensured a seamless transition.

”

Board Chairman of Health System

This testimonial represents the opinion of the individual providing it, not the employer.



The Center for Healthcare Excellence & Innovation

The Center for Healthcare Excellence & Innovation brings together the best minds from different disciplines to think in new ways about how to address challenges and seize opportunities in healthcare.

Our goal is to deliver fresh insights to our clients and help them implement change. We leverage insight and experience across all aspects of the healthcare industry to help organizations anticipate change and overcome the many hurdles associated with risk-based reimbursement, policy change, and clinical outcomes. We help our clients find new opportunities to improve performance in the short-term as well as achieve longer-term transformational change.

Our practice brings together healthcare leaders with deep healthcare experience across financial, clinical, operational, data analytics, and legal disciplines. We are committed to a uniquely collaborative culture that breaks down barriers, building bridges between the many disciplines required to create robust organizational change, creating seats at the table for all invested parties.

We work closely with our clients, matching our resources to the complex and unique needs of each.

Our seasoned professionals include:

- ▶ Compliance Advisors
- ▶ Healthcare Executives
- ▶ Clinical Practitioners
- ▶ Financial Analysts
- ▶ Economists
- ▶ Statisticians
- ▶ Investment Bankers
- ▶ Forensic Technologists
- ▶ Tax Accountants
- ▶ Auditors
- ▶ Regulatory Specialists

VALUABLE SERVICES OUR TEAM PROVIDES:

- ▶ Strategy, Operations, and Implementation
- ▶ Audit Services
- ▶ Tax Advisory and Compliance Services
- ▶ Clinical Outcome Statements
- ▶ Cybersecurity
- ▶ ACO Development
- ▶ Black Box Analysis
- ▶ Five Star Rating Improvement
- ▶ Financial Improvement
- ▶ Bundled Payments
- ▶ Fraud, Waste, and Abuse
- ▶ Independent Review Organizations & Monitorships
- ▶ Forensic Financial and Clinical Review
- ▶ Post Acquisition Disputes
- ▶ Physician Alignment /Engagement
- ▶ System Optimization & Sunset of IT Legacy Systems Following Cerner Implementation
- ▶ Due Diligence
- ▶ Valuations
- ▶ Delivery System Reform Incentive Payment Program
- ▶ Revenue Cycle
- ▶ Revenue Recognition and Reimbursement Issues
- ▶ Market and Financial Feasibility Studies
- ▶ Post Merger Integration
- ▶ Risk Advisory Services
- ▶ Transaction Advisory Services
- ▶ HIPAA Risk Assessments and HITRUST CSF Assessment
- ▶ SSAE 16 Reviews

The Center for Healthcare
Excellence & Innovation

IBDO

Click here to
learn more



DIGITAL HEALTHCARE
TRANSFORMATION

HEALTHCARE **REIMAGINED**

We Know AMCs and Health Systems

HIGH IMPACT ASSURANCE CLIENT CASE STUDIES

We have more than 100 years of experience providing assurance services for healthcare organizations. Below we have included case studies that showcase our breadth of experience.

Organization:	UNIVERSITY OF NORTH CAROLINA HEALTH CARE SYSTEM
Description of Work:	Financial statement audit of all required System entities (15 separate reports), nonprofit tax preparation/review of all tax filings, required audits in accordance with Uniform Guidance, and issuance of debt compliance letters.
About:	<p>The University of North Carolina Health Care System (UNCHCS) is an integrated health care system owned by the State of North Carolina and based in Chapel Hill. UNC Health Care is currently comprised of ten hospitals and hospital systems across North Carolina, a provider network, and the clinical programs of the UNC School of Medicine. Financial statements are reported under GASB rules.</p> <p>Our firm has served UNCHCS for four years.</p>
Organization:	CENTRA HEALTH SYSTEM, INC.
Description of Work:	Financial statement audit of the System, Statutory financial statement audits of two health plans, and nonprofit tax preparation/review of all tax filings.
About:	<p>Centra Health, Inc. and subsidiaries (Centra) is a regional nonprofit healthcare system that includes five hospitals, four nursing homes, a continuing care retirement community, a residential children/adolescent psychiatric facility, 12 specialty education facilities, additional outpatient treatment facilities, a foundation, a medical insurance company, and an indemnity insurance company. Centra has more than 8,500 employees and 400 employed providers and physicians providing care through 70 locations.</p> <p>Our firm has served Centra for four years.</p>
Organization:	UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
Description of Work:	Financial statement audit of University Medical Center of Southern Nevada (UMC; a component unit of Clark County, Nevada).
About:	<p>UMC, the public health care facility for Clark County, Nevada, is a blended component unit of Clark County and is reflected as an enterprise fund of the County. As a public healthcare provider and Nevada's only level 1 trauma center, UMC renders healthcare services to residents of Nevada regardless of the ability to pay. Working closely with UMC's management, our team seamlessly managed the transition from the predecessor audit firm. We streamlined the audit approach for net patient service accounts receivable and revenue thereby reducing management's audit support effort while maintaining audit quality and effectiveness. Leveraging information gathered during the audit, we provided insights which helped UMC significantly improve the estimation methodology for patient accounts receivable. We partner with UMC management to consistently deliver responsive audit compliance services. Financial statements are reported under GASB rules.</p> <p>Our firm has served UMC for nearly 14 years.</p>

Additional Healthcare Industry Client Experience

Following is a partial list of our healthcare industry clients*:

HOSPITALS & HEALTH SYSTEMS

- ▶ Albany Medical Center†
- ▶ Anna Jaques Hospital
- ▶ Ardent Healthcare †
- ▶ Ascension Health †
- ▶ Avanti Hospitals †
- ▶ Brookhaven Memorial Hospital Medical Center
- ▶ Capella Healthcare †
- ▶ CarePoint Health System
- ▶ Catalina Island Medical Center
- ▶ Centra Health System†
- ▶ Central Peninsula Hospital
- ▶ CharterCARE Health †
- ▶ Chesapeake Hospital Authority
- ▶ Children's Hospital of Nevada
- ▶ Community Care of Brooklyn (affiliate of Maimonides Health System) †
- ▶ Community Health Systems
- ▶ Crozer-Keystone Health System †
- ▶ East Boston Neighborhood Health Center
- ▶ Eastern Connecticut Health System †
- ▶ Eastern Long Island Hospital
- ▶ Franciscan Hospital for Children
- ▶ Harrington Memorial Hospital
- ▶ Howard University Hospital
- ▶ Gracie Square Hospital
- ▶ KPC Healthcare †
- ▶ Lifepoint Hospitals †
- ▶ Lutheran Medical Center
- ▶ Maimonides Medical Center †
- ▶ Medical Center of the Rockies
- ▶ Mississippi Baptist Healthcare System
- ▶ Morehouse School of Medicine
- ▶ Morris Hospital
- ▶ Nassau Queens (affiliate of Northwell) †
- ▶ New York Health & Hospitalst
- ▶ New York Hospital Queens
- ▶ New York Methodist Hospital
- ▶ New York Presbyterian Queenst
- ▶ NY Foundling Hospital
- ▶ NYU Langone Medical Center †
- ▶ OPN
- ▶ Pipeline Health Systems, LLC †
- ▶ Prospect Medical Holdings Inc. †
- ▶ Richmond University Medical Center
- ▶ Select Medical Corporation
- ▶ South Nassau Communities Hospital
- ▶ Southampton Hospital Association
- ▶ Stanford Children's Health
- ▶ Staten Island University Hospital
- ▶ Steward Health Care System †
- ▶ UMass Memorial Healthcare

- ▶ UNC Health†
- ▶ University Medical Center of Southern Nevada †
- ▶ University of Chicago Medical Center
- ▶ Universal Health Services †
- ▶ Virginia Mason Medical Center
- ▶ Wrangell Medical Center
- ▶ Waterbury Hospital
- ▶ Winthrop University Hospital
- ▶ Yukon-Kuskokwim Health Corp.

PAYERS

- ▶ Blue Cross of Idaho
- ▶ Blue Cross Blue Shield of Minnesota
- ▶ CalPERS - Contingency Reserve Fund
- ▶ CalPERS - Health Care Fund
- ▶ CalPERS - Long Term Care Fund
- ▶ Care Point Health Systems
- ▶ Cardinal Innovation Healthcare
- ▶ Clever Care, Inc.
- ▶ Emblem Health
- ▶ Fidelis Health Plans
- ▶ Freelancers Union, Inc.
- ▶ Highmark Health
- ▶ Medimpact
- ▶ One Care
- ▶ Oscar Health
- ▶ Piedmont Community Health Plans
- ▶ Prospect Medical Health Plans
- ▶ Provider Partners Health Plan
- ▶ Touchstone Health Partnership
- ▶ Tufts Associated health Plans
- ▶ Ultimate Health Plans, Inc.
- ▶ Universal Care
- ▶ University of Chicago Health Plan
- ▶ US Health Group
- ▶ Western Dental Health Plan

PHYSICIAN & OTHER PROVIDER GROUPS

- ▶ Allied Physicians
- ▶ Alpha Health Centers, LLC
- ▶ Alteon Health
- ▶ AMNA Medical Center, LLC
- ▶ Anne Arundel Dermatology
- ▶ Avicenna Radiology Partners
- ▶ Anchorage Neighborhood Health Center
- ▶ Anchorage Heart & Vascular
- ▶ Brown & Toland IPA ACO
- ▶ Center for Vein Restoration
- ▶ City of Hope
- ▶ Community Medical Group
- ▶ FPG Holdings
- ▶ Hospice Compassus
- ▶ Illinois Bone & Joint

- ▶ Keystone Peer Review Organization
- ▶ Maryland Proton Treatment Center
- ▶ MB Medical Group
- ▶ North American Partners in Anesthesia (NAPA)
- ▶ Oncology Institute
- ▶ One Medical
- ▶ Orthopedic Physicians
- ▶ Physicians Dialysis
- ▶ Rothmann Orthopaedics Institute
- ▶ Somatus
- ▶ Surgery Partners
- ▶ The Permanente Medical Group
- ▶ Town Center Orthopaedics
- ▶ UVA Physicians Group

LONG-TERM CARE

- ▶ BrightStar Care
- ▶ American Health Companies
- ▶ Diversicare Healthcare Services
- ▶ NewCourtland Elder Services
- ▶ Plaza Health
- ▶ Reliant Senior Care Holdings
- ▶ Savaseniorcare
- ▶ Westchester Visiting Nurse Services Group, Inc.

BEHAVIORAL HEALTH SERVICES

- ▶ American Addiction Centers
- ▶ Chancelight Behavioral Health
- ▶ Constellation Behavioral Health
- ▶ Easter Seals of Bay Area
- ▶ Easter Seals of Hawaii
- ▶ Mercy Home for Boys and Girls
- ▶ Niznik Behavioral Health
- ▶ Phoenix House
- ▶ Refresh Mental Health
- ▶ SAILS
- ▶ Sequel Youth and Family Services
- ▶ Sprout Health

FQHCs & COMMUNITY CLINICS

- ▶ Advantage Care Diagnostic Center
- ▶ Bronx Partners PPS (affiliate of St. Barnabas Health System) †
- ▶ Community Health Centers
- ▶ Long Island Select Healthcare, Inc.
- ▶ Lynn Community Health Center
- ▶ Outer Cape Health Services
- ▶ South Boston Community Health Center
- ▶ Whitman-Walker Clinic

† Indicates multi-hospital systems.

*List includes audit, tax, and advisory clients.

Healthcare Industry Thought Leadership: Keeping UUHC Informed

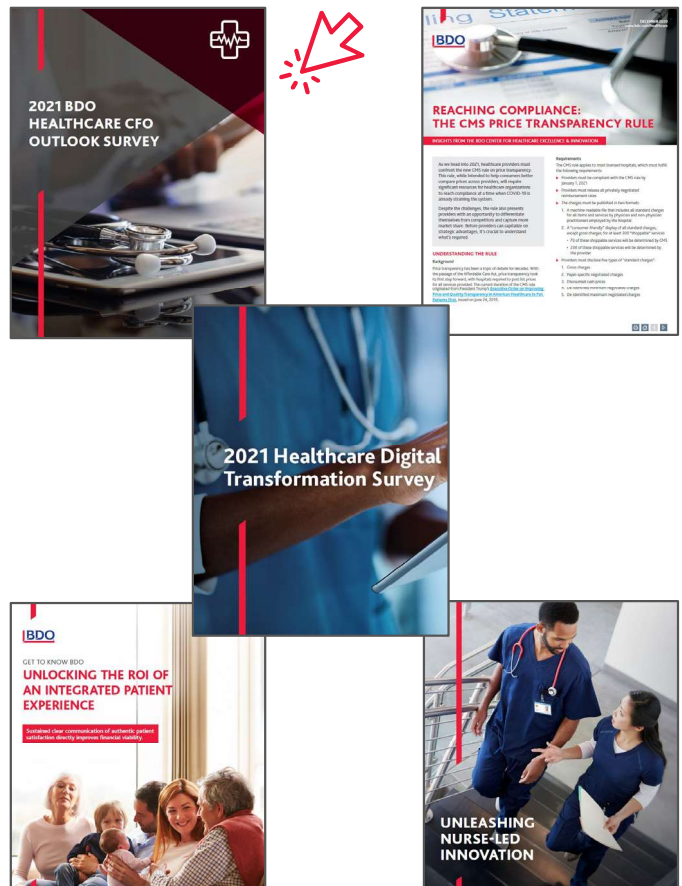
Our industry leaders are at the forefront of the healthcare conversation, remaining active in organizations and associations and contributing research and insights regularly to a wide variety of news outlets, trade publications, webinars, events, and thought leadership. We value the importance of industry participation as a key opportunity to increase our knowledge on industry trends and issues and cultivate conversations to keep our clients up-to-date as changes happen.

PUBLICATIONS AND TECHNICAL UPDATES

- ▶ A quarterly newsletter examining issues and trends affecting healthcare organizations.
- ▶ A study conducted annually examining board compensation practices of 600 mid-market public companies with annual revenues between \$25m and \$1b.
- ▶ **Perspective in Healthcare:** Features examining the role of private equity in the healthcare industry.
- ▶ **Center for Corporate Governance and Financial Reporting:** Timely thought leadership and education for those charged with governance.
- ▶ **Nonprofit Standard:** A newsletter that provides financial information for tax-exempt organizations.
- ▶ **Significant Accounting & Reporting Matters:** A quarterly guide on the latest corporate governance and financial reporting developments.
- ▶ **Client Advisories:** Concise and timely commentary, analysis, and insights on events and trends.

RELEVANT THOUGHT LEADERSHIP FOR UUHC

Click each thought leadership piece below to view the full article on our website.



TRAININGS FOR MANAGEMENT AND BOARDS

At no additional cost to UUHC, we provide regular in-person or Internet-based informational sessions and trainings for our clients and other interested parties in the latest aspects of issues impacting healthcare organizations. Specifically, we have identified the following relevant business insight sessions for management, the Budget and Finance Committee, and Board by selection that may be of interest to you, namely:

- ▶ Healthcare Innovation & Digital Transformation: Technology's Impact on Patient Experience
- ▶ Accounting Update
- ▶ Latest Nonprofit Tax Developments
- ▶ Regulatory & Compliance Update
- ▶ Physician Practice Performance Improvement
- ▶ Value-Based Care
- ▶ Denial Management
- ▶ Board Governance & Internal Controls

Upon request, we will also deliver customized training to UUHC's management, the Budget and Finance Committee, and Board at no charge.

UUHC and Our Firm

SHARED CARE, SHARED VALUES

Like UUHC, people are at the heart of everything we do here. Our mission to help people thrive every day aligns with your mission and core values. We believe this shared care brings shared value to our partnership.

