



Audit and Finance Committee

Wednesday, December 7, 2022 2:00 p.m.

UMC Trauma Building - Providence Suite 5th Floor

AGENDA

University Medical Center of Southern Nevada
GOVERNING BOARD
AUDIT & FINANCE COMMITTEE
December 7, 2022 2:00 p.m.
800 Hope Place, Las Vegas, Nevada
UMC Trauma Building, ProVidence Suite (5th Floor)

Notice is hereby given that a meeting of the UMC Governing Board Audit & Finance Committee has been called and will be held at the time and location indicated above, to consider the following matters:

This meeting has been properly noticed and posted online at University Medical Center of Southern Nevada's website <http://www.umcsn.com> and at Nevada Public Notice at <https://notice.nv.gov/>, and at University Medical Center 1800 W. Charleston Blvd. Las Vegas, NV (Principal Office)

- The main agenda is available on University Medical Center of Southern Nevada's website <http://www.umcsn.com>. For copies of agenda items and supporting back-up materials, please contact Stephanie Ceccarelli at (702) 765-7949. The Audit & Finance Committee may combine two or more agenda items for consideration.
- Items on the agenda may be taken out of order.
- The Audit & Finance Committee may remove an item from the agenda or delay discussion relating to an item at any time.

SECTION 1: OPENING CEREMONIES

CALL TO ORDER

1. Public Comment

PUBLIC COMMENT. This is a period devoted to comments by the general public about items on **this** agenda. If you wish to speak to the Committee about items within its jurisdiction but not appearing on this agenda, you must wait until the "Comments by the General Public" period listed at the end of this agenda. Comments will be limited to three minutes. Please step up to the speaker's podium, clearly state your name and address and please **spell** your last name for the record. If any member of the Committee wishes to extend the length of a presentation, this will be done by the Chair or the Committee by majority vote.

2. Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting of November 9, 2022. *(For possible action)*

3. Approval of Agenda. *(For possible action)*

SECTION 2: BUSINESS ITEMS

4. Receive and recommend for acceptance by the Governing Board the Fiscal Year 2022 Basic Financial Statements from BDO USA, LLP, Certified Public Accountants for University Medical Center of Southern Nevada; and direct staff accordingly. *(For possible action)*
5. Receive the monthly financial report for October FY23; and direct staff accordingly. *(For possible action)*
6. Receive a report from the Chief Financial Officer; and direct staff accordingly. *(For possible action)*
7. Review and recommend for approval by the Governing Board the First Amendment to Hospital Services Agreement with Health Services Coalition; and take action as deemed appropriate. *(For possible action)*
8. Review and recommend for award by the Governing Board the RFP No. 2022-10 Promotion, Advertising, & Promotion to RR/CRR Holdings dba B&P Advertising; approve the RFP No. 2022-10 Service Agreement; authorize the Chief Executive Officer to exercise any extension/renewal options; or take action as deemed appropriate. *(For possible action)*
9. Review and recommend for approval by the Governing Board the agreements with Zunesis Inc. and Customer Storage, LLC for UMC's Compute & Storage project; authorize the Chief Executive Officer to exercise any extension options and execute future amendments within his yearly delegation or authority; or take action as deemed appropriate. *(For possible action)*
10. Review and recommend for approval by the Governing Board the Records Management and Storage Services Agreement with Iron Mountain Information Management, LLC; authorize the Chief Executive Officer to exercise any extension options within his delegated authority and execute future amendments; or take action as deemed appropriate. *(For possible action)*
11. Review and recommend for approval by the Governing Board the Agreement for Software Licensure and Hardware Products with Orthogrid Systems Inc.; authorize the Chief Executive Officer to exercise any extension/renewal options; or take action as deemed appropriate. *(For possible action)*
12. Review and recommend for approval by the Governing Board the Vizient Data Connector Services Statement of Work with Vizient Inc.; authorize the Chief Executive Officer to exercise any extension options/Order Forms within his delegation of authority; or take action as deemed appropriate. *(For possible action)*
13. Review and recommend for approval by the Governing Board the Construction Service Agreement with Clark Welding & Fabricating for replacement and installation of UMC's Autoclave Sterilizer & Boiler; authorize the Chief Executive Officer to exercise any amendments/extension options; or take action as deemed appropriate. *(For possible action)*
14. Review and recommend for approval by the Governing Board the Professional Services Agreement for Pathology Clinical Coverage with Laboratory Medicine Consultants, Ltd.

d/b/a LMC Pathology Services; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. *(For possible action)*

15. Review and recommend for ratification by the Governing Board the Amendment A03 to Professional Services Agreement with Southern Nevada Health District for sub-recipient grant funding; authorize the Chief Executive Officer to execute any future Amendments or renewals; or take action as deemed appropriate. *(For possible action)*
16. Receive a report on the emergency contract with WWWilliams Inc. for Emergency Rental Generator and Repair Services; or take action as deemed appropriate. *(For possible action)*

SECTION 3: EMERGING ISSUES

17. Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. *(For possible action)*

COMMENTS BY THE GENERAL PUBLIC

All comments by speakers should be relevant to the Committee's action and jurisdiction.

UMC ADMINISTRATION KEEPS THE OFFICIAL RECORD OF ALL PROCEEDINGS OF UMC GOVERNING BOARD AUDIT & FINANCE COMMITTEE. IN ORDER TO MAINTAIN A COMPLETE AND ACCURATE RECORD OF ALL PROCEEDINGS, ANY PHOTOGRAPH, MAP, CHART, OR ANY OTHER DOCUMENT USED IN ANY PRESENTATION TO THE BOARD SHOULD BE SUBMITTED TO UMC ADMINISTRATION. IF MATERIALS ARE TO BE DISTRIBUTED TO THE COMMITTEE, PLEASE PROVIDE SUFFICIENT COPIES FOR DISTRIBUTION TO UMC ADMINISTRATION.

THE COMMITTEE MEETING ROOM IS ACCESSIBLE TO INDIVIDUALS WITH DISABILITIES. WITH TWENTY-FOUR (24) HOUR ADVANCE REQUEST, A SIGN LANGUAGE INTERPRETER MAY BE MADE AVAILABLE (PHONE: 702-765-7949).

University Medical Center of Southern Nevada
Governing Board Audit and Finance Committee Meeting
November 9, 2022

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada

The University Medical Center Governing Board Audit and Finance Committee met at the location and date above, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:02 p.m. by Chair Robyn Caspersen and the following members were present, which constituted a quorum.

CALL TO ORDER

Board Members:

Present:

Robyn Caspersen
Dr. Donald Mackay
Jeff Ellis (via WebEx)
Christian Haase (via WebEx)
Mary Lynn Palenik (via WebEx)

Absent:

Harry Hagerty (Excused)

Others Present:

Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer
Rose Coker, Director of Managed Care
Susan Pitz, General Counsel
Emelia Allen, Assistant General Counsel – Contracts
Stephanie Ceccarelli, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Committee Chair Caspersen asked if there were any public comments to be heard on any item on this agenda.

Speaker(s): None

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting on October 19, 2022. (For possible action)

FINAL ACTION:

A motion was made by Member Mackay that the minutes be approved as presented. Motion carried by a unanimous vote.

ITEM NO. 3 Approval of Agenda (For possible action)

Item 9 was removed from the agenda.

FINAL ACTION:

A motion was made by Member Mackay that the agenda be approved as amended. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive a report from the Chief Financial Officer; and direct staff accordingly. (For possible action)

DOCUMENTS SUBMITTED:

- September FY23 Financials

DISCUSSION:

Jennifer Wakem, Chief Financial Officer, provided an update to the Committee. There was no financial update, due to timing of the books being closed for October.

Ms. Wakem provided an update on the BDO Financial Statement Audits for FY2022. The audit report is anticipated to be presented at the December meeting. The audit is split, with the Financial Statements being presented in December and the Single Audit will be presented in February.

Period 13 adjustments have been completed. The net impact to the financial statements was a pickup of \$2.3 million. It was previously reported in June that income from ops before depreciation and amortization was \$27.3 million. The primary sources of the pickup were due to an adjustment in supplemental payments and reduced expenses.

CMS auditor, Livanta, is currently auditing 22 accounts from UMC for potential recoupment of reimbursement. Ms. Wakem will continue to provide updates in the future.