PEOPLE FIRST

- ▶ Care
- ▶ Earn trust and be trusting
- ▶ Be respectful
- ▶ We before me!

EXCEPTIONAL EVERY DAY, EVERY WAY

- ▶ Have integrity
- ▶ Be a true professional
- ▶ Everyone is a client
- ▶ Model excellence!

EMBRACE CHANGE

- ▶ Be forward thinking
- ▶ Lead the way
- ▶ Grow and help others grow
- ▶ Move to improve!



EMPOWERMENT THROUGH KNOWLEDGE

- ▶ Listen intently
- ▶ Be direct
- ▶ Share what you know
- ▶ Be curious!

CHOOSE ACCOUNTABILITY

- ▶ Take personal responsibility
- ▶ Be humble
- ▶ Mind the bottom line
- ▶ Do what you say you'll do!

WHAT WE ARE PROUD OF

Our culture and core values establish a set of standards embodied by our work, our relationships, and our professionals, the results of which are reflected in our accomplishments and recognition in the marketplace.

With a reputation for quality and foundation built on timeless values, we are a sound choice both for clients and for those seeking rewarding professional careers.

Accomplishments and Recognition:

- ▶ Alfred P. Sloan Awards for Business Excellence in Workplace Flexibility - "When Work Works" (winner, multiple locations, and multiple years)
- ▶ 100 Good Deeds Volunteerism Programs
- ▶ Best and Brightest Companies in Wellness (multiple years)
- ▶ NAFE Top Companies for Executive Women (four consecutive years)
- ▶ Nation's Best & Brightest Companies and Best & Brightest in Wellness (multiple years)
- ▶ Tax Adviser of the Year, *International Accounting Bulletin* (multiple years)
- ▶ Top Entry Level Employer by collegegrad.com (multiple years)
- ▶ Vault Accounting 50 List, #5 ranking for 2019 and Vault Accounting Top Internship Program (multiple years)
- ▶ Working Mother 100 Best Company (multiple years)

INCLUSION WOMEN

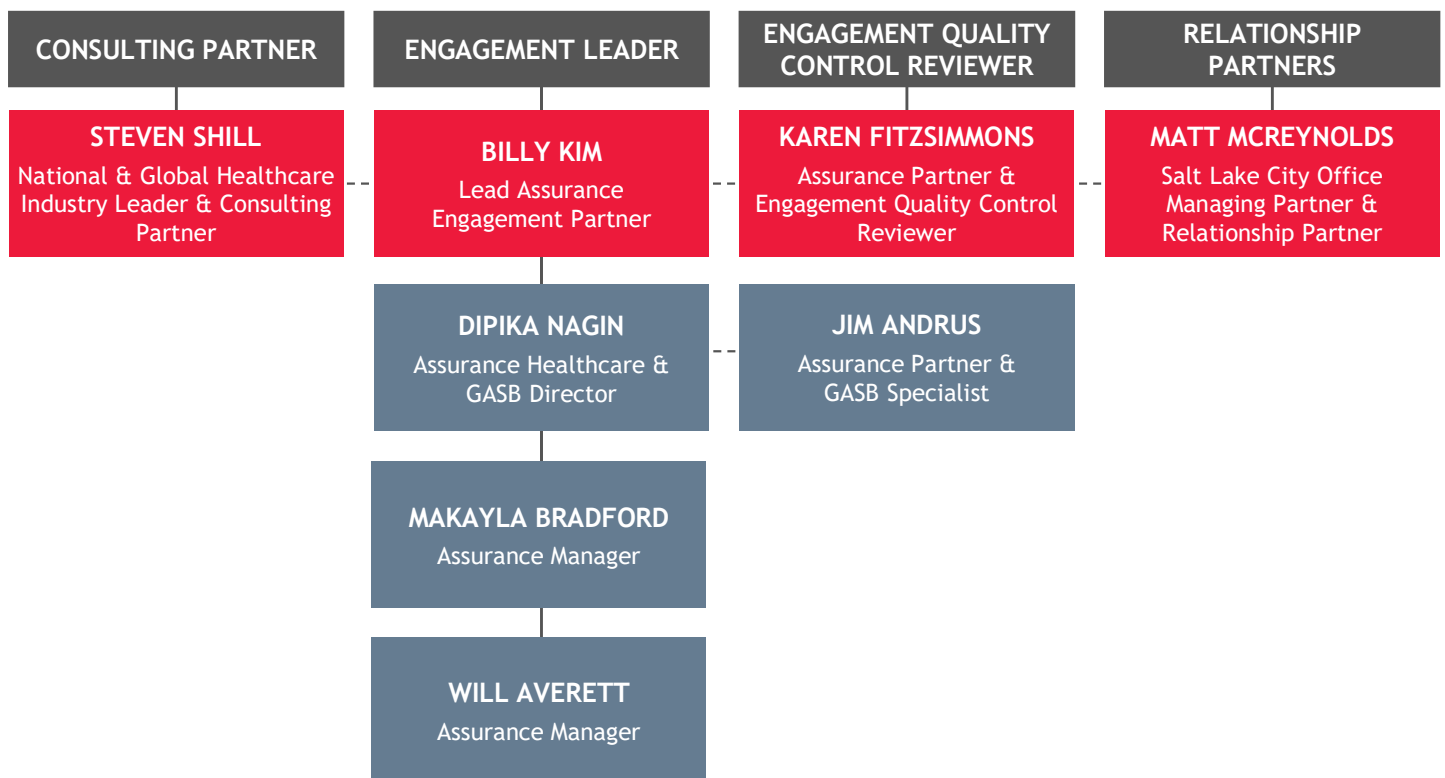


Coordinated Service

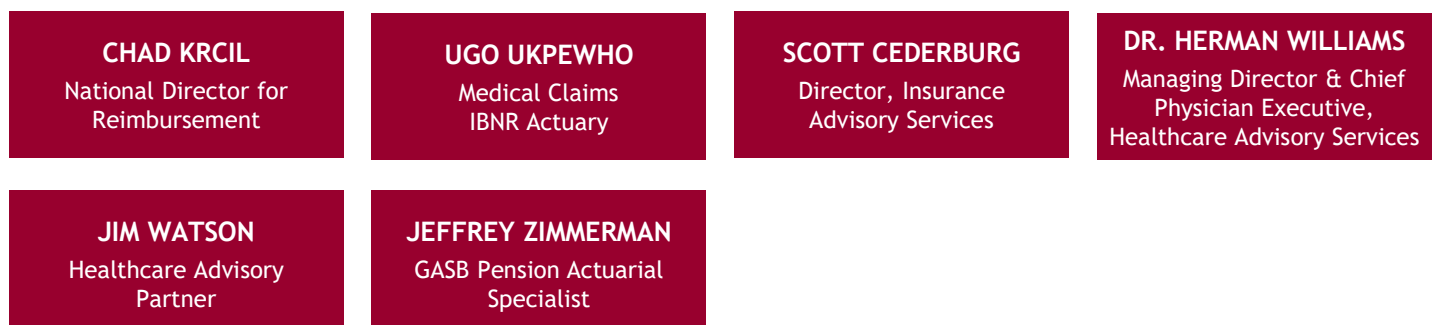
YOUR PROPOSED CLIENT SERVICE TEAM

We have brought together a talented team of professionals, tailored to serve UUHC and comprised of leaders who are well-versed in serving organizations within the healthcare industry and academic medical centers. Together, they will deliver a high standard of client service, practical support, and constructive challenge and insight.

In addition to the core team presented below, your engagement leadership team may also collaborate with and coordinate additional resources to meet your evolving service needs. We do not plan to utilize any subcontractors for this engagement.



SPECIALISTS



Leaders Serving UUHC



BILLY KIM

Lead Assurance Partner

[Email](#)

Billy has over 17 years of public accounting experience serving healthcare, nonprofit, higher education, and governmental organizations. He specializes in leading teams in performing audits of large multi-component/location health systems with revenue ranging from \$2 billion to \$10 billion. Billy also has extensive experience in providing other assurance related services including agreed upon procedures, compliance audits including under Uniform Guidance, and review of bond financings. His experience covers academic medical center systems, health plans, managed care organizations, primary care organizations, continuing care retirement communities, home health, health research, and foundations.

Some of the Healthcare related organizations that Billy has served include the University of California including its System of Academic Medical Centers, Stanford Health System, CalPERS (health plans), Gentiva, and One Medical.

Within the last five years, he has led large successful first year transition audits from predecessor auditors, including the University of California and CalPERS audits.

Billy is well-versed in Governmental Accounting (including GASB 68 and 75 Pension and OPEB Accounting); Medicaid Disproportionate share (DSH), Upper Payment Limit (UPL) financing, and provider fee calculations; Medicaid and Medicare Cost reporting/third party reimbursement; HMO statutory auditing experience; and Lawson and EPIC environments.

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants
Healthcare Financial Management Association
Ascend

EDUCATION

B.S., Business Administration, University of California, Berkeley

CPA LICENSE NUMBER

California: CPA 101808



KAREN FITZSIMMONS

Assurance Partner &
Engagement Quality Control
Reviewer

[Email](#)

Karen has more than 26 years of public accounting experience serving healthcare and nonprofit organizations in the mid-Atlantic Area. She previously spent her professional career as a partner with a Big Four firm serving as the Mid-Atlantic Area Nonprofit Industry Leader.

Her experience in nonprofit auditing and consulting includes auditing a wide variety of organizations, including healthcare systems, managed care organizations, continuing care retirement communities, skilled nursing facilities, assisted living, associations, membership organizations, and foundations. She periodically consults with clients on regulatory compliance and reporting, tax-exempt bond financings, tax-exempt M&A due diligence, fraud investigation, and business process/operational reviews.

Some of the organizations that Karen has served include INOVA Health System, Suburban Hospital, St. Agnes and Providence Hospitals, Holy Cross Hospital, Westminster Canterbury of Winchester, The Washington Home, Goodwin House, UVA Health Services Foundation, Riverside Health System, Martha Jefferson Health System, Coventry Health Care, Magellan Health Services, The Elizabeth Glaser Pediatric AIDS Foundation, The John F. Kennedy Center for the Performing Arts, United Way of America, The U.S. Chamber of Commerce, The J. Craig Venter Institute, and Paralyzed Veterans of America.

PROFESSIONAL AFFILIATIONS

Virginia Polytechnic Institute and State University,
Accounting Advisory Board
American Institute of Certified Public Accountants
Greater Washington Society of Certified Public
Accountants
Healthcare Financial Management Association
Maryland Association of Certified Public Accountants

EDUCATION

B.S., Accounting, Virginia Polytechnic Institute and State University

CPA LICENSE NUMBER

District of Columbia: CPA900751
Maryland: 0034813

Leaders Serving UUHC



STEVEN SHILL

National & Global Healthcare Industry Leader & Consulting Partner

[Email](#)

Steven has more than 30 years of accounting experience, including 21 years with the firm, and serves as the National Healthcare Industry Lead Partner and National Leader of our Center for Healthcare Excellence & Innovation. He has extensive experience serving hospitals, nursing homes, medical insurance plans, physician groups, dental organizations, and other healthcare related industries including; drug testing, pharmaceutical companies, urgent care services, surgery centers, and behavioral health providers. His services to healthcare organizations include audits (inclusive of SEC and SOX compliance), risk assessment consulting, financial feasibility, internal control reviews, and various other consulting services such as litigation support. Steven has served as an expert witness in a matter related to the Medicare Advantage program. Some of Steven's clients include or have included, Baptist Health System, Prospect Medical Holdings, Poudre Valley Health System (now University of Colorado Health), Metro Health (now Spectrum Healthcare), Camden Clark Health System, Eastern Connecticut Health System, University Medical Centers of Southern Nevada, Verity Health System (aka Daughters of Charity Health System), Care 1st Health Plan, Blue Shield of California, Scan Health Plan, and Apollo Medical Holdings.

Steven is a member of the firm's Board of Directors and is a member of the AICPA Healthcare Expert Panel. He is qualified as a Chartered Accountant and worked as a Public Auditor in South Africa for many years prior to joining the firm.

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants
California Society of Certified Public Accountants
Chartered Accountant, South Africa
Healthcare Financial Management Association

EDUCATION

Post-Graduate Honors Degree, Accounting Science,
University of South Africa
B.S., Commerce, University of the Witwatersrand

CPA LICENSE NUMBER

California: CPA 83071



MATT MCREYNOLDS

Salt Lake City Office
Managing Partner &
Relationship Partner

[Email](#)

Our Salt Lake City assurance practice has tripled in the past five years under Matt's role as the practice leader.

For over 15 years, Matt has led many audit engagements of public and private companies ranging from start-ups to mature operating companies with international operations. On large, multi-state or international engagements, Matt ensures that our audits progress smoothly through effective collaboration with other offices in our firm's network and in many cases by traveling to the locations directly.

During his career, Matt has addressed many areas of technical accounting with his clients including convertible debt, stock-based compensation, revenue recognition, business combinations, and industry-specific practices. Matt is focused on providing high quality services and bringing valuable insight to our dynamic client base.

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants

EDUCATION

M.Acc., University of Utah
B.S., Accounting, University of Utah

CPA LICENSE NUMBER

Utah: 5370661-2601

Leaders Serving UUHC



DIPIKA NAGIN

Assurance Healthcare &
GASB Director

[Email](#)

Dipika has more than ten years of experience in public accounting and has extensive experience in serving publicly traded and privately held companies in the healthcare, technology, and pharmaceutical industries.

Dipika's time is dedicated to serving healthcare, government, nonprofit and for-profit entities. Her current experience includes healthcare funds and CalPERS, and her previous experience includes working with health care systems such as Verity Health Systems.

Dipika's areas of knowledge include audits of revenue recognition, business combinations, SEC reporting companies, and evaluations of internal control structures.

Her current and past clients include CalPERS, Easter Seals Bay Area, Easter Seals Hawaii, Center for Social Dynamics, Children's Choice Pediatric Dental Care, Verity Health System and Anthera Pharmaceuticals. Dipika is well-respected by her clients for her accountability and work ethic. She works hard to understand the client needs and adapts to them, knowing that every audit is different. She ensures that the client's priorities are also the engagement team's priorities.

Dipika is Multi-Cultural Alliance lead for the firm's San Jose office.

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants

EDUCATION

B.S., Business Administration, options Finance and Accounting, California State University East Bay

CPA LICENSE NUMBER

California: CPA 112738



JIM ANDRUS

Assurance Partner &
GASB Specialist

[Email](#)

Jim began his career in Las Vegas with a National firm and has over 28 years of experience providing audit services to a variety of industries in Nevada and Utah as well as a number of years of private sector experience developing a franchised food operation.

He returned to public accounting in Salt Lake City in 2000 where he has developed a diversified practice with client concentrations in local and tribal governments and privately-held businesses.

Jim's focus is in performing attestation and advisory services for local and tribal governments, nonprofit organizations, family-owned businesses, and SEC companies. He especially enjoys assisting clients with operational and internal control recommendations and improvements. He is a member of the Special Review Committee as a reviewer for the GFOA Certificate of Achievement for Excellence in Financial Reporting Program.

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants
Nevada Society of Certified Public Accountants
Utah Society of Certified Public Accountants
Courage Reins, Board Member
Southern Utah University, Alumni Association
UACPA, Local Government Advisory Committee
Utah Valley University, Internal Audit Advisory Board

EDUCATION

B.Acc., Southern Utah University

CPA LICENSE NUMBER

Nevada: CPA-0179R

Utah: 116759-2601

Leaders Serving UUHC



MAKAYLA BRADFORD

Assurance Manager

[Email](#)

As an in-charge manager, Makayla is responsible for managing the daily operations of the audit team and client communications to identify areas to improve audit efficiency while maintaining audit quality. She has more than four years of experience in public accounting serving publicly traded and privately held companies in the healthcare and technology sectors.