The public health emergency, which was slated to expire October 13, 2022, but has been extended for 90-days and will now expire January 11, 2023.

Lastly, the Committee was provided an update on the capital slides. An example was shared of what the project timelines and capital spend will look like when presented in the future. The detailed information will now allow the team to make better decisions during the project, rather than at the end of the project.

Thank you to Member Palenik for her valuable contribution during this process.

FINAL ACTION TAKEN:

None

- ITEM NO. 5 Review and recommend for ratification by the Governing Board the Amendment 006 to the Hospital Services Agreement with Aetna Health, Inc.; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment 006 to Hospital Services Agreement

DISCUSSION:

Rose Coker, Director of Managed Care, stated that this amendment will update the compensation schedule, the multi-specialty service and rate schedule. This will add higher level EP studies, orthopedic and anesthesia.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to ratify and make a recommendation to the Governing Board to ratify the amendment. Motion carried by unanimous vote.

- ITEM NO. 6 Review and recommend for approval by the Governing Board the Amendment Four to Primary Care Physician Participation Agreement with LifePrint Health, Inc. d/b/a OptumCare; and take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment 4 to Physician Participation Agreement

DISCUSSION:

This is a request for approval to update the 2022 Provider Group Medication Adherence incentive program. This will allow UMC to receive reimbursement for clinical exams performed by its providers.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

- ITEM NO. 7 Review and recommend for approval by the Governing Board the Provider Group Services Agreement with Optum Health Networks, Inc. for Managed Care Services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Provider Group Services Agreement

DISCUSSION:

This is a request to enter into an agreement for UMC's providers in Orthopedic surgery to provide services to OptumCare members. This is a 3-year term with an effective date of November 1st.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

- ITEM NO. 8 Review and recommend for ratification by the Governing Board the Third Amendment to Facility Participation Agreement with United Healthcare Insurance Company for Managed Care Services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment 3 to Facility Participation Agreement

DISCUSSION:

This amendment extends the term of the agreement through October 2025, replaces the all payer appendix and updates the language related to maintenance of and access to records, as well as time to file claims. This amendment adds EP studies, outpatient implantables and high cost drugs. Rates are effective immediately. We are in the process of negotiating new language.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to ratify and make a recommendation to the Governing Board to ratify the agreement. Motion carried by unanimous vote.

- ITEM NO. 9 Review and recommend for approval by the Governing Board the Records Management and Storage Services Agreement with Iron Mountain Information Management, LLC; authorize the Chief Executive Officer to exercise any extension options and execute future amendments; or take action as deemed appropriate. (For possible action)**

DISCUSSION

This item was removed from the agenda.

FINAL ACTION TAKEN:

None

- ITEM NO. 10 Review and recommend for approval by the Governing Board the Acknowledgment to Amended and Restated Professional Services**

Agreement of the annual reconciliation of clinical hours with Robert B. McBeath, M.D., P.C. d/b/a OptumCare Anesthesia; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- Acknowledgement and Disclosure of Ownership

DISCUSSION:

This is a request to approve the annual acknowledgment which closes out the amounts due under the prior contract year. This is a reconciliation of the term of April 1, 2021 to March 31, 2022. A final reconciliation for the current agreement will be done January 2023.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 11 Review and recommend for approval by the Governing Board the Amendment No. 1 to the Interlocal Agreement with Clark County for Ryan White (Part A); authorize the Chief Executive Officer to take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- Rapid Start Program Amendment

DISCUSSION:

This request is to amend the interlocal agreement with Clark County for Ryan White, Part A grant funding. The amendment updates the scope of work and performance measures, as well as provides for extension options and adds additional funding.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

ITEM NO. 12 Review and recommend for ratification by the Governing Board the Professional Services Agreement for non-surgical General Orthopedic Medicine clinic services with Eugene Libby, D.O., PC; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- Professional Services Agreement

DISCUSSION:

This is a request for ratification of the agreement with Dr. Libby, who will provide non-surgical general orthopedic medicine service, including applicable subspecialties at UMC's Ortho/Spine Institute. Services cover 4 clinics/days per week. The agreement commenced on November 1, 2022 and is for a term of 2-years with three 1-year options and term at any time with 30-days notice.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to ratify and make a recommendation to the Governing Board to ratify the agreement. Motion carried by unanimous vote.

ITEM NO. 13 Review and recommend for award by the Governing Board the Bid No. 2022-08 Bio-Med Build Out to Monument Construction, the lowest responsive and responsible bidder; authorize the Chief Executive Officer to exercise any Change Orders within his delegation of authority; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- Bid 2022-08 Notice of Intent to Award
- Disclosure of Ownership

DISCUSSION:

In August, a solicitation for bid was published for a project to renovate the first floor of the south 1-story building administration and storage areas. Three bids were received and Monument Construction was the lowest bidder. Staff recommends that the award goes to Monument Construction as the lowest responsive and responsible bidder.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to award the bid to Monument Construction. Motion carried by unanimous vote.

ITEM NO. 14 Review and recommend for approval by the Governing Board the quotes and proposals Trauma Interventional Specials room & Adult ED Radiology & CT room project with Philips Healthcare and GE Healthcare; authorize the Chief Executive Officer to exercise any extension options and execute future amendments within his yearly delegation of authority; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- GE Quote 200907965.5 – Redacted
- GE Quote 2009143372.8 – Redacted
- Philips Quote - 2OZ2NJL – CT-EQ – Redacted
- Philips Quote - 1-2JFJFZY – CT – Redacted
- Philips Quote - 1-2FIMEQ2 - SID 520779 wTurnkey - Redacted

- Philips Formal Quotation
- Philips – TurnkeyContractingProposal – Azurion 7 Bi-Plane System Project
- Philips - TurnkeyContractingProposal – Incisive CT System Project
- Sourcing Letter – CT
- Sourcing Letter – Imaging Ultrasound products
- Disclosure of Ownership

DISCUSSION:

This is a turnkey project for the radiology department and Cath lab. This will include purchasing new equipment and replacing end of life equipment, refresh to flooring, adding a CT scanner and upgrading equipment.

Ms. Allen explained that Philips will be the primary contractor for installation and implementation of the project for this 2 phase project. The 1st phase will be 34 weeks and the 2nd phase will be 42 weeks.

Chair Caspersen asked if the vendor was on GPO. Ms. Allen replied that Philips and GE are on GPO and the request is in compliance with NRS statutes.

Chris Jones provided clarity as to the project details.

Ms. Allen made a clarification to the agenda item to reflect that the recommendation would need approval by the BCC.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Board of Hospital Trustees to approve the agreement. Motion carried by unanimous vote.

SECTION 3: EMERGING ISSUES

ITEM NO. 15 Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. (For possible action)

None

COMMENTS BY THE GENERAL PUBLIC:

At this time, Chair Caspersen asked if there were any public comment received to be heard on any items not listed on the posted agenda.

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 2:36 p.m., Chair Caspersen adjourned the meeting.

MINUTES APPROVED:
Minutes Prepared by: Stephanie Ceccarelli

DRAFT

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Audit Report of Fiscal Year Ending June 30, 2022	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation:	
That the Audit and Finance Committee receive and recommend for acceptance by the Governing Board the Fiscal Year 2022 Basic Financial Statements from BDO USA, LLP, Certified Public Accountants for University Medical Center of Southern Nevada; and direct staff accordingly. (For possible action)	

FISCAL IMPACT:

None

BACKGROUND:

Under state law NRS 354.624, UMC is required to obtain an independent audit of all financial records on an annual basis. The firm conducting this financial audit is required to publicly report their findings to the University Medical Center of Southern Nevada Governing Board.

BDO USA, LLP, Certified Public Accountants conducted the audit for the Fiscal Year Ending June 30, 2022. The basic financial statements present fairly, in all material respects, the financial position of the Hospital as of June 30, 2022, and the results of its operations and its cash flows for the years then ended, in conformity with the Generally Accepted Accounting Principles in the United States. All recommendations from the auditor will be addressed.

Representatives from the auditing firm will be present at the meeting to answer any questions concerning the audit report.

Cleared for Agenda
December 7, 2022

Agenda Item #

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BASIC FINANCIAL STATEMENTS

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

YEARS ENDED JUNE 30, 2022 AND 2021

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

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Independent Auditor's Report

UMC Governing Board
University Medical Center of Southern Nevada
Las Vegas, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the University Medical Center of Southern Nevada ("UMC"), a component unit of Clark County, Nevada, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the UMC's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective net position of UMC, as of June 30, 2022 and 2021, and the respective changes in net position (deficit) and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of UMC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 13 to the financial statements, UMC adopted the provisions of Governmental Accounting Standards Board Statement Number 87, Leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the UMC's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. 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. Misstatements 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.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 the UMC's internal control. Accordingly, no such opinion is expressed.
- 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the UMC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of UMC's proportionate share of the net pension liability and contribution, schedules of changes in the total OPEB liability and related ratios on page 3 through 14, and 76 through 79 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 obtained during our audit

of the basic financial statements. We do 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2022 on our consideration of the UMC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the UMC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the UMC's internal control over financial reporting and compliance.

BDO USA, LLP

Las Vegas, Nevada
December 2, 2022

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

Management's Discussion and Analysis

This section of the annual financial report of the University Medical Center of Southern Nevada (the Hospital) presents background information and our analysis of the Hospital's financial performance during the fiscal years ended June 30, 2022, and 2021, which management believes is relevant for an understanding of our financial condition and results of operations. This discussion should be read in conjunction with the basic financial statements and the related notes included in this report. This discussion and analysis is designed to focus on current activities, resulting change, and currently known facts. The financial statements, notes thereto, and this discussion and analysis are the responsibility of the Hospital's management.

Overview of the Financial Statements

This annual report consists of financial statements prepared in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis — for State and Local Governments* as amended by GASB Statement No. 37, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments: Omnibus* and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. These standards establish comprehensive financial reporting standards for all state and local governments and related entities.

The Hospital's financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States as promulgated by the GASB. The Hospital is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when paid. Capital assets are capitalized and are depreciated (except land and construction in progress) over their estimated useful lives. See the *Notes to Financial Statements* for a summary of the Hospital's significant accounting policies.

Following this discussion and analysis are the basic financial statements of the Hospital together with the notes, which are essential to a complete understanding of the data. The Hospital's basic financial statements are designed to provide readers with a broad overview of the Hospital's finances.

The *Statement of Net Position (Deficit)* presents information on all of the Hospital's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of the Hospital's financial position; however, other nonfinancial factors such as change in economic conditions, population growth, including uninsured and underinsured patients, and new or changed government legislation should also be considered.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

The *Statement of Revenues, Expenses, and Changes in Net Position (Deficit)* presents information showing how the Hospital's net position changed during each year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future periods.

The *Statement of Cash Flows* relates to the flows of cash and cash equivalents. Consequently, only transactions that affect the Hospital's cash accounts are presented in this statement. A reconciliation is provided at the bottom of the *Statement of Cash Flows* to assist in the understanding of the difference between cash flows from operating activities and operating income or loss.

The Hospital is the public health care facility for Clark County, Nevada (the County). The Board of County Commissioners is, ex officio, the Board of Hospital Trustees, per Chapter 450 of the Nevada Revised Statutes. The seven-member Board of Commissioners is elected from geographic districts on a partisan basis for staggered four-year terms. Commissioners elect a chairperson who serves as the Commission's presiding officer. In 2014 the Commissioners created the UMC Governing Board and selected 9 individuals from the community to serve on the board. The UMC Governing Board provides oversight of the hospital and reports back to the Board of Hospital Trustees.

In accordance with GASB Statement No. 14, *The Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the Hospital's financial statements are included, as a blended component unit, in the County's Annual Comprehensive Financial Report (ACFR). A copy of the ACFR can be obtained from Anna Danchik, Comptroller, 500 South Grand Parkway, Las Vegas, Nevada 89155.

Financial and Operating Highlights for Fiscal 2022

- Overall activity at the Hospital as measured by patient days adjusted for outpatient services (adjusted patient days) increased by 20.5% from prior year levels.
 - Hospital patient days increased by 23.1% from the prior year.
 - Outpatient visits increased by 4.3% from the prior year.
- The Hospital experienced income from operations of \$44.6 million, and total net position increased by \$77.8 million.
 - The Upper Payment Limit (UPL) and Indigent Accident Fund (IAF) revenues increased \$3.4 million from the prior year to \$99.6 million.
 - Total operating revenues increased by 0.2% to \$808.2 million.
 - Operating expenses including other postemployment benefits (OPEB) and provision for NPL (GASB 68) decreased by 5.6% to \$763.6 million as compared to the prior year.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

- Total employee full-time equivalents (FTEs) increased by 58, or 1.7%, from fiscal 2021.
- The Hospital invested net \$20.6 million in the following capital acquisitions:
 - Jack London Building at Southern Highlands Primary Care
 - Tenant Improvements at Aliante Quick Care and Primary Care
 - Round Building and South Building Sanitary Lines
 - Hospital Wide Reusable Curtains
 - Zimmer Rosa Robot Knee System
 - 3M 360 Encompass System Software

Financial and Operating Highlights for Fiscal 2021

- Overall activity at the Hospital as measured by patient days adjusted for outpatient services (adjusted patient days) increased by 11.9% from prior year levels.
 - Hospital patient days increased by 12.6% from the prior year.
 - Outpatient visits decreased by 8.9% from the prior year.
- The Hospital experienced loss from operations of \$2.0 million, but total net position increased by \$61.6 million.
 - The Upper Payment Limit (UPL) and Indigent Accident Fund (IAF) revenues increased \$17.4 million from the prior year to \$96.2 million.
 - Total operating revenues increased by 34.3% to \$806.5 million.
 - Operating expenses including other postemployment benefits (OPEB) and provision for NPL (GASB 68) increased by 10.8% to \$808.6 million as compared to the prior year.
- Total employee full-time equivalents (FTEs) decreased by 46, or 1.3%, from fiscal 2020.
- The Hospital invested \$24.0 million in the following capital acquisitions:
 - Philips Patient Monitoring Equipment
 - Azurion 7 M12 and M20 Image Guided Therapy Systems
 - Nuclear Medicine Cameras
 - AVEA Ventilators
 - EPIC Software
 - Honeywell EBI Building Controls

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

Financial Analysis of the Hospital for June 30, 2022 and 2021

In fiscal 2022, net position increased \$77.8 million to a deficit of \$225.5 million, from a deficit of \$303.7 million in fiscal 2021, primarily due to gains from operations, and contributions from the County. In fiscal 2021, net position increased \$61.3 million to a deficit of \$303.7 million, from a deficit of \$365.0 million in fiscal 2020, primarily due to increased patient revenue resulting from increased patient days, increased other operating revenue, contributions from the County, non-operating revenue from Provider Relief Fund and Coronavirus Relief Fund, which was partially offset by a surge in supplies expense due to high demand in pharmaceuticals and reagents. A summary of the Hospital's Statements of Net Position (Deficit) as of June 30, 2022, 2021 and 2020 is presented in Table 1 below:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

Table 1
Condensed Statements of Net Position (Deficit)
(In Thousands)

	2022	June 30 2021 (As Restated)	2020
Current assets	\$ 394,374	\$ 412,523	\$ 338,892
Restricted and other assets	119,410	110,491	117,737
Capital assets	219,812	228,542	203,909
Total assets	\$ 733,596	\$ 751,556	\$ 660,538
Deferred outflows of resources	\$ 230,076	\$ 128,335	\$ 125,084
Current liabilities	\$ 157,709	\$ 155,521	\$ 136,239
Long-term debt outstanding (a)	6,565	12,935	19,105
Other liabilities (b)	604,821	831,938	807,235
Total liabilities	\$ 769,095	\$ 1,000,394	\$ 962,579
Deferred inflows of resources	\$ 420,114	\$ 183,160	\$ 188,053
Net investment in capital assets	254,270	271,080	271,383
Restricted	3,789	2,968	5,291
Unrestricted (deficit)	(483,596)	(577,711)	(641,685)
Total net position (deficit)	(225,537)	(303,663)	(365,011)
Total liabilities, deferred inflows and net position (deficit)	\$ 963,672	\$ 879,891	\$ 785,621

(a) Long-term debt excludes current portions of \$6,370, \$6,170, and \$5,985, respectively, included in current liabilities.