Her service focus includes audits of Securities and Exchange Commission (SEC) reporting companies, revenue recognition, and evaluation of internal controls structures.

Makayla is well respected by her clients for her accountability and consistent communication to ensure transparency of audit status and achieving agreed upon timelines. She ensures the client's priorities are also the engagement team priorities as each audit is different. Her client experience includes serving Catalight Foundation, Children's Choice and Verity Health Systems.

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants
National Association for Black Accounting Professionals

EDUCATION

Certificate in Advanced Accounting Proficiency (CAAP),
Santa Clara University
B.A., Business Administration in Management,
University of Hawaii at Manoa

CPA LICENSE NUMBER

California: CPA 143750



WILL AVERETT

Assurance Manager

[Email](#)

Will has more than four years of public accounting experience and over five years of experience as a controller and accounting manager.

He is experienced in serving clients in the construction, software and technology, staffing, nonprofit, and government industries.

As the controller for the largest I.T. managed service provider in the intermountain region, Will prepared the organization for ASC 606 adoption and directed the implementation of new ERP and CRM systems for the company. Will has performed test work for and assisted entities with ASC 606 and ASC 842 adoption.

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants
Utah Society of Certified Public Accountants

EDUCATION

M.Acc., Western Governors University
B.S., Western Governors University

CPA LICENSE NUMBER

Utah: 10992590-2601

Specialists Serving UUHC



CHAD KRCIL

Director, Healthcare Advisory
Medicare Cost Report and
Provider Relief Fund Specialist

[Email](#)

Chad has 28 years of national healthcare finance experience focused on Medicare and Medicaid reimbursement strategies, including process transformation, project management, revenue management improvement implementation, and implementation of CMS regulations to transform delivery of healthcare reimbursement based on quality of care.

Chad's consulting career has led to projects with large healthcare systems, academic medical centers, critical access hospitals and post-acute care entities. Chad combines his consulting experience with his background of having worked in health systems and with Medicare Audit Contractors (MAC). His focus with these organizations has centered around processes to improve Medicare financial margins, recover underpayments, reduce audit and compliance risks, and identify reimbursement opportunities through collaboration between key elements of the financial operations of the health system and the revenue cycle and reimbursement teams.

Through this experience he has developed a strong understanding of reimbursement and payment issues and develops strategies to ensure providers are improving their processes and reducing revenue leakage.

PROFESSIONAL AFFILIATIONS

Healthcare Financial Management Association
Certified Healthcare Financial Professional
Fellow of HFMA

EDUCATION

M.B.A., University of Denver
B.S., Business Administration, University of South
Dakota



UGO UKPEWHO

Medical Claims IBNR Actuary

[Email](#)

Ugo has approximately 20 years of healthcare actuarial experience, including seven years serving clients from actuarial roles within public accounting and benefits consulting firms, and 13 years performing diverse roles within health insurance companies. His experience prior to joining our firm includes positions with a national benefits consulting firm, Blue Cross Blue Shield regional health insurance carriers, and a Big Four accounting firm.

Ugo has worked with leadership at insurance companies, self-insured organizations, and various state insurance regulators to help solve a wide variety of problems related to financial reporting, pricing, reserving, forecasting, due diligence for mergers and acquisitions, and meeting statutory requirements.

He has provided feedback to executive management, audit committees, and Boards of Directors on reserve/rate adequacy and financial reporting processes, including company-specific trends impacting its financial results and effects of market and industry changes on similar books of business.

PROFESSIONAL AFFILIATIONS

Fellow of the Society of Actuaries
Member of the American Academy of Actuaries

EDUCATION

B.S., Mathematics/Financial Analysis, State University
of New York at Buffalo

Specialists Serving UUHC



SCOTT CEDERBURG

Director, Insurance
Advisory Services

[Email](#)

Since beginning his career as an actuarial intern with a crop insurance company while in college, Scott has accumulated more than 25 years of Property/Casualty actuarial and professional liability experience; including more than 16 years of serving clients from actuarial roles within public accounting firms (prior to joining our firm, a Big Four accounting firm).

As a trusted advisor, Scott has worked with leadership at insurance/reinsurance companies, self-insured entities, and risk-pooling mechanisms to help solve a wide-variety of problems, often related to financial reporting, pricing, profitability, due-diligence for mergers and acquisitions, and meeting statutory requirements. Scott's experienced-based knowledge spans across most personal and commercial lines of business, including exposure to crop insurance. He regularly provides feedback to executive management, audit committees, and Boards of Directors on reserve/rate adequacy and financial reporting processes, including company-specific trends impacting its financial results and effects of market and industry changes on similar books of business.

Scott's prior experience includes positions with a national personal lines insurance company and a nonprofit service provider for the automobile residual market. At the service provider, he worked with the various statistical agencies to obtain complete and accurate data for the actuarial team to be used to prepare rate indications.

PROFESSIONAL AFFILIATIONS

Casualty Actuarial Society
American Academy of Actuaries

EDUCATION

B.S., Mathematics/Actuarial Science and Business
Administration, University of Nebraska at Kearney



DR. HERMAN WILLIAMS

Managing Director & Chief
Physician Executive,
Healthcare Advisory Services

[Email](#)

Herman helped launch and serves as the leader of the healthcare advisory practice in the firm's Nashville office. His experience includes 10 years of previous healthcare consulting and 18 years of hospital operations as a senior physician executive. Herman's operational roles include oversight of rural, urban, small, and complex facilities; academic, community, for profit, and nonprofit healthcare organizations.

Herman brings exceptional experience in medical staff consulting and strategy. He has worked with numerous physicians to improve their efficiency in meeting compliance and regulatory standards. He has also assisted medical staffs in bylaws development, contemporary peer review policy and procedures, credentialing, clinical documentation, revenue cycle efficiency, and establishing physician-hospital partnerships that have reduced costs through collaboration. He participated in the original Bundle Payment Demonstration Project and has saved hospitals millions of dollars by establishing successful P4P programs.

Herman saves time to give back to his community by serving on the American Heart Association Board and the Tri-State Minority Supplier Development Council. He has given numerous speeches on leadership at institutions such as Harvard University, Boston University, Meharry Medical College, Amherst College, and San Diego State University.

PROFESSIONAL AFFILIATIONS

Professional Certified Coach
International Coach Federation
Certified Coach with the International Coaching
Community

EDUCATION

M.D., Boston University School of Medicine
M.B.A., University of Washington
M.P.H., Harvard School of Public Health
B.A., Amherst College

Specialists Serving UUHC



JIM WATSON

Healthcare Advisory Partner

[Email](#)

Jim has 30 years of senior management experience in healthcare operations and managed care, assisting hospitals, physician groups, medical networks, and managed care plans.

He has an extensive background in working with health systems, hospitals, and physician networks on managed care and value-based contracting, with relevant experience in contract negotiations, contract implementation and contract management, as well as performance improvement.

Jim's experience covers an array of business models including Global and Partial Risk Contracting, Shared Savings Programs, Patient Attribution Models across the entire spectrum of Payor Contract Models (Commercial, Medicare, and Medicaid). Jim also provides expert interim management and project management support to organizations large and small and has contributed to the success of several Provider-Sponsored Health Plans.

Jim led the development of several Chicago-area Clinically Integrated Networks, including presentation of a CI Program to the Federal Trade Commission in Washington, D.C. Jim's previous experience included Regional Vice President for CIGNA Healthcare, with responsibility for Midwest operations, including Illinois, Ohio, Indiana, Missouri, and Oklahoma markets.

PROFESSIONAL AFFILIATIONS

Healthcare Financial Management Association Illinois,
President Emeritus

EDUCATION

M.B.A., Northern Illinois University
B.A., Northern Illinois University



JEFFREY ZIMMERMAN

GASB Pension Actuarial
Specialist

[Email](#)

Jeff has approximately 15 years of business experience providing actuarial and benefit plan consulting services.

He has advised companies on strategic decision-making relating to the design and investment of defined benefit, defined contribution and health & welfare plans. Jeff has assisted clients with pension plan analyses including asset liability modeling studies, plan design studies, plan terminations and early retirement windows.

Jeff has prepared and assessed funding and accounting actuarial valuation results and analyses. He has also assisted clients with pension administration for calculations, Form 5500 filings and PBGC filings.

Prior to joining our firm, Jeff provided similar services at Clarity in Numbers, LLC and Buck Consultants.

PROFESSIONAL AFFILIATIONS

Associate of the Society of Actuaries
Enrolled Actuary with Joint Board of Actuaries
Fellow of the Conference of Consulting Actuaries
Member of the American Academy of Actuaries

EDUCATION

B.S., Actuarial Science and Statistics, New Jersey
Institute of Technology

Client References and Certifications

Below is a selection of our client references whom we invite you to contact regarding our technical abilities and quality of service.

BUSINESS NAME & ADDRESS	CONTACT NAME/TITLE	PHONE	RELEVANCE
University of North Carolina Health Care System 211 Friday Center Dr., Chapel Hill, NC 27517	Mr. Paul Grosswald, Vice President, Finance	336-655-9900	Academic Medical Center System
Stanford Children's Health 725 Welch Rd., Palo Alto, CA 94304	Mr. Greg Hogue, Vice President, Finance	650-736-8986	Academic Medical Center & Clinics part of Stanford University
University Medical Center of Southern Nevada 1800 W Charleston Blvd., Las Vegas, NV 89102	Ms. Jennifer Wakem, Chief Financial Officer	702-383-2000	Academic Medical Center
Verity Health System (f/k/a Daughter's of Charity System) 2040 E Mariposa Ave., El Segundo, CA 90245	Mr. Mukesh Sanghvi, Former Corporate Controller (now Corporate Controller for Prospect Medical Holdings)	562-241-9972	Hospital System
California Public Employees' Retirement System (CalPERS) 400 Q Street, Sacramento, CA 95811	Ms. Michele Nix, Controller	916-795-2954	Health Plans

CERTIFICATIONS

We confirm that to the best of our knowledge, we do not have:

- ▶ Any affiliations with person(s) recognized by law enforcement officers as being habitual criminals or members of criminal cartels.
- ▶ Any convictions or judgements (civil or criminal) for fraud, deceit, or crimes involving moral turpitude.
- ▶ A petition under the Bankruptcy Act, or any state insolvency law, filed by or against any of the named.
- ▶ Any order, judgement, or decree of any federal or state authority barring, suspending, or otherwise limiting the right or license of the bidder to engage in any business practice or activity.

Value-Added Specialty Services for UUHC

EMPLOYEE RETENTION CREDITS (ERC) FOR HOSPITALS, MEDICAL GROUPS, AND HEALTHCARE PROVIDERS

THE OPPORTUNITY: CASH TAX SAVINGS

The ERC, which was created by the CARES Act on March 27, 2020, is designed to encourage employers (including tax-exempt entities) to keep employees on their payroll and continue providing health benefits during the coronavirus pandemic. The ERC is a refundable payroll tax credit for wages paid and health coverage provided by an employer whose operations were either fully or partially suspended due to a COVID-19-related governmental order or that experienced a significant reduction in gross receipts. The ERC was extended and enhanced by the recent passage of the Consolidated Appropriation Act of 2021.

The ERC may be taken in addition to any PPP loans and Department of Health and Human Services (HHS) grants to healthcare providers under the CARES Act and is applicable to tax-exempt organizations.

CASH BENEFIT

- ▶ Up to \$5,000 per employee for 2020
- ▶ Up to \$7,000 per employee per quarter for 2021 (Q1 & Q2 only)

ELIGIBLE EMPLOYER

An employer may be classified as an eligible employer in one of two ways:

1. The employer's business is fully or partially suspended by government order due to COVID-19 during the calendar quarter, **or**
2. The employer's gross receipts are below 50% (this threshold is reduced to 20% for 2021), of the comparable quarter in 2019

ESSENTIAL BUSINESSES

Employers in the healthcare industry have generally been deemed "essential businesses" by local, state, and federal government authorities, leading them to question their eligibility for the ERC. Recent updates to the Internal Revenue Service FAQs provide clarification specific to businesses deemed essential under the CARES Act to claim the ERC. The examples clarify the following fact patterns may result in eligibility:

- ▶ Non-essential business operations are limited by government orders, even if the essential business is unaffected
- ▶ Business operations are closed for certain purposes but remain open for others

COORDINATED APPROACH

While not mutually exclusive, there is interplay between with ERC and other loan and grant provisions provided in the various stimulus acts. Our coordinated approach ensures the most advantageous benefit is extracted and all compliance requirements are met.

HOW WE'VE HELPED BY THE NUMBERS

11 large hospital and healthcare networks assisted

16.5M+ dollars saved based on credit identified

WHY OUR FIRM?



Our process to help companies identify, substantiate, and document the ERC is designed in a manner that minimizes business disruption, which is particularly important in these uncertain times. Our technology-driven solution provides a secure and confidential way to survey employees and determine qualified wages.

Value-Added Specialty Services for UUHC

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

We can provide the following services related to the HHS Provider Relief funds (PRF):

FUNDING IDENTIFICATION

- ▶ Review emergency aid packages to identify all sources of funding available
- ▶ Monitor application submission guidelines and timelines

HHS PRF (or other funding sources to be established through future legislative action)

- ▶ Identification of COVID-Related expenses and lost revenues
- ▶ Assist in isolating expenses or lost revenues to protect against submission for reimbursement from multiple sources
- ▶ Advise in the establishment of policies and procedures for the maintenance of appropriate records and financial documentation
- ▶ Assist in the tracking, documentation, and proof of payment for COVID-19-related expenses and lost revenues in line with requirements
- ▶ Support with the submission of reports, as required by HHS, to ensure compliance with conditions of payment
- ▶ If required, support the completion of request for funding applications as additional funds become available

RECOVERY PERIOD & AUDIT ASSISTANCE

- ▶ Monitor audit guidelines associated with PHSSEF funding, or additional funding that may become available
- ▶ Develop procedures in line with audit guidelines and prepare for response, as needed
- ▶ Provide assistance responding to HHS audit requests

We have worked with several healthcare organizations assisting them in the identification of COVID-19 incremental expenses and calculation of lost revenue and reporting regarding the utilization PRF. Examples of such organizations include:

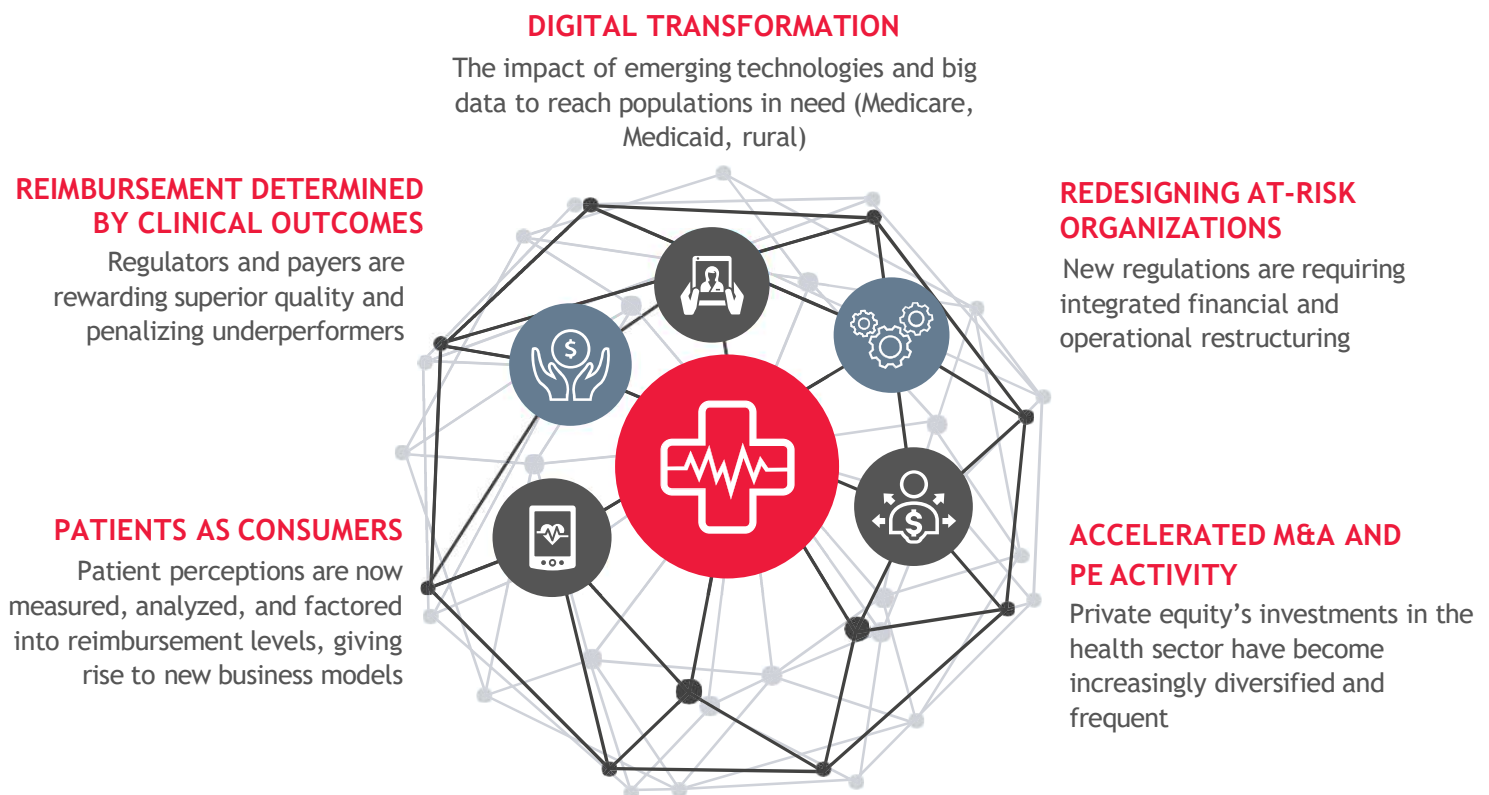
- ▶ Healthcare systems
- ▶ Stand alone hospitals
- ▶ Physician practices
- ▶ Nursing home organizations
- ▶ Other healthcare organizations

Value-Added Specialty Services for UUHC

HELPING UUHC ACHIEVE SHARED CARE, SHARED VALUE

Healthcare is in an era of unprecedented transformation and complexity: new payment models, new incentive structures, new regulatory requirements, and new sources of stress. Financial results and clinical outcomes will be intertwined as never before, changing not only business models, but also the fundamental nature of healthcare organizations.

KEY DRIVERS IMPACTING HEALTHCARE



Healthcare organizations must meet a series of goals that are imperative to their continued journey toward *SharedCare*, *SharedValue*. We're all consumers and participants in the healthcare system, and we know monumental drivers are impacting the future of the industry. Healthcare organizations need to stop thinking about care as what happens within their four walls, as that is no longer how care is experienced. Care is now consumer-centric, more community-based, collaborative, and technology-enabled.

It's the idea that amid this environment fraught with change, adapting and thriving means looking outside your organization. It means breaking down silos and building more connections across the entire care continuum. When healthcare organizations collaborate to improve care, they increase value for their patients and themselves. Everyone wins.

Value-Added Specialty Services for UUHC

PERFORMANCE DIAGNOSTIC ASSESSMENT

Our Performance Diagnostic (PDx) tool provides health systems with critical information across four categories essential to assessing any healthcare environment.

Using the diagnostic, organizations will understand clearly which clinical environments meet performance expectations, where further investments are necessary and if replacement or divestiture should be a consideration.

ACHIEVED BY ELEVATING AND INTEGRATING



CLINICAL
QUALITY



OPERATIONAL
EFFICIENCY




FINANCIAL
RESILIENCY



EXPERIENTIAL
DESIGN

PDX OBJECTIVE SYSTEM LEVEL ASSESSMENT

Our PDx tool provides an objective system level assessment across four performance categories in five different clinical environments.

CLINICAL ENVIRONMENT	PERFORMANCE CATEGORIES	KPI METRICS	ORGANIZATION SCORE
<div>1. Bedded Care</div> <div>2. Clinics</div> <div>3. Emergency Department</div> <div>4. Imaging</div> <div>5. Procedural</div>	<div>1. Clinical Quality</div> <div>2. Operational Efficiency</div> <div>3. Financial Resiliency</div> <div>4. Experiential Design</div>	<div>8 metrics specific to each Performance Category for each Clinical Environment</div>	
5	x	4	x
		8	= 160 Metrics

Value-Added Specialty Services for UUHC

CONSTRUCTION AUDIT EXPERIENCE AND METHODOLOGY

- **Construction Audit Experience.** Our team will consist primarily of construction auditors from our construction audit practice. Our construction auditors have years of experience auditing large scale projects in the healthcare industry. They understand the unique requirements for construction auditing and can speak the language with your vendors and partners.
- **Fraud and Forensics Experience.** We often partner with our fraud and forensics practice on these types of engagements. Should the need arise during our fieldwork, we will be able to quickly add a team member from our fraud and forensics practice. Some of the areas where we frequently team with these resources include instances when we identify a significant conflict of interest, suspect fraudulent or unethical behavior (such as kickbacks, bid rigging, etc.), or when it would appear the findings we've identified may result in litigation.

- **Engineering Experience.** We have access to subject matter experts with engineering backgrounds to assist should a technical question arise that may require engineering expertise.

We also have access to civil and project engineers that we can engage as needed. These resources would be provided by a third party and will require approximately 1-2 weeks lead time to engage. These resources will have higher hourly rates than those of our construction auditors. These rates range depending on the years of experience and specific technical background.

We will obtain your agreement prior to seeking assistance from our third-party engineering personnel.

CONSTRUCTION AUDIT ENGAGEMENT LIFECYCLE



Each engagement will be performed in the following phases:

Phase 1 - Planning:

During planning we will work with you to discuss the project's scope, budget, and procedures. We will also generate a request list and organize internal meetings with key personnel.

Phase 2 - Fieldwork:

The fieldwork phase will consist of us performing the procedures developed during the planning phase as well as reviewing documentation and having interviews as necessary. The fieldwork procedures will be directly tied to the audit objectives. Observations will be documented in an issue log and shared with management.

Phase 3 - Reporting:

We will formally document each issue, recommendation, and management response, if any.



Value-Added Specialty Services for UUHC

ADDITIONAL SERVICES TAILORED TO UUHC'S NEEDS

Based on our discussions, we believe the following services could provide meaningful impact to your organization. We welcome the opportunity to have a collaborative discussion in which our experts can share their insights and further assist UUHC in achieving your goals.



Click on each section header to learn more on our website.

Healthcare Advisory Services:

- ▶ Strategic planning
- ▶ Operational and supply chain management
- ▶ Value-based payment and reimbursement models
- ▶ Risk management, contract disputes and compliance
- ▶ Claims management
- ▶ Revenue cycle optimization and structuring

Accounting & Reporting Advisory Services:

- ▶ Complex technical accounting and reporting advisory
- ▶ Debt offerings
- ▶ Divestitures

Information Systems Assurance Services:

- ▶ IT controls assessment and optimization
- ▶ SOC 1, 2, and 3 Reports
- ▶ Regulatory compliance

Corporate Real Estate Advisory Services:

- ▶ Portfolio strategy
- ▶ Site selection and incentives
- ▶ Lease audit and advisory
- ▶ Construction audit and advisory
- ▶ Janitorial audit and advisory

Nonprofit Tax Services:

- ▶ Alternative Investment Planning
- ▶ ASC 740 Tax Provisions
- ▶ Form 990 Compliance
- ▶ Unrelated Business Income Tax Planning

Digital - IT Services:

- ▶ Application development
- ▶ Cloud & technology solutions
- ▶ Data analytics reporting
- ▶ Disaster recovery and business continuity
- ▶ Governance, risk & compliance (HIPAA)
- ▶ IT outsourcing
- ▶ Data Privacy & cybersecurity
- ▶ Technology strategy (including Telehealth)

Operations & Supply Chain Management:

- ▶ Strategic Sourcing & Supplier Performance Management
- ▶ Intelligent Supply Chain Digitization
- ▶ Operations Transformation

RFP Roadmap

SECTIONS C, D & F

PROPOSAL	PAGE(S)
C. Offeror's Approach to the Engagement	
Submit a general audit work plan to accomplish the scope defined in these guidelines. The audit work plan should demonstrate the Offeror's understanding of the audit requirements and the audit tests and procedures to be applied in completing the audit plan. Include a description of the length, timing, and type of work to be performed on-site at UUHC. The plan must detail the expected number of audit hours, on an annual basis, for each fiscal year being audited. The plan must also identify the breakdown of total hours between staff, in-charges, and higher levels. The planned use of specialists, if any, should also be identified.	4 - 16
D. Time Requirements	
Detail how the reporting deadline requirements of the audit will be met.	18
F. Terms and Conditions	
An Offeror's concerns, if any, with the terms and conditions outlined in this proposal, including the State of Utah Standard Terms and Conditions for Services (Attachment A), must be disclosed in the proposal. Identify the term and condition that causes concern and provide an explanation for the concern and a proposed modification for the term and condition for consideration.	20
Additional Documents	
Sample Engagement Letter	22 - 35



C. Offeror's Approach to the Engagement

Why Our Audit Approach is Distinctive

We have more than 100 years of experience delivering assurance, tax, and advisory services to companies similar to UUHC. We know your business and how you operate and are poised to address your immediate and long-term service needs.



Process efficiencies without sacrificing quality. We understand the importance of keeping the cost of our services affordable, and our methodologies have been specifically designed to provide your engagement team with the tools they need to perform high-quality services in a cost-effective manner.



Technologically advanced. We commit substantial research and development resources each year to develop and improve our methodologies and equip your engagement team with the latest technology. For example, we employ proprietary software, and our workpapers are fully networked and encrypted. This allows multi-location engagement teams to collaborate in real time while maintaining our high standards of security and the confidentiality of your data. We also use tailored healthcare-designed data analytics with dashboarding to regularly share outputs with UUHC.



Effective communications. Effective listening and regular, proactive, two-way communication throughout our service relationship is the cornerstone of our service quality and superior client service. This focus on communication allows your team to gather the information necessary to perform the audit and keep you up-to-date on the status of our services. This way you can provide timely input and evaluate whether our services meet your high expectations.



Scalable. Every business we work with is unique and obtaining a strong understanding of your business is essential to tailoring our services to your unique risks and business needs and avoiding a one-size-fits-all approach. Our methodologies have been specifically designed to be flexible and scalable, so your engagement team can incorporate its understanding of your business into their approach to appropriately size our efforts to your operations.



Early and continuous partner involvement. Our professional staff-to-partner ratio is lower than our major competitors, enabling more time for partners to be actively involved in your day-to-day audit services. The leaders serving you have considerable experience, and we believe the engagement partners should be actively involved throughout the service process in a hands-on manner. Our methodologies have been specifically designed to facilitate this level of partner involvement.



Environmentally friendly. Our networked, electronic platform significantly reduces our carbon footprint by reducing travel, work paper storage, and transportation costs.

Introducing Our Audit Approach

We employ a proprietary global audit methodology that will enable your engagement team to conduct high quality, risk-based audit.

SIX-STAGE AUDIT APPROACH

While all financial statement audits are required to comply with applicable auditing standards, audit firms use different methodologies to meet those standards, and the methodology used can have a significant effect on the quality and efficiency of service provided.

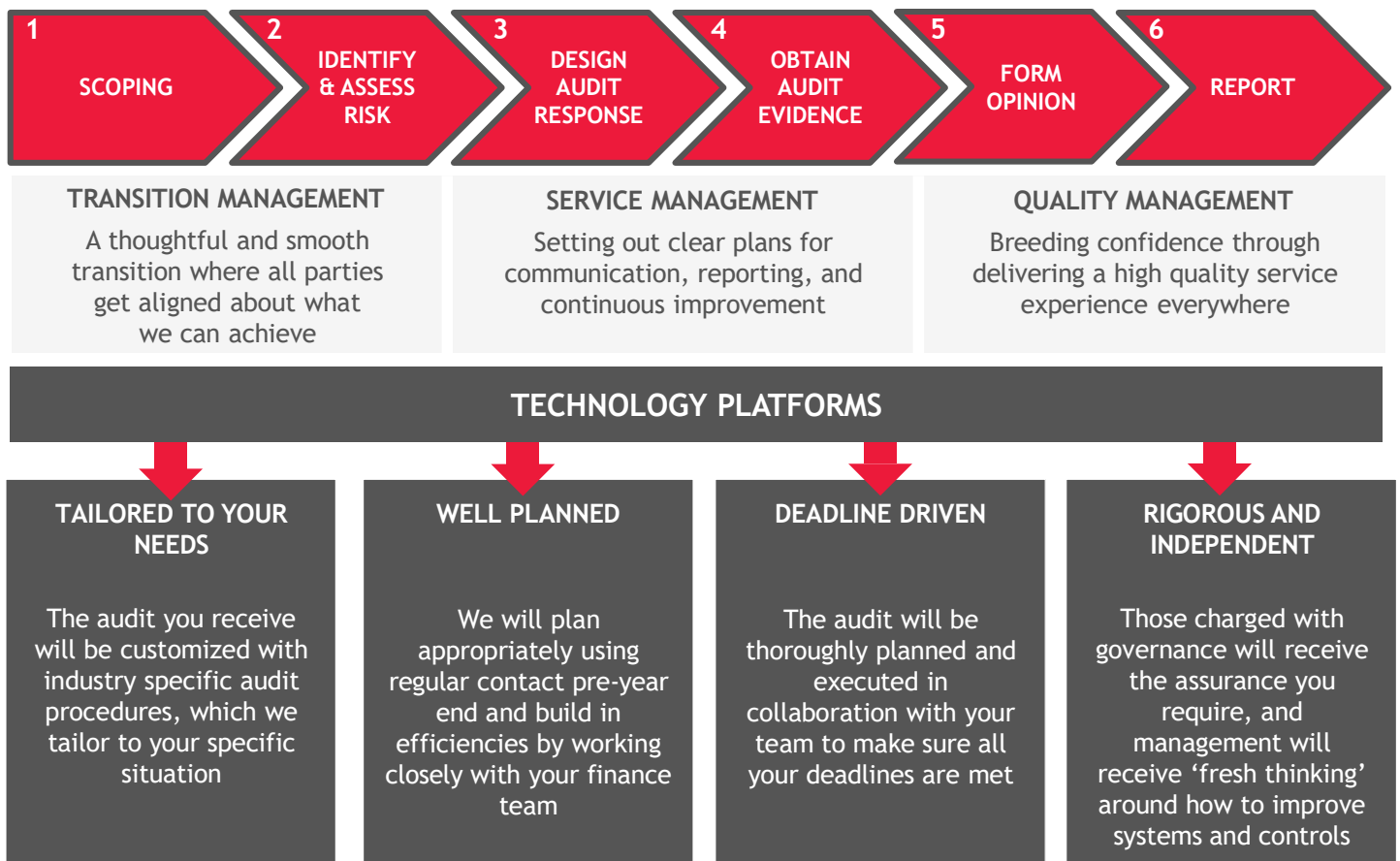
We deploy a six-stage audit approach, which has been designed to help ensure compliance with International Standards on Auditing (ISA) and U.S. auditing standards. It is underpinned by the four key pillars of transition management, service management, quality management, and technology platforms. Our risk-based methodology ensures our focus is directed towards those areas of financial statements that may contain material misstatements because of risks faced by UUHC. Essential to our approach is the incorporation of new technologies, including our audit software and documentation tool and our audit data analytics platform.