(b) Other liabilities include the long-term portion of accrued benefits, self-insured liabilities, intergovernmental and net pension liabilities.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

Summary of Revenues, Expenses, and Changes in Net Position (Deficit)

The following table presents a summary of the Hospital's revenues and expenses for the years ended June 30, 2022, 2021, and 2020.

Table 2
Condensed Statements of Revenues, Expenses, and
Changes in Net Position (Deficit)
(In Thousands)

	2022	June 30 2021 (As Restated)	2020
Net patient revenues	\$ 773,573	\$ 741,065	\$ 559,356
Other operating revenues	34,628	65,498	41,114
Total operating revenues	808,201	806,563	600,470
Operating expenses	729,763	778,539	706,816
Depreciation and amortization	33,799	30,175	22,662
	<u>763,562</u>	<u>808,714</u>	<u>729,478</u>
Operating income/(loss)	44,639	(2,151)	(129,008)
Nonoperating revenues, net	2,199	48,499	41,669
Transfers In	31,000	15,000	40,000
Change in net position (deficit)	77,838	61,348	(47,339)
Total net position (deficit), beginning of year	(303,663)	(365,011)	(317,672)
GASB No. 87 Adjustment	289	-	-
Total net position (deficit), end of year	<u>\$ (225,536)</u>	<u>\$ (303,663)</u>	<u>\$ (365,011)</u>

During fiscal 2022, 2021 and 2020, the Hospital derived approximately 98.5%, 94.1% and 93.4% respectively, of its total revenues from operating revenues. Operating revenues include, among other items, revenues from the Medicare and Medicaid programs, the Clark County Social Services program, patients or their third-party carriers that pay for their care in the Hospital's facilities, and grant revenues.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT’S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

Table 3 presents the relative percentages of gross charges billed for patient services by payer for the years ended June 30, 2022, 2021 and 2020.

Table 3
Payer Mix by Percentage

	June 30		
	2022	2021	2020
Medicare	30 %	28 %	28 %
Medicaid, and self-pay	43	43	44
Commercial, HMO, PPO	22	24	23
Other	5	5	5
Total patient revenue	100 %	100 %	100 %

During fiscal 2022, 2021 and 2020, the Hospital derived -1.1%, -0.2% and 1.6%, respectively, of its total revenues from interest income on its capital acquisition, debt service and malpractice funds. The Hospital’s cash is deposited with the County Treasurer and funds in the custody of the County Treasurer are invested as a pool. Other non-operating revenues in fiscal 2022 and 2021 include \$31 million and \$15 million, respectively, in contributions from the County used primarily to defray operating, capital and debt service costs.

Fiscal 2022 Activity

In fiscal 2022, overall activity at the Hospital as measured by patient days adjusted for outpatient services increased by 20.5% to 236,741 compared to 196,435 in fiscal 2021. This increase was due primarily to a 23.1% increase in patient days.

In fiscal 2022, the Hospital had patient days and discharges of 157,055 and 21,901, respectively. This was an increase of 23.1% and 11.3%, respectively, as compared to fiscal 2021. Outpatient and emergency visits were 388,033 or 4.3% above 2021 levels. The increase in outpatient volume occurred primarily due to an increase in Primary Care and Quick Care registrations of 22.1%, and emergency registrations of 14.5%.

In fiscal 2022, net patient revenue increased compared to fiscal 2021 by \$32.5 million due primarily to increased patient days.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

Excluded from net patient revenue are charges foregone for uncompensated and charity care patient services. Based on established rates, gross charges of \$128 million were foregone during fiscal 2022, a 18.2% increase from fiscal 2021. The Hospital's level of uncompensated and charity care continues to reflect the Hospital's status as a safety net facility in the County.

In fiscal 2022, total operating expenses including OPEB and pension decreased by \$45.0 million, or 5.6%. The decrease was mainly due to \$57.7M decrease in OPEB and pension provision, being offset by \$12.7M increase in operating expense.

In fiscal 2022, employee compensation and benefits increased \$47.3 million, or 10.9%, primarily due to increases in bonus pay, registered nurses, paid time off, contract labor to cover nursing shifts, overtime pay, and retirement contributions. The number of paid FTEs increased by 1.7% from 3,424 in fiscal 2021 to 3,482 in fiscal 2022. There was no cost of living increase in fiscal 2021, but there was a 4.5% cost of living increase in fiscal 2022.

Professional fees for contracted physician services to provide coverage for emergency services, trauma services, and for indigent patients increased \$0.5 million, or 1.0%, in fiscal 2022. This is primarily due to a higher negotiated contract for hospitalists.

In fiscal 2022, the cost of supplies decreased by \$39.7 million, or 21.8%, primarily due to decreases in reagents related to COVID.

Purchased services expense decreased by \$0.04 million or 0.1% in fiscal 2022 primarily due to decrease in patient service desk activation service, COVID-19 testing service, eligibility and claims management services, courier services, and janitorial services.

Non-operating revenue (expense) consists of loss on the change of the investments, interest of other bonds, interest of capital leases, and disposals of fixed assets.

The County contributed a total of \$31 million to the Hospital in fiscal 2022 for additional capital equipment and hospital operation.

Net position increased \$77.8 million to a deficit of \$225.5 million in fiscal 2022 primarily due to the revenue from Provider Relief Fund and Coronavirus Relief Fund, contributions from the County, and the operating income.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

Fiscal 2021 Activity

In fiscal 2021, overall activity at the Hospital as measured by patient days adjusted for outpatient services increased by 11.9% to 196,435 compared to 175,548 in fiscal 2020. This increase was due primarily to a 12.6% increase in patient days which was offset by decreased outpatient visits.

In fiscal 2021, the Hospital had patient days and discharges of 127,632 and 19,674, respectively. This was an increase of 12.6% and a decrease of 4.5%, respectively, as compared to fiscal 2020. The decrease in discharges was due to a decrease in patient admissions from 20,588 to 19,761. Outpatient and emergency visits were 372,155 or 8.9% below 2020 levels of 408,343. The decrease in outpatient volume occurred primarily due to a decrease in Primary Care and Quick Care registrations of 10.2%, and emergency registrations of 9.2%.

In fiscal 2021, net patient revenue increased compared to fiscal 2020 by \$181.7 million due primarily to increased patient days.

Excluded from net patient revenue are charges foregone for uncompensated and charity care patient services. Based on established rates, gross charges of \$108.4 million were foregone during fiscal 2021, a 6.2% increase from fiscal 2020. The Hospital's level of uncompensated and charity care continues to reflect the Hospital's status as a safety net facility in the County.

In fiscal 2021, total operating expenses including OPEB increased by \$79.1 million, or 10.8%. The increase in operating expenses was mainly supplies increase and purchase services increase, offset by increased efficiencies and expense management.

In fiscal 2021, employee compensation and benefits including OPEB increased \$9.5 million, or 2.2%, primarily due to increase in contract labor to cover nursing shifts, increase in nursing incentive pay related to COVID-19 outbreak, and increase in overtime pay, offset by decrease in the number of paid FTEs, and decrease in pension provision. The number of paid FTEs decreased by 1.3% from 3,470 in fiscal 2020 to 3,424 in fiscal 2021. There was no cost of living increase in fiscal 2021.

Professional fees for contracted physician services to provide coverage for emergency services, trauma services, and for indigent patients decreased \$0.3 million, or 0.6%, in fiscal 2021. This decrease is due primarily to a decrease in UNLV resident program.

In fiscal 2021, the cost of supplies increased by \$53.3 million, or 41.4%, primarily due to pharmaceuticals increases and reagents increases.

Purchased services expense increased by \$12.5 million or 17.5% in fiscal 2021 primarily due to increase in provision for complimentary credit monitoring service, patient service desk activation service, COVID-19 testing service, and UNLV resident salaries and academic mission support.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

Non-operating revenue (expense) consists of interest income, revenue from Provider Relief Fund, Coronavirus Relief Fund, and non-operating expenses such as interest expense.

The County contributed a total of \$15 million to the Hospital in fiscal 2021 for additional capital equipment and hospital operation.

Net position increased \$61.3 million to a deficit of \$303.7 million in fiscal 2021 primarily due to the revenue from Provider Relief Fund and Coronavirus Relief Fund, contributions from the County, offset by the operating loss.

Capital Assets

During fiscal 2022 and 2021, the Hospital invested \$20.6 million and \$24.0 million, respectively, in a broad range of capital assets. Gross capital assets increased in fiscal 2022 due to an increase in the purchase of Jack London Building at Southern Highlands Primary Care, Tenant Improvements at Aliante Quick Care and Primary Care, Round Building & South Building Sanitary Lines, Hospital Wide Reusable Curtains, Zimmer Rosa Robot Knee System and 3M 360 Encompass System Software. Gross capital assets increased in fiscal 2021 due to an increase in the purchase of Philips Patient Monitoring Equipment, Azurion 7 M12 and M20 Image Guided Therapy Systems, Nuclear Medicine Cameras, AVEA Ventilators, EPIC Software, Honeywell EBI Building Controls.

The Hospital's fiscal 2023 capital budget includes up to \$31 million for capital projects, consisting of critical patient-related equipment replacement items, facility remodeling & repairs, IT software and infrastructure upgrades, operational equipment, and service line enhancements.

The Hospital is subject to several contracts and commitments relating to construction projects and services. These commitments are not expected to significantly affect the availability of fund resources for future use.

Long-Term Debt

At June 30, 2022 and 2021, the Hospital had \$6.6 million and \$12.9 million, respectively, in long-term debt, excluding the current portion thereof. This represented a decrease of \$6.3 million and \$6.2 million, respectively, from the outstanding balances at June 30, 2021, and June 30, 2020. Total outstanding debt represents 1.7% and 1.9% of the Hospital's total liabilities as of June 30, 2022 and 2021, respectively.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2022 AND 2021

Economic Factors

The most recent unemployment statistics, as of August 2022, indicated that the unemployment rate for the Las Vegas, Nevada metropolitan area was 5.8%, which was a 1.9% decrease from a year ago. The unemployment rate for the State of Nevada and the United States was 5.2% and 3.8%, respectively.

Inflationary trends in the County are comparable to the United States national indices.

All of these factors affected the fiscal year 2022 operating and financial performance. The focus of management in the near term is to develop a multi-year plan that will emphasize revenue generation, cost control, fiscal discipline, capital requirements, and financing in support of net asset stability and a focus on the core services provided to patients.

Contacting the Hospital's Financial Management

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the Hospital's finances and to demonstrate the Hospital's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Department, University Medical Center of Southern Nevada, 1800 West Charleston Blvd., Las Vegas, Nevada 89102.

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Net Position (Deficit)

	June 30	
	2022	2021
	(As Restated)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 140,511,723	\$ 105,438,045
Assets limited as to use, current portion	3,402,530	4,969,729
Patient receivables, net of allowance for uncollectible accounts of \$142,658,563 in 2022 and \$117,230,581 in 2021	215,411,990	260,365,244
Other receivables, net	7,970,748	15,588,208
Inventories	18,957,705	20,959,306
Prepaid expenses and other	8,118,994	5,202,062
Total current assets	394,373,690	412,522,594
Assets limited as to use, net of current portion:		
Contributor or grantor restricted:		
Cash and cash equivalents	4,431,799	6,093,622
Grants receivable	808,020	441,539
Internally designated cash and cash equivalents	117,490,973	108,841,020
	122,730,792	115,376,181
Less amount required to meet current obligations	(3,402,530)	(4,969,729)
Total assets limited as to use, net of current portion	119,328,262	110,406,452
Other assets:		
Land	10,204,997	10,204,997
Depreciable property and equipment, net	177,258,780	172,607,898
Construction in progress	9,798,053	20,879,339
Leased assets, net	22,550,732	24,849,170
Deposits	81,656	85,156
Total assets	\$ 733,596,170	\$ 751,555,606
Deferred outflows of resources		
Unamortized loss on refunding	\$ 60,470	\$ 112,302
Related to pensions	193,132,079	89,386,108
Related to OPEB (postemployment benefits other than pensions)	36,883,711	38,836,578
Total deferred outflows of resources	\$ 230,076,260	\$ 128,334,988

(Continued)

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Net Position (Deficit) (continued)

	June 30	
	2022	2021
	(As Restated)	
Liabilities and net position (deficit)		
Current liabilities:		
Accounts payable	\$ 73,714,532	\$ 72,927,313
Accrued compensation and benefits	56,994,077	53,874,329
Other accrued expenses	566,781	1,697,229
Current portion of long-term debt	6,370,000	6,170,000
Current portion of lease payable	6,664,474	6,010,401
Due to related party	6,458,575	6,510,397
Current portion of self-insurance liability	6,940,465	8,331,273
Total current liabilities	157,708,904	155,520,942
OPEB liability	215,378,338	204,284,483
Long-term debt, net of current portion	6,565,000	12,935,000
Lease payable, net of current portion	16,312,174	19,176,708
Self-insurance liability, net of current portion	12,217,182	10,711,663
Intergovernmental liability	46,989,417	87,481,348
Net pension liability	313,924,210	510,283,540
Total liabilities	769,095,225	1,000,393,684
Deferred inflows of resources		
Related to lease	2,036,182	3,264,583
Related to pensions	298,740,716	45,690,742
Related to OPEB	119,336,659	134,204,405
Total deferred inflows of resources	420,113,557	183,159,730
Net position (deficit):		
Net investment in capital assets	254,270,362	271,080,387
Restricted:		
Hospital and administrative programs	327,697	1,127,012
Donations, various programs	1,992,905	-
Research programs	194,171	529,257
Educational programs	1,274,724	1,311,956
	3,789,497	2,968,225
Unrestricted (deficit)	(483,596,211)	(577,711,433)
Total net position (deficit)	\$ (225,536,352)	\$ (303,662,821)

See accompanying notes.

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Revenues, Expenses, and Changes in Net Position (Deficit)

	Years Ended June 30	
	2022	2021
	(As Restated)	
Operating revenues:		
Net patient revenues (net of provisions for bad debts of \$55,177,862 and \$49,199,665 in 2022 and 2021, respectively)	\$ 773,572,937	\$ 741,065,130
Other operating revenues	34,628,483	65,497,637
Total operating revenues	808,201,420	806,562,767
Operating expenses:		
Nursing and other professional services	561,450,917	545,579,381
Administrative and fiscal services	143,772,753	126,892,529
General services	69,901,152	93,708,043
Depreciation and amortization	33,798,580	30,174,569
Total operating expenses	808,923,402	796,354,522
Income (loss) from operations before provision for OPEB and net pension liabilities	(721,982)	10,208,245
Provision for OPEB	1,693,737	2,715,469
Provision for net pension liabilities	(47,055,327)	9,643,920
Income (loss) from operations	44,639,608	(2,151,144)
Nonoperating revenues (expenses):		
Loss on the change of the investments	(9,040,178)	(1,263,148)
Interest expense	(741,941)	(892,243)
Other nonoperating revenues	11,980,230	50,654,271
Total nonoperating revenues, net	2,198,111	48,498,880
Income before transfers	46,837,719	46,347,736
Transfers in	31,000,000	15,000,000
Change in net position	77,837,719	61,347,736
Net position (deficit), beginning of year	(303,662,821)	(365,010,557)
GASB No. 87 adjustment (Note 13)	288,750	-
Net position (deficit), end of year	\$(225,536,352)	\$ (303,662,821)

See accompanying notes.