SINGLE AUDIT CAPABILITIES

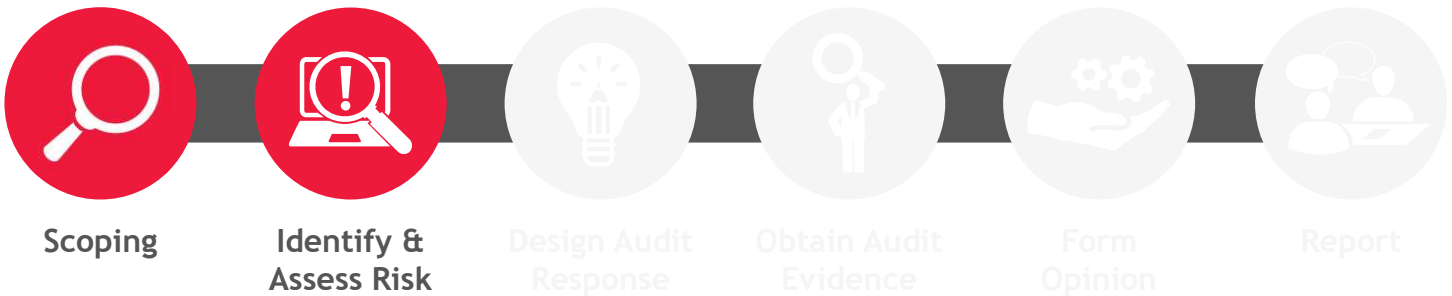
Given that UUHC received Provider Relief Funds, a Single Audit will most likely be required.

If selected as your service provider we are well-qualified to assist with any Uniform Guidance audit requirements that UUHC may have, as you will be subject to compliance for Provider Relief Funding funding received.

Our firm conducts more than 700 Single Audits and Government Auditing Standards engagements, with funding from various Federal agencies, including the United States Department of Health and Human Services, United States Department of Education, United States Agency for International Development and the United States Department of State. Over the years, we have performed thousands of audits in compliance with Uniform Guidance. We engage in efforts to design, direct, or recommend corrective action programs to help remediate deficient practices and establish effective accounting protocols, systems, and procedures.



Detailing Our Audit Approach



SCOPING

We will undertake a preliminary analytical review of your results to develop our expectations for and plan the audit procedures.

We will then determine a materiality level based on our professional judgement, including consideration of: your business, industry developments, financial stability, and financial statement reporting requirements. Our materiality level will assist in determining the audit scope and tests to be performed, as well as evaluating the effect of known and likely misstatements.

KEY ACTIVITIES

- ▶ Lead Partner and Manager attend audit planning meetings with UUHC
- ▶ Consider 'points forward' raised on last audits by previous auditors
- ▶ Submit 'prepared by client' information requests or set-up PBC app in global portal
- ▶ Meet with UUHC to stay updated on your business and issues, which feeds into our risk assessment
- ▶ Consider staffing and structure of the audits
- ▶ Agree scope and submit engagement letters

IDENTIFY & ASSESS RISK

We will use our proprietary data analytics platform to explore your data to assist in the identification and assessment of risk.

We will focus on those areas of financial statements that may contain material misstatements as a consequence of the risks you face. The higher the level of assessed risks of material misstatement (RMMs), the more assurance we will require.

We will establish Reliability (R) factors that feed into the audit response design, that numerically represent the assurance we require for each financial statement area and assertion. In parallel, we will apply knowledge on the latest economic/reporting issues into risk assessment/planning activities.

KEY ACTIVITIES

- ▶ Identify potential RMMs
- ▶ Obtain and explore an interim dataset from your general ledger
- ▶ Determine engagement and assertion level risks after discussing with management your processes around risk management, systems, accounting, and financial reporting
- ▶ Assess potential impact of these risks
- ▶ Design our response to these risks
- ▶ Establish R factors to help design audit response and help determine sample sizes
- ▶ Ensure communication lines are open between the Budget and Finance Committee, Board, and lead engagement partner

Detailing Our Audit Approach

CONTINUED



DESIGN AUDIT RESPONSE

In determining our audit strategies, we will be focused on meeting professional standards, effectiveness, and efficiency. We will design our approach from a range of procedures grouped as follows:

- ▶ **Test of Controls (TOCs):** Determine the consistent and effective operation of the relevant internal controls
- ▶ **Substantive Analytical Procedures (SAPs):** Identify relationships that provide evidence about particular assertions related to account balances or classes of transactions
- ▶ **Other Substantive Procedures (OSPs):** Provide more conclusive evidence to support given assertions
- ▶ **Data Analytics Tests (DATs):** Incorporate technology to enhance our ability to obtain and evaluate audit evidence

KEY ACTIVITIES

- ▶ Scope our audit response to focus on the key risks identified and assessed in stage two
- ▶ Ensure that the audit outputs will provide you with constructive feedback/commercial insight
- ▶ Provide our interim samples for detailed testing to allow time for you to prepare info ahead of the audit
- ▶ Lead partner/manager review your processes
- ▶ Collaborate with IS audit to identify the key internal controls for testing
- ▶ Issue audit strategy/planning document to the Budget and Finance Committee and Board
- ▶ Liaise with management to agree upon the format of year-end financial statement

OBTAIN AUDIT EVIDENCE

Our team will be on-site to perform audit procedures and obtain evidence to gain assurance that financial statements are not materially misstated.

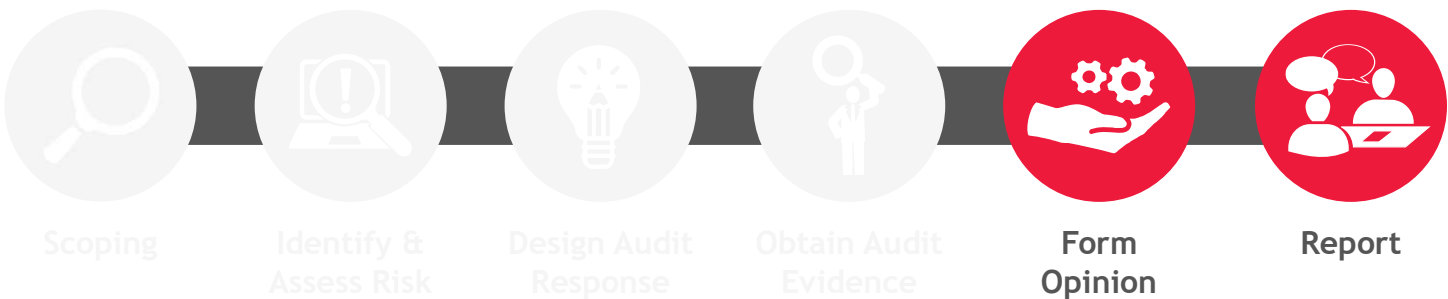
In performing the planned audit procedures, we will maintain an appropriate degree of professional skepticism. At the end of the audit, we will want to demonstrate that it was performed in accordance with the firm's policies and procedures and regulatory requirements.

KEY ACTIVITIES

- ▶ Manage onsite team's progress and raise issues
- ▶ Regular internal senior manager and partner reviews
- ▶ Work with you to agree upon pragmatic and workable solutions to critical issues ahead of clearance
- ▶ Our IT and financial audit teams collaborate to perform the required audit tests (agreed combination of TOCs, SAPs, OSPs, and DATs)
- ▶ Provide timely, open, and relevant feedback to the Budget and Finance Committee and Board through attending quarterly meetings

Detailing Our Audit Approach

CONTINUED



FORM OPINION

We will evaluate whether we have sufficient evidence to conclude that the financial statements are free from material misstatement, and will consider the effect of any potential misstatements found.

This will involve performing a final analytical review which may incorporate further elements of Audit Data Analytics. When evaluating whether a misstatement is material, we will consider the same factors we considered in determining our preliminary estimate of materiality. If our judgement as to what is material is markedly lower than what was set, we will consider additional audit procedures required.

KEY ACTIVITIES

- ▶ Share intended content with the Budget and Finance Committee and Board and finance team (as appropriate) for comment
- ▶ Include appropriate responses in the management letter before it is issued to the Budget and Finance Committee and Board
- ▶ Meet with the Budget and Finance Committee and Board to understand any concerns they may have regarding the audit opinions
- ▶ Collaborate with the Budget and Finance Committee and Board to agree upon the style of reporting and communication required

REPORT

We will create an auditor's report that contains our opinion and details of those matters on which we are required to report including:

- ▶ Key areas of judgement around the material areas of the financial statements
- ▶ Quality of the earnings and year end close process
- ▶ Review of the systems and controls
- ▶ Recommendations for improvement
- ▶ Any other matters specifically requested during audit planning
- ▶ Debrief and continuous improvement

KEY ACTIVITIES

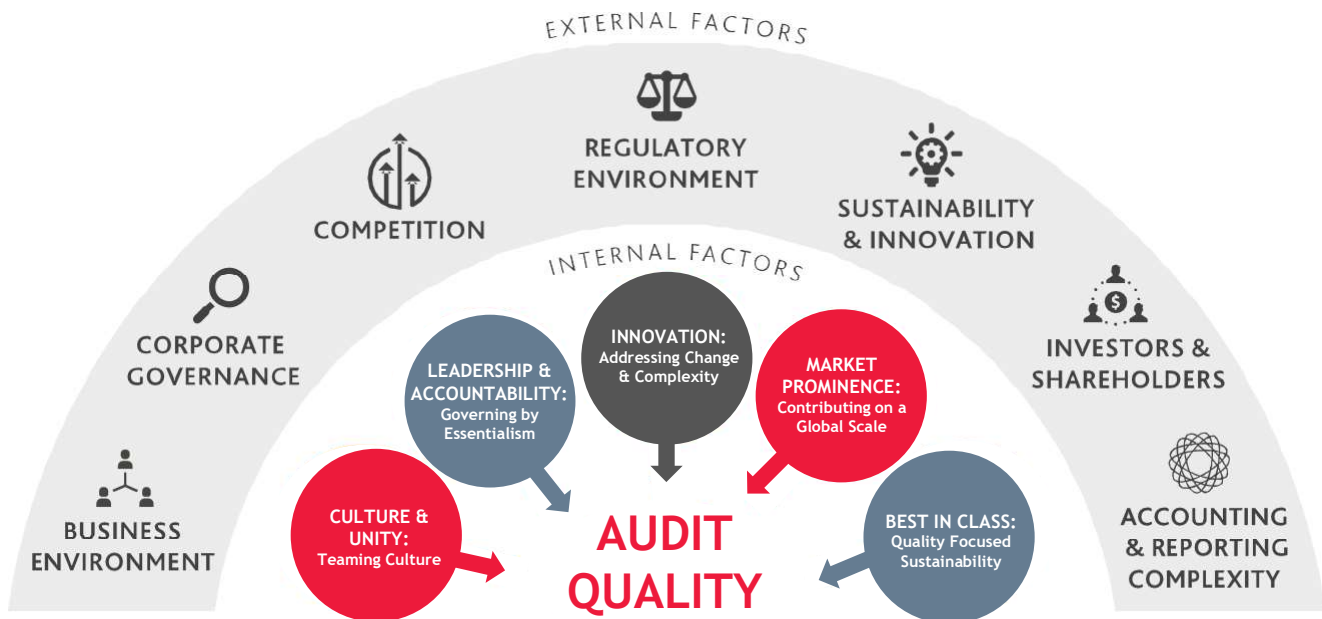
- ▶ Annual clearance meeting with management to report/discuss audit findings and resolve issues
- ▶ Issue Management Letter, which is a tailored response to circumstances and the situation of your organization and audit findings
- ▶ Report to the Budget and Finance Committee and Board via our reports:
 - 1) Report issued during planning outlining our audit strategy and overview of technical issues
 - 2) Report issued at audit conclusion that sets out salient matters arising from the process, including key management letter points, audit adjustments, and key audit and accounting issues

Our Audit Quality Framework

As the financial markets and global nature of businesses change, our internal approach to audit quality focuses on the following key external factors:

- ▶ Business and regulatory environments in which we and our clients operate
- ▶ Accounting and reporting complexities
- ▶ Oversight of those charged with governance
- ▶ Expectations of investors and other stakeholders
- ▶ Market competition
- ▶ Innovation and sustainability needs that support capital market

With these external factors in mind, we employ an Audit Quality Framework based on five elements of internal focus (pillars) unique to our strategic plan. Each element enables us to assess, prioritize, and adjust our investments of resources toward the most impactful activities to enhance the quality of the services we provide. Additionally, such focus furthers our ability to help define the future of the auditing profession in adapting to the changing landscape affecting our clients.



“Despite a dynamic business and political environment marked by post-election speculation as to the impact on the financial reporting regulatory environment and global markets, we are keeping our focus. We continue to promote a strategy committed to the delivery of high-quality audits that meet the public’s demand for compliance, transparency, and integrity of the financial statements on which we opine.”

WAYNE BERSON
Chief Executive Officer and Chairman





Our Use of Audit Technology

GLOBAL PORTAL



A central, secure location for all engagement material and associated collateral to enhance your overall relationship and communications with us.

- ▶ Enables us to deliver our clients a range of services, tools, apps, and information in a seamless way through a flexible, appealing, and secure environment
- ▶ Provides an online collaboration space, including project management and workflow tools such as electronic signatures
- ▶ Supports 24/7 access to our news and knowledge
- ▶ Enables the effective and secure sharing of documents

APT NEXT GEN



APT Next Gen is an online engagement management platform designed to use cloud technology, while an offline mode is also available. Key benefits to the technology include:

- ▶ Integrated trial balance manager with consolidation features
- ▶ Ability to invite engagement team members in a matter of seconds
- ▶ Scalable content within the library, including focused questionnaires and industry-tailored procedures
- ▶ Enhanced project management features
- ▶ Risk assessment – easier and improved

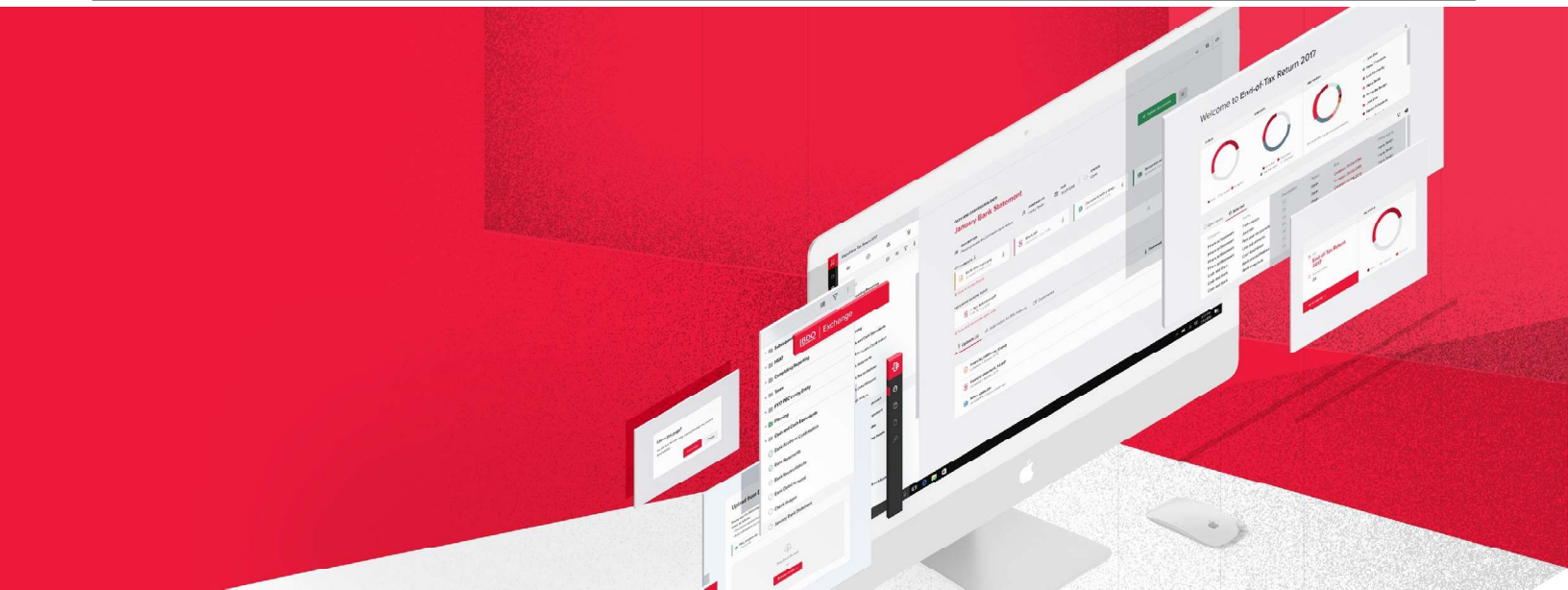
DATA ANALYTICS



Our proprietary Data Analytics platform includes a suite of data analytics tools that combines the benefits of modern technology with our knowledge and understanding of your business.