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Cash Flows

	Years Ended June 30	
	2022	2021
Cash flows from operating activities		
Cash received from patients and third-party payers	\$ 778,034,260	\$ 604,991,426
Cash payments to suppliers for goods and services	(327,841,585)	(340,783,224)
Cash payments to employees for services and benefits	(455,461,164)	(418,724,428)
Other operating receipts	34,262,002	65,316,518
Net cash provided by (used in) operating activities	<u>28,993,513</u>	<u>(89,199,708)</u>
Cash flows from noncapital financing activities		
Contributions and transfers in from Clark County	31,000,000	24,000,000
Contributions, donations and other	(6,132,127)	50,654,271
Net cash provided by noncapital financing activities	<u>24,867,873</u>	<u>74,654,271</u>
Cash flows from capital and related financing activities		
Purchase of property and equipment, net	(13,947,890)	(22,618,422)
Principal paid on long-term debt	(6,170,000)	(5,985,000)
Interest paid on long-term debt	(753,866)	(685,023)
Other	32,000	-
Net cash used in capital and related financing activities	<u>(20,839,756)</u>	<u>(29,288,445)</u>
Cash flows from investing activities		
Gain (loss) on change of the investments	<u>9,040,178</u>	<u>(1,295,236)</u>
Increase (decrease) in cash and cash equivalents	42,061,808	(45,129,118)
Cash and cash equivalents, beginning of year	220,372,687	265,501,805
Cash and cash equivalents, end of year	<u>\$ 262,434,495</u>	<u>\$ 220,372,687</u>
Unrestricted cash and cash equivalents	\$ 140,511,723	\$ 105,438,045
Contributor or grantor restricted cash and cash equivalents	4,431,799	6,093,622
Internally designated cash and cash equivalents	117,490,973	108,841,020
Total cash and cash equivalents	<u>\$ 262,434,495</u>	<u>\$ 220,372,687</u>

(Continued)

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Cash Flows (continued)

	Years Ended June 30	
	2022	2021
Reconciliation of loss from operations to net cash used in operating activities		
Income (loss) from operations	\$ 44,639,608	\$ (2,047,540)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation and amortization	33,798,580	24,317,456
Provision for uncollectible accounts	55,177,862	49,299,665
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Patient receivables	(10,224,607)	(169,275,884)
Inventories	2,001,600	(5,976,045)
Prepaid expenses and other current assets	4,334,046	8,751,910
Deferred outflows of resources	(101,793,104)	(3,303,284)
Increase (decrease) in:		
Other noncurrent assets	3,500	-
Accounts payable and accrued expenses	(39,601,358)	25,955,479
Self-insured liability	114,711	855,920
Due to related party	(51,822)	1,633,198
Deferred inflows of resources	40,594,497	(19,410,583)
Net cash provided by (used in) operating activities	<u>\$ 28,993,513</u>	<u>\$ (89,199,708)</u>

See accompanying notes.

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada
Statements of Revenues and Expenses, Budget to Actual Comparisons
For the fiscal year ended June 30, 2022
(With comparative actual for the fiscal year ended June 30, 2021)

	<u>2022</u>				<u>2021</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual (As Restated)</u>
Operating revenues:					
Intergovernmental revenues:					
Grants	\$ 2,133,297	\$ 2,133,297	\$ 4,993,361	\$ 2,860,064	\$ 6,382,742
Charges for services:					
Total patient revenue	651,956,839	645,237,494	773,572,937	128,335,443	741,065,130
Other operating revenues	50,645,472	50,645,472	29,635,122	(21,010,350)	59,114,895
Total operating revenues	704,735,608	698,016,263	808,201,420	110,185,157	806,562,767
Operating expenses:					
Salaries & wages	290,211,027	296,166,484	326,607,035	(30,440,551)	290,381,150
Employee benefits	134,465,896	133,478,230	128,459,117	5,019,113	124,556,374
Services & Supplies	141,790,031	139,167,430	142,152,180	(2,984,750)	181,867,274
Professional fees	44,511,300	44,511,300	43,565,542	945,758	43,113,601
Purchased Services	74,990,700	74,999,100	109,575,329	(34,576,229)	102,418,677
Other	20,518,376	20,518,376	22,315,487	(1,797,111)	20,891,054
Rent	8,994,736	8,994,736	2,450,132	6,544,604	2,951,823
Depreciation/amortization	26,621,418	26,621,418	33,798,580	(7,177,162)	30,174,569
	742,103,484	744,457,074	808,923,402	(64,466,328)	796,354,522
Nonoperating revenues (expenses):					
Interest earnings	4,191,816	4,191,816	(9,040,178)	13,231,994	(1,263,148)
Interest expense	(548,452)	(548,452)	(741,941)	193,489	(892,243)
Provision for OPEB & net pension liabilities	(11,332,703)	(11,332,703)	45,361,590	(56,694,293)	(12,359,389)
Other nonoperating revenue	-	-	11,980,230	(11,980,230)	50,654,271
Total nonoperating revenues (expenses), net	(7,689,339)	(7,689,339)	47,559,701	(55,249,040)	36,139,491
Income (Loss) before transfers	(45,057,215)	(54,130,150)	46,837,719	119,402,445	46,347,736
Transfers In	31,000,000	31,000,000	31,000,000	-	15,000,000
Change in Net Position (Deficit)	\$ (14,057,215)	\$ (23,130,150)	\$ 77,837,719	\$ 119,402,445	\$ 61,347,736

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada
Statements of Cash Flows Budget to Actual Comparisons
For the fiscal year ended June 30, 2022
(With comparative actual for the fiscal year ended June 30, 2021)

	2022				2021
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Cash flows from operating activities:					
Cash received from patients and third-party payers	\$ 661,161,776	\$ 658,851,037	\$ 778,034,260	\$ 119,183,223	\$ 604,991,426
Cash paid to employees & benefits	(424,676,923)	(429,644,713)	(455,461,164)	(25,816,451)	(418,724,428)
Cash paid to suppliers for goods and services	(290,805,143)	(288,190,942)	(327,841,585)	(39,650,643)	(340,783,224)
Other operating receipts	52,778,769	52,778,769	34,262,002	(18,516,767)	65,316,518
Net cash provided by operating activities	<u>(1,541,521)</u>	<u>(6,205,849)</u>	<u>28,993,513</u>	<u>35,199,362</u>	<u>(89,199,708)</u>
Cash flows from noncapital financing activities:					
Contributions and transfers in from Clark County	31,000,000	31,000,000	31,000,000	-	24,000,000
Contributions, donations and other	-	-	(6,132,127)	(6,132,127)	50,654,271
Net cash provided by noncapital financing activities	<u>31,000,000</u>	<u>31,000,000</u>	<u>24,867,873</u>	<u>(6,132,127)</u>	<u>74,654,271</u>
Cash flows from capital and related financing activities:					
Purchase of property and equipment, net	(31,000,000)	(31,000,000)	(13,947,890)	17,052,110	(22,618,422)
Principal paid on long-term debt	(6,170,000)	(6,170,000)	(6,170,000)	-	(5,985,000)
Interest paid on long-term debt	(496,620)	(496,620)	(753,866)	(257,246)	(685,023)
Other	-	-	32,000	32,000	-
Net cash used in capital and related financing activities	<u>(37,666,620)</u>	<u>(37,666,620)</u>	<u>(20,839,756)</u>	<u>16,826,864</u>	<u>(29,288,445)</u>
Cash flows from investing activities					
Interest received	4,191,816	4,191,816	9,040,178	4,848,362	(1,295,236)
Net (decrease) increase in cash and cash equivalents	<u>(4,016,325)</u>	<u>(8,680,653)</u>	<u>42,061,808</u>	<u>50,742,461</u>	<u>(45,129,118)</u>
Cash and cash equivalents:					
Beginning of year	<u>303,478,530</u>	<u>303,478,530</u>	<u>220,372,687</u>	<u>(83,105,843)</u>	<u>265,501,805</u>
End of year	<u>\$ 299,462,205</u>	<u>\$ 294,797,877</u>	<u>\$ 262,434,495</u>	<u>\$ (32,363,382)</u>	<u>\$ 220,372,687</u>

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

Overview of the Financial Statements

This annual report consists of financial statements prepared in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis — for State and Local Governments* as amended by GASB Statement No. 37, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments: Omnibus* and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. These standards establish comprehensive financial reporting standards for all state and local governments and related entities.

1. Description of Reporting Entity and Summary of Significant Accounting Policies

Reporting Entity

University Medical Center of Southern Nevada (the Hospital), the public health care facility for Clark County, Nevada (the County), is a blended component unit of the County, and is reflected as an enterprise fund of the County. The Hospital is organized and operated by The Board of County Commissioners, ex officio, the Board of Hospital Trustees, per Chapter 450 of the Nevada Revised Statutes. The seven-member commission is elected from geographic districts on a partisan basis for staggered four-year terms. Commissioners elect a chairperson who serves as the Commission's presiding officer. In 2014 the Commissioners created the UMC Governing Board and selected 9 individuals from the community to serve on the board. The UMC Governing Board provides oversight of the Hospital and reports back to the Board of Hospital Trustees. As the Hospital is a component unit of the County, it is exempt from income tax and, accordingly, no provision for income taxes is required.

In accordance with GASB Statement No. 14, *The Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the Hospital's financial statements are included, as a blended component unit, in the County's Annual Comprehensive Financial Report (ACFR). A copy of the ACFR can be obtained from Anna Danchik, Comptroller, 500 South Grand Parkway, Las Vegas, Nevada 89155.

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NOTES TO FINANCIAL STATEMENTS
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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

CARES Act and Enhancement Act Funds

On March 27, 2020, former President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act” in response to the COVID-19 pandemic. The CARES Act, among other things, includes emergency funding – referred to as the “Provider Relief Fund and Coronavirus Relief Fund” - in the form of higher payments for hospitals that respond to COVID-19 by using existing mechanisms to distribute \$100 billion to hospitals and healthcare providers and to provide payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak to cover necessary expenses incurred due to the public health emergency with respect to COVID-19 that were not accounted for in the budget approved as of March 27, 2020 for the State or government from March 1, 2020 through December 31, 2021.

On April 24, 2020, former President Trump signed into law the “Paycheck Protection Program and Health Care Enhancement (Enhancement) Act.” The Enhancement Act, among other things, includes \$75 billion of additional funding for hospitals and healthcare providers.

Together, the CARES Act and the Enhancement Act include \$175 billion in funding to be distributed to eligible providers through the Public Health and Social Services Emergency Fund (the “Provider Relief Fund” or “PRF”). HHS has allocated Provider Relief Fund among eligible health care providers through three completed phases of general distributions and a number of targeted distributions beginning in April 2020. In September 2021, HHS announced an additional \$17 billion general distribution from the Provider Relief Fund that considers financial losses and changes in operating revenues and expenses, including expenses attributable to COVID-19, and payments already received through PRF distributions. The amount the Hospital may receive from this PRF distribution is unknown as of the date of this report.

The Hospital received \$11.97 million through various distributions from the Provider Relief Fund and Coronavirus Relief Fund during fiscal year 2022, recorded all of them as other non-operating revenue in fiscal year 2022, and continues to monitor eligibility for additional Provider Relief Funds and Coronavirus Relief Fund during fiscal year 2023. As the Provider Relief Funds and Coronavirus Relief Fund have not yet been fully allocated, management is unable to determine the amount of Provider Relief Funds and Coronavirus Relief Fund available to the Hospital in fiscal year 2023.

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

The CARES Act also alleviates some of the financial strain on hospitals, physicians, other healthcare providers and states through a series of Medicare and Medicaid payment policies that temporarily increase Medicare and Medicaid reimbursement and allow for added flexibility, as described below.

- Effective May 1, 2020 through December 31, 2021, the 2% sequestration reduction on Medicare fee for service (“FFS”) and payments to hospitals, physicians and other providers is suspended and will resume effective January 2022 as authorized by the Act to Prevent Across-the-Board Direct Spending Cuts, and for Other Purposes, signed into law on April 14, 2021. The suspension is financed by a one-year extension of the sequestration adjustment through 2030.
- The CARES Act instituted a 20% increase in the Medicare Severity Diagnosis Related Groups (“MS-DRG”) payment for confirmed COVID-19 hospital admissions for the duration of the public health emergency as declared by the Secretary of HHS.
- The CARES Act eliminated the scheduled nationwide reduction of \$4 billion in federal Medicaid Disproportionate Share Hospital (“DSH”) allotments to States in federal fiscal year (“FFY”) 2020 mandated by the Affordable Care Act and decreased the FFY 2021 Medicaid DSH reduction from \$8 billion to \$4 billion effective December 1, 2020. Legislation passed in October 2020 delayed the 2021 reduction through December 11, 2020. However, the Consolidated Appropriations Act, 2021 (“CCA”) eliminated the \$4 billion reduction for FFY 2021, the \$8 billion reduction for FFY 2022, and the \$8 billion reduction for FFY 2023. The reductions mandated by the Patient Protection and Affordable Care Act were set to be terminated at the end of FFY 2025, but the CCA added additional reductions of \$8 billion per year for FFY 2026 and FFY 2027.
- A 6.2% increase in the Federal Medical Assistance Percentage (“FMAP”) matching funds was instituted to help states respond to the COVID-19 pandemic. The additional funds are available to states from January 1, 2020 through the quarter in which the public health emergency period ends, provided that states meet certain conditions. An increase in states’ FMAP leverages Medicaid’s existing financing structure, which allows federal funds to be provided to states more quickly and efficiently than establishing a new program or allocating money from a new funding stream. Increased federal matching funds support states in responding to the increased need for services, such as testing and treatment during the COVID-19 public health emergency, as well as increased enrollment as more people lose income and qualify for Medicaid during the economic downturn.

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NOTES TO FINANCIAL STATEMENTS
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1. Description of Reporting Entity and Summary of Significant Accounting Policies (continued)

On June 11, 2021, HHS issued a Post-Payment Notice of Reporting Requirements for the PRF that were disbursed under the CARES Act. This notice changed guidance that had been previously communicated. Key differences include the timeline for reporting and deadlines for use of funds as follows:

	Payment Received	Deadline to Use Funds	Reporting Time Period
Period 1	From April 10, 2020 to June 30, 2020	June 30, 2021	July 1 to September 30, 2021 (later extended to November 30, 2021)
Period 2	From July 1, 2020 to December 31, 2020	December 31, 2021	January 1 to March 31, 2022
Period 3	From January 1, 2021 to June 30, 2021	June 30, 2022	July 1 to September 30, 2022
Period 4	From July 1, 2021 to December 31, 2021	December 31, 2022	January 1 to March 31, 2023

The definitions included in the Post-Payment Notice of Reporting Requirements may be subject to change or further interpretation. Management will continue to evaluate and monitor compliance with the terms and conditions.

HHS has also used funds appropriated to the Provider Relief Fund and the Families First Coronavirus Response Act (“FFCRA”) to provide claims reimbursement to health care providers for testing uninsured individuals for COVID-19, treating uninsured individuals with a primary COVID-19 diagnosis, and administering a COVID-19 vaccine to uninsured individuals. The COVID-19 uninsured program is administered through HHS’s Health Resources & Services Administration (“HRSA”) and began providing reimbursement in May of 2020. Generally, reimbursements under this program are set at Medicare FFS rates, exclusive of the 20% increase in the MS-DRG payment for confirmed COVID-19 hospital admissions under the CARES Act.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. The extent of its impact on the Hospital’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on patients, employees, and vendors, and the scope of the Federal response, all of which are uncertain and cannot be predicted. Given these uncertainties, management cannot reasonably estimate the related impact to the Hospital’s business, operating results, or financial condition in fiscal year 2023.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

Summary of Significant Accounting Policies

The financial statements of the Hospital are prepared under accounting principles generally accepted in the United States applicable to state and local governmental entities on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. Substantially all revenues and expenses are subject to accrual.

The Hospital is accounted for as a proprietary fund (enterprise fund) using the flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the Hospital's operations are included in the *Statement of Net Position (Deficit)*. Revenue is recognized in the period in which it is earned and expenses are recognized in the period in which incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Cash, Cash Equivalents, and Investments

Cash equivalents include investments in highly liquid debt instruments with an original maturity of three months or less at date of purchase, excluding amounts held under trust agreements. The Hospital's restricted and unrestricted cash is deposited with the County Treasurer (the Treasurer) in a fund similar to an external investment pool that is reported at fair value. Because the amounts deposited with the Treasurer are sufficiently liquid to permit withdrawals in the form of cash at any time without prior notice or penalty, they are deemed to be cash equivalents. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires the County to adjust the carrying amount of its investment portfolio to reflect the change in fair or market values. Interest revenue is increased or decreased in relation to this adjustment of unrealized gain or loss. Net interest income reflects this positive or negative market value adjustment. Financial information required by GASB Statement No. 3, No. 40 and No. 72 regarding the accounting and financial reporting for the Hospital's investment pool, held by the Clark County Treasurer, has been disclosed in the Clark County Annual Comprehensive Financial Report (ACFR) for the years ended June 30, 2022, and June 30, 2021.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

Inventories

Inventories, consisting primarily of medical supplies and pharmaceuticals, are stated at the lower of cost or market, generally determined on the first-in, first-out method.