- ▶ Our global initiative to go beyond traditional audit techniques and enable greater analysis via audit data analytics within the audit through use of data visualization, data correlation, data comparison, and other shared techniques
- ▶ These techniques can be used as part of risk assessment, audit evidence gathering, provision of greater insights, and support more efficient and effective audit strategies

We also offer healthcare-specific data analytics tools on auditing, in particular net patient accounts receivable and claims IBNR.



Global Portal

Our Global Portal transforms and enhances your digital experience with us. Available at any time, our Global Portal enables you to access all services, tools, apps, and information and to collaborate with your advisors in a seamless way through a flexible, appealing, and secure environment.



ONE PORTAL

A central location for you to manage all engagements with us. Each engagement receives its own project within the Global Portal, with user access allocation at the project level, giving control and security.



INSIGHTS

Provides 24/7 access to our services, modern tools, and apps as well as insights tailored to your industry and business.



DOCUMENTS

A secure, collaborative space for you to share and edit files with us. With managed access at the file level and read only functionality, clients can efficiently work online in real time.



SEAMLESS AND INTEGRATED EXPERIENCE

An open platform enabling firms to integrate local applications and languages. Together with our own application, Exchange, it creates a seamless and tailored experience.



ORGANIZE

Track project progress through the completion of milestones, as tasks are completed. Document signing, approval, and action tasks allow flexible project management.



NOTIFICATIONS

Keep up-to-date with customizable notifications that set the interval for when and which notifications you want to receive.

“We believe the marriage of chosen technologies and auditor professional judgment results in better quality audits. We have therefore invested in technologies that enable us to surface and direct our primary efforts to those items that exhibit more risk, regardless of source system, systems, or native data convention. As a result, we have embedded analytics into all aspects of our audits.”



BRIAN MILLER
National Partner,
Audit Transformation and Innovation

Advantage Audit Data Analytics

Our audit data analytics (ADA) solutions are essential elements of our technology driven service offerings and designed to replace more traditional audit procedures.

The application of ADA is the art and science of pattern recognition, outlier, and notable item detection, as well as clustering, risk rating, and responding to those items appropriately given in the risk profile.

Our Advantage platform guides our professionals towards those items that matter most. Our platform also drives dialogue with financial executives and those charged with governance regarding those items of relevance for their consideration and input as specific business issues and audit risks are identified.

ADA APPLICATIONS

- ▶ **Advantage:** A suite of data analytics tools that combines the benefits of modern technology with our knowledge and understanding of your business
- ▶ **Harmony:** Our proprietary application designed to automate the transformation and loading of your data into our guided analytics stack

TRADITIONAL AUDIT PROCEDURES	AUDIT DATA ANALYTIC PROCEDURES
<ul style="list-style-type: none"> ▶ Extensive sampling and manual vouching to supporting documentation ▶ Inherent elements of randomness ▶ Traditional analytics often present low levels of assurance with difficult-to-investigate differences ▶ Often time intensive and require extensive manual data manipulation ▶ Less emphasis on data reliability and integrity 	<ul style="list-style-type: none"> ▶ Allows for testing of 100% of a population ▶ Biases approach to those items that matter most ▶ Automates calculations and audit procedures ▶ Visualizes data to simplify the identification of unusual items ▶ Allows for a disaggregated and visual review of unusual items, simplifying the investigation process



Plan the
ADA



Access &
Prepare Data



Assess Data
Reliability



Perform the
ADA



Evaluate &
Conclude

Seamless Transition & Collaboration

Our team members are experienced with the transition of new clients and can readily resolve any problems that may occur during this change.

We will devote the highest priority to the careful and thoughtful planning required to help ensure a smooth transition with the least possible disruption to UUHC personnel and its operations.

We also have extensive, first-hand experience in transitioning assurance services from firms throughout the country (including with your current firm). We view the transition as an opportunity to provide a “fresh perspective” in the review of your accounting systems, controls, and operations. We are confident we have the experience and resources required to complete the transition in a timely, efficient manner.

Over the past few years, we have transitioned a number of healthcare clients to our firm, including:

- ▶ University Medical Center of Southern Nevada
- ▶ CalPERS (health plans)
- ▶ Alteon Health
- ▶ Cardinal Innovations Healthcare
- ▶ Centra Health System
- ▶ Chesapeake Hospital Authority
- ▶ Howard University Hospital
- ▶ Maryland Proton Treatment Center
- ▶ University of North Carolina Health Care System
- ▶ University of Virginia Physicians Group

OUR TRANSITION APPROACH

SIMPLIFY THE PROCESS: Our highest priority will be to simplify the process by stressing a coordinated effort, with involvement of consistent points of contact to limit disruption to your financial personnel. Your engagement partner, Billy Kim, will be your primary point of contact.

EASE THE DISRUPTION: Upon acceptance, we will begin obtaining an understanding of historical accounting practices and UUHC’s internal control environment. Typically, during the first year, we focus on leveraging management’s internal documentation to ease the disruption to management as we transition in as the auditors.

REVIEW PRIOR YEAR AUDITOR WORKPAPERS: We will arrange to review prior year workpapers to assist us in focusing on issues they may have had during the past audit and improve the efficiency of the current audit.

INTERVIEW INTERNAL AUDIT: We will review any quality control assessments, or other internal monitoring when setting our scopes and we will continue evaluating testing of UUHC’s internal controls and the impacts our testing will have to the substantive work we may need to perform.

UNDERSTAND CURRENT YEAR EVENTS: We will discuss significant events that have occurred during the year with management to work through any accounting or financial reporting issues, and we will have discussions with management on new accounting standards and the impacts they may have to the audits.

INVESTMENT IN UUHC: Typically, there are about 15% more hours in the first year of an engagement due to the planned transition and start-up. This is an investment made by the firm and not charged to our clients.

Communicating with UUHC

At the core of our client service philosophy is a commitment to proactive, ongoing, and effective communication. Our holistic approach to communication helps ensure compliance, minimize liabilities, and reduce risk.

At the start of the engagement, we will work with UUHC leadership to develop a specific, tailored communication plan that meets your preferences and needs.

This communication plan includes regular informal written and oral communications, and a more formal plan, including but not limited to:

- ▶ Initial kick-off meeting to gather workpapers and ensure goals and expectations are aligned.
- ▶ Internal client service planning meetings.
- ▶ Planning meetings throughout the year to help address issues early in the process before they develop into problems or surprises.

We have developed a series of tools to facilitate this type of proactive communication, including the Global Portal, which we use to increase communication through accessibility of documentation, project management insights, and a record of our correspondence and communications.

Additionally, we have developed a consultative procedure to help ensure that our clients have immediate assistance with technical matters, should they arise. Our top technical resources are available and committed to providing quick resolution of issues and complex matters.

REPORTING TO MANAGEMENT

We will communicate with management on a regular basis and in a number of ways:

- ▶ Update meetings throughout the year, the regularity of which we will agree with you, but we suggest quarterly at a minimum.
- ▶ Planning meetings in person, on the phone, or by email, as appropriate, to address any issues identified during the course of your services.
- ▶ Annual audit closing meetings to report audit findings and resolve any outstanding issues.
- ▶ Sharing of intended content of documents, to the extent appropriate, before they are formally issued.
- ▶ Ad-hoc meetings and telephone conversations as necessary to discuss financial and strategic challenges as they arise.

COMMUNICATING WITH THE BUDGET AND FINANCE COMMITTEE AND BOARD

We will meet with the Budget and Finance Committee and Board to understand any concerns they may have and to agree to the style of reporting and communication required. We will strive for open lines of communication at all points of the engagement.

At a minimum, we intend to participate in a planning meeting and will continue to attend periodic meetings throughout the year. We will prepare a detailed report after the completion of our audit fieldwork for discussion.

We would expect to issue two formal reports:

- ▶ An audit planning communication, outlining our strategy for the audits and identifying technical issues that will affect the financial statements and related disclosures.
- ▶ A final communication of audit results issued at the conclusion of the audit process addressing salient matters arising from the process, audit adjustments, internal control findings, and key audit and accounting issues.

Our Client Service Commitment to UUHC

We fully expect UUHC to monitor and measure our performance as external professional service providers. Good quality, accurate, and open client feedback allows us to enhance our performance and gauge how well we are meeting your expectations. We take client service and satisfaction seriously and will continuously assess your expectations and perceptions.

OUR KEY PERFORMANCE INDICATORS

The key performance metrics we use to measure all assessment engagements are as follows:

- ▶ Depth of individual knowledge
- ▶ Timely identification of any critical assessment issues
- ▶ A thorough understanding of your business
- ▶ Adherence to agreed upon deadlines
- ▶ Quality and frequency of communication
- ▶ Relevant and timely business insights
- ▶ Process improvement recommendations
- ▶ Recognition as a trusted business advisor
- ▶ Ability to quickly resolve project issues

FEATURES OF OUR UNIQUE CLIENT SERVICE COMMITMENT

- ▶ Early and continuous partner involvement
- ▶ Direct access to top technical resources
- ▶ Dedicated project management to help you meet reporting deadlines
- ▶ Value for fees through efficient, quality service
- ▶ Proactive, continuous communications to help you meet your needs, challenges, and business goals

We recognize that our goal to provide exceptional client service is achieved in the long term only if we provide a sustained level of superior service, which is monitored throughout our relationship. Since 2013, we have been measuring our standard of client service across our customer base using the Net Promoter Score (NPS) process. This involves surveying clients to determine their level of satisfaction and experience with our firm, using the overarching question “Would you recommend us?” we have proudly scored in the excellent category. Additionally, we gather feedback through:

- ▶ Regular engagement team meetings to discuss the progress of our work and current issues encountered
- ▶ Client professional performance evaluations throughout the year

“If selected, we will not simply rely on our accomplishments. UUHC deserves nothing more than ongoing value, open communication, and innovative suggestions to continue helping your organization thrive in 2022 and beyond. You have my commitment to serve you with accountability and integrity.”

BILLY KIM
Lead Assurance Partner



Expected Number of Audit Hours by Professional Level

YEAR	PROFESSIONAL LEVEL					TOTALS
	PARTNER	DIRECTOR	MANAGER	SENIOR ASSOCIATE	STAFF ASSOCIATE	
2022*	155	140	230	765	866	2156
2023	144	120	212	712	818	2006
2024	144	120	212	712	818	2006
2025	144	120	212	712	818	2006
2026	144	120	212	712	818	2006

*Accounts for uplift for GASB statement 87 lease implementation





D. Time Requirements



F. Terms and Conditions

Exceptions to Standard Contract Terms and Conditions

SECTION	EXCEPTION
1.k	In the first sentence, we would like to clarify that “Work Product” is what “...that is made, conceived, discovered, or reduced to practice by Contractor or Contractor’s Subcontractors (either alone or with others) specified in the requirements of this Contract.” In the third sentence, we would like to clarify that Work Product does not include Contractor’s intellectual property that is made independent of this Contract.
2	We request the addition of a jury trial waiver to the agreement.
4	We would like to revise the last sentence as follows: “Contractor agrees to allow, at no additional cost, subject to conditions of confidentiality, the State of Utah, federal Contractors, and OSA staff, access to all such records to the extent necessary to account for Contractor’s performance and the payments made by the OSA to Contractor under this Contract.”
6	We request a revision to specify that this representation is to the best of Contractor’s knowledge.
8	We request limiting the indemnification solely to claims arising from our firm’s fraud or intentional misconduct and injuries to person, including death, or damages to real property. In the last sentence, we would like to revise the last clause as follows: “...or to damages to real property.”
12	In the penultimate sentence of the second paragraph, we would add the following, “...satisfactorily performed by the Contractor, subject to the exceptions set forth in Section 20.”
16	We would like to address the following: <ul style="list-style-type: none"> • The requirement to name the State as additional insured should not apply to Worker’s Compensation coverage; • Our firm’s automobile policy does not cover owned vehicles because we do not own any vehicles; and • Because no other coverages are apparently required in the Solicitation, we would like to delete 16.d as not applicable.
19	We would like to delete this as not applicable.
26	In the last sentence, we would like to delete “or third-party claims (e.g. another Contractor’s claim against the State of Utah)”.
29	We would like to delete “(iii) impose liquidated damages, if liquidated damages are listed in this Contract;”
31	Because the state would have a remedy of breach of contract against our firm for such claims, we request deleting “Contractor shall indemnify, hold harmless, and defend the OSA and the State of Utah, including anyone for whom the OSA or the State of Utah is liable, from claims related to a breach of this duty of confidentiality, including any notification requirements, by Contractor or anyone for whom the Contractor is liable.”
38	We would like to delete this section.



Sample Engagement Letter

Sample Engagement Letter

Upon award of the work, we would like to discuss including in the contract provisions, the standard terms governing our firm's form engagement letter, including those relating to responsibilities of OSA and the State of Utah, email communication, external computing options, terms regarding the use of our report, ownership of our workpapers, independence conditions, a reasonable limitation of our liability, and third-party use restrictions. The draft engagement letter is attached as follows:

Date

[Ms./Mr./etc.] [First and Last Name], [Title]
University of Utah Health and Clinics
201 Presidents Circle, Room 210 Salt Lake
City, UT 84112

Dear [Ms./Mr./etc.] [Last Name]:

Agreement to Provide Services

This agreement to provide services (the "Agreement") is intended to describe the nature and scope of our services.

Objective and Scope of the Audit

As agreed, [REDACTED] or "we") will audit the basic financial statements of **University of Utah Health and Clinics** (the "UUHC" or "you"), which comprise the statement of net position as of June 30, 2022, and the related statement of revenues, expenses and changes in net position and cash flows, including the related notes to the financial statements. The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America ("GAAS") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate context. As part of our engagement, we will apply certain limited procedures to UUHC's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtain during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required and will be subjected to certain limited procedures, but will not be audited:

[Ms./Mr./etc.] [First and Last Name]

Date

Page 2

Also, the supplementary information accompanying the basic financial statements, as listed below, will be subjected to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS, and our auditor's report will provide an opinion on it in relation to the basic financial statements as a whole.

- Supplemental statement of revenues, expenses and changes in net position

Also, the supplementary information accompanying the basic financial statements, as listed below, will not be subjected to the auditing procedures applied in our audit of the basic financial statements, and our auditor's report will not provide an opinion or any assurance on such supplementary information.

- Management's discussion and analysis
- Schedule of the hospital's proportionate share of the net pension liability
- Schedule of employer contributions

Responsibilities of ■■■■

We will conduct our audit in accordance with GAAS. Note that ■■■■ may utilize personnel from a ■■■■ subsidiary to assist in the audit, but ■■■■ will remain responsible for and supervise all such services. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a reasonable basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 UUHC's internal control. Accordingly, we will express no such opinion. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses in internal control. However, we will communicate to you and those charged with governance in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

[Ms./Mr./etc.] [First and Last Name]

Date

Page 3

- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about UUHC's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

Our work will be based primarily upon selected tests of evidence supporting the amounts and disclosures in the financial statements and, therefore, will not include a detailed check of all of your Government's transactions for the period. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements. However, we will inform you of any material errors or fraud that come to our attention.

We will also inform you of possible illegal acts that come to our attention unless they are clearly inconsequential. In addition, during the course of our audit, financial statement misstatements relating to accounts or disclosures may be identified, either through our audit procedures or through communication by your employees to us, and we will bring these misstatements to your attention as proposed adjustments. At the conclusion of our audit we will communicate to those charged with governance (as defined below) all uncorrected misstatements.

The term "those charged with governance" is defined as the person(s) with responsibility for overseeing the strategic direction of UUHC and obligations related to the accountability of UUHC, including overseeing the financial reporting process. For UUHC, we agree that University Hospital Budget and Finance Committee and Board meets that definition.

We are also responsible for communicating with those charged with governance what our responsibilities are under GAAS, an overview of the planned scope and timing of the audit, and significant findings from the audit.

Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that you and those charged with governance acknowledge and understand that you [and those charged with governance] have responsibility (1) for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; (2) for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud; (3) for identifying and ensuring that UUHC complies with the laws and regulations applicable to its activities; and (4) to provide us with access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.

You acknowledge and understand your responsibility for the preparation of the supplementary information in accordance with the applicable criteria. You also agree to include our report on the supplementary information in any document that contains the supplementary information and that

[Ms./Mr./etc.] [First and Last Name]

Date

Page 4

indicates that we have reported on such supplementary information. You also agree to present the supplementary information with the audited financial statements, or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and our report thereon.

Management is responsible for adjusting the financial statements to correct material misstatements relating to accounts or disclosures, after evaluating their propriety based on a review of both the applicable authoritative literature and the underlying supporting evidence from UUHC's files; or otherwise concluding and confirming in a representation letter (as further described below) provided to us at the conclusion of our audit that the effects of any uncorrected misstatements are, both individually and in the aggregate, immaterial to the financial statements taken as a whole.

As required by GAAS, we will request certain written representations from management at the close of our audit to confirm oral representations given to us and to indicate and document the continuing appropriateness of such representations and reduce the possibility of misunderstanding concerning matters that are the subject of the representations. Because of the importance of management's representations to an effective audit, UUHC agrees, subject to prevailing laws and regulations, to release and indemnify [REDACTED] and its partners, principals, employees, affiliates, contractors, agents, and Permitted Assignees (as defined herein under "Assignment") (collectively, the [REDACTED]) from and against all liability and costs relating to our services rendered under this Agreement attributable to any knowing misrepresentations by management.

Expected Form and Content of the Auditor's Report

At the conclusion of our audit, we will submit to you a report containing our opinion as to whether the financial statements, taken as a whole, are fairly presented based on accounting principles generally accepted in the United States of America; and also containing a separate section indicating that our opinion does not cover the other information (as defined below) included in the annual report, stating that we considered any material inconsistency that exists between the other information and the financial statements, and describing any other information that otherwise appears to be materially misstated. If, during the course of our work, it appears for any reason that we will not be in a position to render an unmodified opinion on the financial statements, or that our report will require an Emphasis of Matter or Other Matter paragraph, we will discuss this with you. It is possible that, because of unexpected circumstances, we may determine that we cannot render a report or otherwise complete the engagement. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or decline to issue a report as a result of the engagement. If, in our professional judgment, the circumstances require, we may resign from the engagement prior to completion.

[Ms./Mr./etc.] [First and Last Name]

Date

Page 5

Other Information Included in the Annual Report

You agree that you are responsible for the other information to be included in the annual report. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. You also agree that you will provide to us the final version of the document(s) comprising the annual report when available, and prior to the issuance of such document(s) to any third parties. Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements. We are not responsible for searching for omitted information or for the completeness of the other information. Accordingly, [REDACTED] disclaims and you agree to release the [REDACTED] from, and indemnify the [REDACTED] for, all liability arising out of or related to inconsistencies in or incompleteness of the other information.

Termination

Upon notice to UUHC, [REDACTED] may terminate this Agreement if [REDACTED] reasonably determines that it is unable to perform the services described in this Agreement in accordance with applicable professional standards, laws, or regulations. If we elect to terminate our services for any reason provided for in this Agreement, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. If the Agreement is terminated, UUHC agrees to compensate [REDACTED] for the services performed and expenses incurred through the effective date of termination. Those provisions in this Agreement that, by their very nature, are intended to survive termination shall survive after the termination of the Agreement, including, but not limited to, the parties' obligations related to any of the following provisions: indemnification, limitations on liability, confidentiality, dispute resolution, payment and reimbursement obligations, and limitations on use or reliance.

Client Acceptance Matters

[REDACTED] is accepting UUHC as a client in reliance on information obtained during the course of our client acceptance procedures. Billy Kim has been assigned the role of engagement partner and is responsible for directing the engagement and issuing the appropriate report on UUHC's financial statements.

Email Communication

[REDACTED] disclaims and waives, and you release the [REDACTED] from, all liability for the interception or unintentional disclosure of email transmissions or for the unauthorized use or failed delivery of emails transmitted or received by [REDACTED] in connection with the services we are being engaged to perform under this Agreement.

[Ms./Mr./etc.] [First and Last Name]

Date

Page 6

External Computing Options

If, at UUHC's request, any member of the [REDACTED] agrees to use certain external commercial services, including but not limited to services for cloud storage, remote control, and/or file sharing options (collectively "External Computing Options"), that are outside of [REDACTED] standard security protocol, UUHC acknowledges that such External Computing Options may be associated with heightened security and privacy risks. Accordingly, the [REDACTED] disclaims and UUHC agrees to release the [REDACTED] from, and indemnify the [REDACTED] for, all liability arising out of or related to the use of such External Computing Options.

Use of [REDACTED] Advantage Extraction Scripts or Services

With your approval, [REDACTED] may use [REDACTED] Advantage Extraction Scripts or Services to extract certain general ledger and subledger information from your financial accounting system to facilitate performance of our services. The [REDACTED] Advantage Extraction Scripts or Services and all information, content, materials, products (including software), and other services included in or otherwise made available to you through the [REDACTED] Advantage Extraction Scripts or Services are provided by us on an "as is" and "as available" basis, unless otherwise specified in writing. We make no representations or warranties of any kind, expressed or implied, as to the operation of the [REDACTED] Advantage Extraction Scripts or Services, or the information, content, materials, products (including software), or other services included in or otherwise made available to you through the [REDACTED] Advantage Extraction Scripts or Services, unless otherwise specified in writing. You expressly agree that your use of the [REDACTED] Advantage Extraction Scripts or Services is at your sole risk, and you release our firm from any liability connected therewith. We shall not share or sell any of the extracted information to third parties, and we shall use such information solely to facilitate performance of the services described in this Agreement.

Ownership of Working Papers

The working papers prepared in conjunction with our audit are the property of [REDACTED], constitute confidential, proprietary, and trade secret information, and will be retained by us in accordance with our firm's policies, procedures, and applicable laws.

Reproduction of Auditor's Report

If UUHC plans any reproduction or publication of a document that includes our report, or any portion of it, and that is assembled differently from any paper or electronic version that we have previously reviewed and approved for UUHC (e.g., by the addition of financial statements and/or accompanying information that you have produced), a copy of the entire document in its final form should be submitted to us in sufficient time for our review and written approval before printing. You also agree to provide us with a copy of the final reproduced material for our written approval before it is distributed. If, in our professional judgment, the circumstances require, we may withhold our written approval.

[Ms./Mr./etc.] [First and Last Name]

Date

Page 7

Posting of Auditor's Report and Financial Statements on Your Website

You agree that, if you plan to post an electronic version of the financial statements and auditor's report on your website, you will ensure that there are no differences in content between the electronic version of the financial statements and auditor's report on your website and the signed version of the financial statements and auditor's report provided to management by our firm. You also agree to indemnify us for all claims that may arise from any differences between the electronic and signed versions.

Review of Documents in Connection with Offering of Sale of Debt

The audited financial statements and our report thereon should not be provided or otherwise made available to lenders, other financial institutions or sources of financing, or others (including advisors to such parties) in connection with any document to be used in the process of obtaining capital, including, without limitation, by means of the sale of securities (including securities offerings on the Internet) without first submitting copies of the document to us in sufficient time for our review and written approval. If, in our professional judgment, the circumstances require, we may withhold or condition our written approval.

Communications With Predecessor Auditors

GAAS requires that we contact Ernst and Young to review their working papers and discuss their audit of prior years' financial statements. It will be necessary that you authorize in writing Ernst and Young to communicate with us for that purpose.

Availability of Records and Personnel

You agree that all records, documentation, and information we request in connection with our audit will be made available to us (including those pertaining to related parties), that all material information will be disclosed to us, and that we will have the full cooperation of, and unrestricted access to, your personnel during the course of the engagement.

You also agree to ensure that any third-party valuation reports that you provide to us to support amounts or disclosures in the financial statements (a) indicate the purpose for which they were intended, which is consistent with your actual use of such reports; and (b) do not contain any restrictive language that would preclude us from using such reports as audit evidence.

Assistance by Your Personnel and Internet Access

We also ask that your personnel prepare various schedules and analyses for our staff. However, except as otherwise noted by us, no personal information other than names related to Government employees and/or customers should be provided to us. In addition, we ask that you provide high-speed Internet access to our engagement team, if practicable, while working on UUHC's premises. This assistance will serve to facilitate the progress of our work and minimize costs to you.

[Ms./Mr./etc.] [First and Last Name]

Date

Page 8

Other Services

We are always available to meet with you and other executives at various times throughout the year to discuss current business, operational, accounting, and auditing matters affecting UUHC. Whenever you feel such meetings are desirable, please let us know. We are also prepared to provide services to assist you in any of these areas. We will also be pleased, at your request, to attend governing board meetings.

Independence

Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to UUHC in the performance of our services. Any discussions that you have with personnel of [REDACTED] regarding employment could pose a threat to our independence. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Limitation of Liability

Except to the extent finally determined to have resulted from the fraud or intentional misconduct of any member of the [REDACTED] liability to UUHC for any claims arising under this Agreement shall not exceed the aggregate amount of fees paid by UUHC to our firm during the 12 months preceding the date of the claim for the services giving rise to the claim, regardless of whether such liability arises in contract, statute, tort (including the negligence of any member of our firm), or otherwise. In no event shall our firm be liable for consequential, special, indirect, incidental, punitive, or exemplary losses or damages relating to this Agreement.

Dispute Resolution Procedure

Any dispute or claim between you and [REDACTED] arising out of or relating to the Agreement or a breach of the Agreement, including, without limitation, claims for breach of contract, professional negligence, breach of fiduciary duty, misrepresentation, fraud, or claims based in whole or in part on any other common-law, statutory, regulatory, legal, or equitable theory, and disputes regarding all fees, including attorneys' fees of any type, and/or costs charged under this Agreement ("Arbitration Claims") (except to the extent provided below) shall be submitted to binding arbitration administered by the American Arbitration Association ("AAA"), in accordance with its Commercial Arbitration Rules. Arbitration Claims shall be brought in a party's individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding. Arbitration Claims shall be heard by a panel of three (3) arbitrators, to be chosen as follows: within fifteen (15) days after the commencement of arbitration, each party shall select one person to act as arbitrator; thereafter, the two individually selected arbitrators shall select a third arbitrator within forty-five (45) days of their appointment, or any extension of that time agreed to by the individually selected arbitrators. If the arbitrators selected by the parties fail to agree upon the third arbitrator within the aforementioned time, the third arbitrator shall be selected by the AAA. The arbitration panel shall have the power to rule upon its own jurisdiction and authority, including any objection to the initial or continuing existence, validity, effectiveness, or scope of this arbitration agreement. The arbitration panel may not consolidate more than one person's claims and may not otherwise preside over any

[Ms./Mr./etc.] [First and Last Name]

Date

Page 9

form of a representative or class proceeding. The arbitration panel shall have no authority to award non-monetary or equitable relief, but nothing herein shall be construed as a prohibition against a party from pursuing non-monetary or equitable relief in a federal or state court. The place of arbitration shall be the city in which our firm's office providing the majority of the services involved under this Agreement is located, unless the parties agree in writing to a different location. Regardless of where the arbitration proceeding actually takes place, all aspects of the arbitration and the Agreement shall be governed by the laws of the State of New York (except if there is no applicable state law providing for such arbitration, then the Federal Arbitration Act shall apply) and the procedural and substantive law of such state shall be applied without reference to conflicts of law rules. The parties shall bear their own legal fees and costs for all Arbitration Claims. The award of the arbitrators shall be accompanied by a reasoned opinion, and judgment on the award rendered by the arbitration panel may be entered in any court having jurisdiction thereof. Except as may be required by law or to enforce an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of the parties to the Agreement.

The parties to the Agreement acknowledge that by agreeing to this arbitration provision, they are giving up the right to litigate claims against each other, and important rights that would be available in litigation, including the right to trial by judge or jury, to extensive discovery and to appeal an adverse decision. The parties acknowledge that they have read and understand this arbitration provision, and that they voluntarily agree to binding arbitration.

UUHC shall bring no Arbitration Claim more than one (1) year following the completion of the services provided under this Agreement to which the Arbitration Claim relates. This paragraph will shorten, but in no event extend, any otherwise legally applicable period of limitations on such Arbitration Claims.

Fees

Our charges to UUHC for the services described above for the year ending June 30, 2022 will be \$410,000 inclusive of engagement-related out-of-pocket expenses, travel expenses, and other related costs and expenses incurred to deliver the services described above, including communication, data and technology, printing, and other direct engagement costs. The following is an agreed-upon schedule of payments:

Prior to commencement of engagement	\$20,000
May 1, 2022	\$50,000
June 1, 2022	\$100,000
July 1, 2022	\$40,000
August 1, 2022	\$100,000
September 1, 2022	\$100,000

[Ms./Mr./etc.] [First and Last Name]

Date

Page 10

This fee (range) is based on the following assumptions:

- Your personnel will prepare certain schedules and analyses for us and make available to us documents for our examination as and when requested and will utilize our global portal to provide us such documents
- Our planned audit timing as agreed upon with you does not change and the client-prepared information and documents are available at the beginning of our fieldwork date(s)
- There will be no significant changes in the internal controls, key personnel, or structure of the organization
- There will be no significant changes in critical systems affecting key financial statement accounts (e.g., significant upgrade, systems integration, and/or systems implementation) There
- will be no significant acquisitions or disposals of businesses
- The number of audit adjustments identified will be minimal
- There will not be significant amendments to UUHC's debt or financing arrangements requiring significant accounting analysis and/or 'debt compliance letters'
- There will not be any unanticipated increases in current operations requiring significant additional audit time

Should we encounter any unforeseen problems that will warrant additional time or expense, we will notify you of the situation and provide an estimate of our additional fees.

This fee structure does not take into consideration effects that any future standards promulgated by Governmental Accounting Standards Board and/or other professional bodies will have on our audit procedures. As we become aware of additional audit procedures resulting from these circumstances, we will notify you of the circumstances requiring additional procedures and the resulting additional fee estimates.

Invoices are payable upon receipt. If we do not receive written notice of dispute within 10 days of your receipt of the invoice, we will conclude that you have seen the invoice and find it acceptable. Invoices that are unpaid 30 days past the invoice date are deemed delinquent and we reserve the right to charge interest on the past due amount at the lesser of (a) 1.0% per month or (b) the maximum amount permissible by applicable law. Interest shall accrue from the date the invoice is delinquent. We reserve the right to suspend our services, withhold any deliverables, or withdraw from this engagement entirely if any of our invoices are delinquent. In the event that any collection action is required to collect unpaid balances due to us, you agree to reimburse us for all our costs of collection, including without limitation, attorneys' fees.

This engagement includes only those services specifically described in this Agreement; any additional services not specified herein will be agreed to in a separate letter. In the event you request us to object to or respond to, or we receive and respond to, a validly issued third party subpoena, court order, government regulatory inquiry, or other similar request or legal process against UUHC or its management for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this or any prior engagements with UUHC, you agree to compensate us for all time we expend in connection with such response, at our standard rates, and to reimburse us for all related out-of-pocket costs (including outside attorneys' fees) that we incur.

[Ms./Mr./etc.] [First and Last Name]

Date

Page 11

The above fees do not reflect our start-up time under the assumption that we will be engaged for at least two consecutive audits. In the event we do not complete two consecutive audits due to termination by UUHC, UUHC will pay us for our start-up time incurred with respect to this engagement at our full standard rates.

Assignment

█████ shall have the right to assign its rights to perform a portion of the services described above to any of its independent █████ members, member firms of our international network, or unaffiliated third-party contractors (a "Permitted Assignee"). If such assignment is made, UUHC agrees that, unless it enters into an engagement letter directly with the Permitted Assignee, all of the applicable terms and conditions of this Agreement shall apply to the Permitted Assignee. We agree that we shall not permit the Permitted Assignee to perform any work until it agrees to be bound by the applicable terms and conditions of this Agreement. We further agree that we will remain primarily responsible for the services described above, unless we and UUHC agree otherwise, and we will supervise the work of the Permitted Assignee to ensure that all such services are performed in accordance with this Agreement. From time to time, and depending on the circumstances, Permitted Assignees located in other countries may participate in the services we provide to UUHC. In some cases, we may transfer information to or from the United States or another country. Although applicable privacy laws may vary depending on the jurisdiction, and may provide less or different protection than those of UUHC's home country, we require that all Permitted Assignees agree to maintain the confidentiality of UUHC's information and observe our policies concerning any confidential client information that we provide to them.

UUHC may not assign this Agreement to another party without our prior written consent.

Third-Party Use

█████ will perform the professional services provided in connection with this engagement solely for the benefit and use of UUHC. We do not anticipate and does not authorize reliance by any other party on its professional services. Any amendment to this provision must be made through a written document signed by UUHC and our firm.

Confidentiality

Each of the parties hereto shall treat and keep all of the "Confidential Information" (defined below) as confidential, with at least the same degree of care as it accords to its own confidential information of a similar nature, but in no event less than a reasonable degree of care. Each party shall disclose the Confidential Information only to its employees, partners, contractors, consultants, agents, or its legal or other advisors, provided that they have: (A) each been informed of the confidential, proprietary, and secret nature of the Confidential Information, or are subject to a binding, preexisting obligation of confidentiality no less stringent than the requirements of this Agreement, and (B) a demonstrable need to review such Confidential Information. "Confidential Information" means all non-public information that is marked as "confidential" or "proprietary" or that otherwise should be understood by a reasonable person to be confidential in nature that is obtained by one party (the "Receiving Party") from the other party (the "Disclosing Party"). All terms of this Agreement and all information provided pursuant to this Agreement are considered

[Ms./Mr./etc.] [First and Last Name]

Date

Page 12

Confidential Information. Notwithstanding the foregoing, Confidential Information shall not include any information that was or is: (a) known to the Receiving Party prior to disclosure by the Disclosing Party; (b) as of the time of its disclosure, or thereafter becomes, part of the public domain through a source other than the Receiving Party; (c) made known to the Receiving Party by a third person who is not subject to any confidentiality obligation known to Receiving Party and such third party does not impose any confidentiality obligation on the Receiving Party with respect to such information; (d) required to be disclosed pursuant to governmental authority, professional obligation, law, decree regulation, subpoena, or court order; or (e) independently developed by the Receiving Party. In no case shall the tax treatment or the tax structure of any transaction be treated as confidential as provided in Treas. Reg. sec. 1.6011-4(b)(3). If disclosure is required pursuant to subsection (d) above, the Receiving Party shall (other than in connection with routine supervisory examinations by regulatory authorities with jurisdiction and without breaching any legal or regulatory requirement) provide prior written notice thereof to allow the Disclosing Party to seek a protective order or other appropriate relief. Upon the request of the Disclosing Party, the Receiving Party shall return or destroy all of the Confidential Information except for (i) copies in working paper files retained to comply with a party's professional or legal obligations and (ii) such Confidential Information retained in accordance with the Receiving Party's normal back-up data storage procedures. Notwithstanding the foregoing, we shall have the right to use UUHC's Confidential Information in connection with performing our obligations hereunder, and also to use de-identified and aggregated key performance indicators derived from our work product in efforts to improve the services generally, including for benchmarking and analytical purposes, so long as such information remains in a de-identified aggregated form and such use does not violate any of our obligations of confidentiality hereunder. We shall not share or sell any of the de-identified Government information to third parties, and shall store such information in such a way that neither UUHC nor any of UUHC's staff or customers can be identified.

Restricted Federal Data

The parties agree that the services are not intended to involve the processing of Restricted Data, defined as data subject to laws, regulations, or government-wide policies that require safeguarding or dissemination controls, including the Federal Acquisition Regulations ("FAR"), the Defense Federal Acquisition Regulation Supplement ("DFARS"), the International Traffic in Arms Regulation ("ITAR"), the Export Administration Regulations ("EAR"), and the Arms Export Control Act ("AECA"). For clarity, and without limiting the foregoing, controlled unclassified information ("CUI") shall be included in the definition of Restricted Data. UUHC shall not provide or otherwise make available Restricted Data to us unless expressly agreed to in advance in writing by our firm. If UUHC becomes aware that any known or suspected Restricted Data will be or has been disclosed to us by UUHC or otherwise in connection with the Services, UUHC will immediately notify us in writing to regulatedgovtdata@bdo.com and will cease any further transfer of such data unless and until we expressly agree in writing. UUHC will fully cooperate with us in the investigation of and response to any known or suspected Restricted Data that UUHC has disclosed to us notwithstanding the foregoing. UUHC further agrees that it will be responsible for all fees, costs, and expenses associated with processing of Restricted Data, including without limitation additional fees, costs, and expenses related to compliance with obligations with respect to such Restricted Data.

[Ms./Mr./etc.] [First and Last Name]

Date
Page 13

Licensing Representation

To the extent necessary for [REDACTED] to perform its obligations described herein, UUHC represents and warrants that it will obtain, maintain, and comply with all of the licenses, consents, permits, approvals, and authorizations that are necessary to allow our firm and employees, contractors, and subcontractors to access and use the services or software provided for the benefit of UUHC under UUHC's third-party services contracts, licenses, or other contracts granting UUHC the right to access, use, or receive services or software (each a "Licensing Representation"). Upon our request, UUHC will provide us any references available evidencing the Licensing Representation (e.g., order number, customer support identifier). Tools subject to this Licensing Representation are hereby deemed External Computing Options (as defined in this Agreement). UUHC hereby releases us from, and indemnifies our firm for, all claims and liabilities resulting from: (i) our reliance on a Licensing Representation; and (ii) the functionality of any third-party software or services used or accessed by us.

Miscellaneous

This Agreement sets forth the entire agreement between the parties with respect to the subject matter herein, superseding all prior agreements, negotiations, or understandings, whether oral or written, with respect to the subject matter herein. This Agreement may not be changed, modified, or waived in whole or part except by an instrument in writing signed by both parties. This Agreement is intended to cover only the services specified herein, although we look forward to many more years of pleasant association with UUHC. This engagement is a separate and discrete event and any future services will be covered by a separate agreement to provide services.

Many banks have engaged a third party to electronically process cash or debt audit confirmation requests, and certain of those banks have mandated the use of this service. Further, such third party confirmation processors also provide for the electronic (and manual) processing of other confirmation types (e.g., legal, accounts receivable, and accounts payable). To the extent applicable, UUHC hereby authorizes [REDACTED] to participate in such confirmation processes, including through the third party's website (e.g., by entering UUHC's bank account information to initiate the process and then accessing the bank's confirmation response), and agrees that the [REDACTED] shall have no liability in connection therewith.

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable laws, regulations, professional standards, or related published interpretations (including, without limitation, the independence rules of the American Institute of Certified Public Accountants, Securities and Exchange Commission, and Public Company Accounting Oversight Board), but if any provision of this Agreement shall be deemed void, prohibited, invalid, or otherwise unenforceable in whole or in part for any reason under such applicable laws, regulations, professional standards, published interpretations, or any reason whatsoever, such provisions or portion(s) thereof shall be ineffective only to the extent of such prohibition, invalidity, or unenforceability and shall be amended to the minimum extent required to make the provision enforceable, and such revised provision shall be made a part of this Agreement as if it was specifically set forth herein. Furthermore, the provisions of the foregoing sentence shall not invalidate the remainder of such provision or the other provisions of this Agreement, which shall remain in full force and effect.

[Ms./Mr./etc.] [First and Last Name]

Date


Page 14

UUHC's signature below represents that it has the full power and authority to enter into this Agreement on behalf of UUHC and any Government subsidiary or other affiliate that may rely on the services provided hereunder, or that it shall ensure that each such subsidiary or other affiliate agrees to be bound to the terms hereof.

This Agreement may be transmitted in electronic format and shall not be denied legal effect solely because it was formed or transmitted, in whole or in part, by electronic record; however, this Agreement must then remain capable of being retained and accurately reproduced, from time to time, by electronic record by the parties to this Agreement and all other persons or entities required by law. An electronically transmitted signature to this Agreement will be deemed an acceptable original for purposes of consummating this Agreement and binding the party providing such electronic signature.

* * * * *

We believe the foregoing correctly sets forth our understanding; however, if you have any questions, please let us know. If you find the foregoing arrangements acceptable, please acknowledge this by signing and returning to us a copy of this Agreement and retaining a copy for your files.

Very truly yours, (Signed )

Acknowledged:

UNIVERSITY OF UTAH HEALTH AND CLINICS

By: _____
[First and Last Name], [TITLE]

Date: _____

RFP Roadmap

SECTION E

PROPOSAL	PAGE(S)
E. Comprehensive Not-To-Exceed Fee	
Separate from the other sections of the proposal, supply the billing rates, estimated number of billable hours, and a comprehensive "not-to- exceed" fee, inclusive of other billable expenses, travel, per diem and all other out-of- pocket expenses. The billable hours and fee information requested above should be provided as separate amounts for each of the five fiscal years being audited. The Offeror's approach to reducing expenses while performing high quality work should be described.	4 - 5



E. Comprehensive Not-To-Exceed Fee

Professional Fees

HOURLY BILLING RATES

Please find our discounted average hourly bill rates below. We evaluate these rates each year to take inflation and salary increases into consideration.

PROFESSIONAL LEVEL	2022	2023	2024	2025	2026
Partner	\$400	\$412	\$423	\$435	\$448
Director	\$340	\$350	\$361	\$372	\$383
Manager	\$257	\$266	\$276	\$284	\$293
Senior Associate	\$166	\$172	\$177	\$184	\$190
Staff Associate	\$132	\$136	\$140	\$143	\$147

NOT-TO-EXCEED FEE PROPOSAL

FOR THE YEARS ENDING JUNE 30,										
SERVICE	2022*		2023		2024		2025		2026	
	HOURS	FEES	HOURS	FEES	HOURS	FEES	HOURS	FEES	HOURS	FEES
Audit of the UUHC Financial Statements	2124	\$404,100	1974	\$385,100	1974	\$396,700	1974	\$408,600	1974	\$420,900
Auditor's Report on ICFR, Compliance & Other Matters	10	\$1,900	10	\$2,000	10	\$2,100	10	\$2,200	10	\$2,300
Preparation of Comprehensive Management Letter	10	\$1,900	10	\$2,000	10	\$2,100	10	\$2,200	10	\$2,300
Entrance & exit conferences	12	\$2,100	12	\$2,300	12	\$2,400	12	\$2,500	12	\$2,600
Access to the BDO Center for Healthcare Excellence and Innovation	N/A	-	N/A	-	N/A	-	N/A	-	N/A	-
TOTALS	2,156	\$410,000	2,006	\$391,400	2,006	\$403,300	2,006	\$415,500	2,006	\$428,100

*Accounts for uplift for GASB statement 87 lease implementation

Value for Your Investment

We are committed to quality, value-added service.

We understand the importance of efficiencies and cost control and have specifically designed our audit methodologies to provide your engagement team with the tools they need to perform high quality audit services in as cost effective a manner as possible.

In addition, you may contact us at any time without additional charges. A collaborative relationship is important, and we are committed to investing the necessary time to discuss the changes, challenges, and potential issues which may impact you and your business.

We believe in complete transparency, which means:

- ▶ We quote services based on experience and realistic expectations to avoid unexpected fees.
- ▶ It is not our practice to bill for routine telephone consultations or questions unless they require significant research. If you request special services outside the scope of services outlined in this proposal, we will discuss those services and provide management with a fee estimate related to such assistance. **We will not allow concerns about fees to jeopardize a relationship based on mutual trust and respect.**

FEE ASSUMPTIONS

- ▶ Key documents are provided on the dates agreed and there are no significant delays outside of our control.
- ▶ Your personnel prepare schedules and analyses as requested and be available to assist us as needed.
- ▶ Prior year workpapers will be made available for our review.
- ▶ Financial statements and supporting schedules for all entities are prepared in-house by management.
- ▶ No significant changes occur in the internal accounting controls, accounting systems, key personnel, or structure of the organization other than those already disclosed.
- ▶ There are no material acquisitions
- ▶ We render bills on a monthly basis and payment is due upon presentation. The amount billed reflects the approximate progress on completion of the professional service provided.

OUR INVESTMENT IN UUHC MEANS

We are willing to invest in a long-term business relationship with you. Accordingly, we will:

- ▶ Absorb certain initial year costs and non-recurring transition costs, including learning your accounting systems and working with you to prepare for the audit.
- ▶ Make every effort to ensure the process will occur with minimum disruption and no surprises.
- ▶ Schedule quarterly update meetings with you throughout the year.
- ▶ Provide technical updates for your finance team.
- ▶ For work outside the scope of the proposed services, we would bill at our discounted hourly rates as shown on the previous page. We would provide an estimate for additional services at the request of management and would not bill for any services without prior consent.

OUR COLLABORATION

We have the following expectations of UUHC's staff in order to minimize costs:

- ▶ Your personnel will provide requested schedules and analyses and account reconciliations, and will make available to us requested documents on a timely basis. We will meet with you upon engagement to discuss in detail all workpapers and schedules to be prepared by UUHC.
- ▶ Minimum weekly status updates that will include areas that could potentially lead to delays, potential findings, internal control comments, status of open item lists, and status of workpaper reviews.
- ▶ No surprises and open dialogue throughout the audit process.
- ▶ We will be provided access to prior year audit workpapers.
- ▶ Your personnel are available for timely resolution of any audit and accounting matters.