Restricted Assets

Restricted assets are cash and cash equivalents and investments whose use is limited by legal or other requirements. Restricted cash and cash equivalents represent monies received from donors or grantors to be used for specific purposes, as well as the Hospital's proportionate share of collateral assets held under securities lending transactions and those whose purpose was limited by the contributor and/or grantor. The Hospital has elected to use restricted assets before unrestricted assets when an expense is incurred for a purpose for which both resources are available.

Capital Assets

Capital assets are stated at historical cost or, if donated, at estimated fair value at the date of the gift. Capital assets are defined by the Hospital as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Depreciation and amortization of assets are recorded in amounts sufficient to amortize the cost of the related assets over their estimated useful lives using the straight-line method. The following are the most commonly used estimated useful lives:

Buildings	10-40 years
Building improvements	5-20 years
Equipment	3-20 years
Land improvements	15 years
Furniture and fixtures	5 years

Expenditures that substantially increase the useful lives or functionality of existing assets are capitalized. Routine maintenance, repairs, and minor improvements are expensed as incurred. The cost of property retired and related accumulated depreciation is removed from the accounts, and any gain or loss recognized in non-operating revenues (expenses).

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

Management reviews the recoverability of its capital assets in accordance with the provisions of GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and Insurance Recoveries*. GASB Statement No. 42 requires recognition of impairment of long-lived assets in the event the asset's service utility has declined significantly and unexpectedly. Accordingly, management evaluates assets' utility annually or when an event occurs that may impair recoverability of the asset. No impairments were identified as of June 30, 2022.

Leases

Lessee:

The Hospital is party to multiple leases of nonfinancial assets as a lessee. The Hospital recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements.

At the commencement of a lease, the Hospital initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Hospital determines (1) the discount rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The Hospital uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Hospital generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Hospital is reasonably certain to exercise.

The Hospital monitors changes in circumstances that would require a remeasurement of its leases and will remeasure lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of any lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

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NOTES TO FINANCIAL STATEMENTS
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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

Lessor:

The Hospital has leased to third-parties multiple nonfinancial assets. The Hospital recognizes a lease receivable and a deferred inflow of resources in its financial statements where applicable.

At the commencement of the lease, the Hospital initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments receivable. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Hospital determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The Hospital uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The Hospital monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Bond and Debt Issue Costs

Financing costs represent debt issuance expenses on long-term debt obligations and are expensed as incurred in accordance with GASB No. 65.

Cost of Borrowing

Interest costs incurred on debt during the construction or acquisition of assets are capitalized as a component of the cost of acquiring those assets. No capitalized interest was recorded in fiscal 2022 and 2021.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and is not recognized as expense until then. In the Hospital financial statements, unamortized loss on refunding and pension and OPEB contributions are reported as a deferred

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NOTES TO FINANCIAL STATEMENTS
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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

outflow of resources. The unamortized loss on refunding results from the difference between the reacquisition price and the net carrying amount of the refunded debt. This amount is deferred and amortized over the life of the refunding debt. The pension and OPEB contributions in deferred outflows are related to those contributions made after the measurement period.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources until that time. In the Hospital financial statements, future resources yet to be recognized in relation to the pension and OPEB actuarial calculations are reported as deferred inflow of resources. These future resources arise from differences in the estimates used by the actuary to calculate the pension and OPEB liability and the actual results. The amounts are amortized over a predetermined period.

Postemployment Benefits Other Than Pensions

For purposes of measuring the Hospital's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plans and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Compensated Absences

It is the Hospital's policy to permit employees to accumulate earned, but unused vacation and sick leave benefits. Such benefits were accrued when incurred as a current liability in both fiscal 2022 and 2021.

Self-Insured Liability

The self-insured liability represents the provision for estimated self-insured professional liability claims, general liability claims, and workers' compensation claims. The provision includes estimates of the ultimate costs for both reported claims and claims incurred but not reported based on the recommendations of an independent actuary.

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

Net Position (Deficit)

GASB Statement No. 34 requires the classification of net position (deficit) into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- Net investment in capital assets: This component of net position (deficit) consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted: This component of net position (deficit) results from restrictions placed on net position (deficit) use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted: This component of net position (deficit) consists of all net position (deficit) that do not meet the definition of restricted or net investment in capital assets.

Statements of Revenues, Expenses, and Changes in Net Position (Deficit)

All revenues and expenses directly related to the delivery of health care services are included in operating revenues and expenses in the *Statements of Revenues, Expenses, and Changes in Net Position (Deficit)*. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing activities, non-exchange transactions, or investment income.

Net Patient Revenue, Accounts Receivable, and Allowance for Uncollectible Accounts

Net patient revenue is reported at the estimated realizable amount from patients, third-party payers, and others for services provided including the provision for bad debts and includes estimated retroactive adjustments under reimbursement agreements with third-party payers. Revenue under certain third-party payer agreements is subject to audit, retroactive adjustments, and significant regulatory actions. Provisions for third-party settlements and adjustments are estimated in the period the related services are provided and adjusted in future periods as additional information becomes available and as final settlements are determined.

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

As part of the Hospital's mission to serve the community, the Hospital provides care to patients even though they may lack adequate insurance or may participate in programs that do not pay established rates. Uncompensated care is defined as write-offs on patient accounts without insurance payment. Charity care is a subset of uncompensated care representing those patients that are approved by the Hospital for a discount under its charity policy guidelines. Throughout the admission, billing, and collection processes, certain patients are identified by the Hospital as indigent or qualifying for charity care. The Hospital provides care to these patients without charge or at amounts less than its established rates or actual costs. Net patient revenue is reflected net of the charity care reserves. Charity care reserves are based on gross revenue foregone. The actual costs for charity care in accordance with the Hospital's charity care policy aggregated approximately \$25,285,501 and \$23,730,686 for the years ending June 30, 2022 and 2021, respectively. The Hospital has estimated the cost of charity care based on a ratio of cost to charges of operating expenses excluding interest expense.

The Hospital has agreements with third-party payers that provide for payment at amounts different from established charge rates. A summary of the basis of payment by major third-party payers follows:

- Medicare and Medicaid: The Hospital renders services to patients under contractual arrangements with the U.S. Federal Medicare and the State of Nevada (State) Medicaid programs. Inpatient acute care services rendered to Medicare and Medicaid program beneficiaries and Medicare capital costs are paid at prospectively determined rates-per-discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. As an academic medical center, medical education payments in addition to disproportionate share entitlements are received from Medicare and Medicaid. Medicare utilizes a prospective payment system for inpatient rehabilitation services and psychiatric services.

Medicare outpatient claims are reimbursed under the Ambulatory Payment Classification based prospective payment system. The payments are based on patient assessment data classifying patients into one of the Medicare Ambulatory Payment Classifications. Inpatient rehabilitation and psychiatric services are reimbursed at a prospectively determined per diem rate. Certain outpatient services related to Medicare beneficiaries and capital costs for Medicaid beneficiaries are reimbursed based on a cost-based methodology subject to certain limitations. The Hospital is reimbursed for cost reimbursable items at tentative rates with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare and Medicaid fiscal intermediaries.

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

The Hospital's classification of patients under the Medicare and Medicaid programs and the appropriateness of their admission, and therefore, the revenues received are subject to an independent review and retroactive adjustment. Differences between the estimated amounts accrued at interim and final settlements are reported in the *Statement of Revenues, Expenses, and Changes in Net Position (Deficit)* in the year of settlement. Medicare cost reports have been finalized through fiscal year 2018. Provisions for estimated retroactive adjustments for cost report years that have not been finalized have been provided, where applicable. The Hospital recorded a favorable adjustment \$3,120,752 in fiscal 2022, and a favorable adjustment of \$2,356,520 in fiscal 2021, respectively, due to prior year retroactive adjustments to amounts previously estimated and changes in estimates.

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, governmental program participation, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as repayment of patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs unknown or unasserted at this time. As a result, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Management believes that the Hospital is in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations, and that adequate provision has been made in the financial statements for any adjustments that may result from final settlements.

- Upper payment limit: On September 22, 2002, the amendment to the State Medicaid program to allow for supplemental Medicaid payments as provided under federal regulations, referred to as the Upper Payment Limit program (UPL), was approved by the Center for Medicare and Medicaid Services (CMS). Effective January 1, 2003, the amendment revised the State's plan to provide access to supplemental Medicaid payments up to 100% of the Medicare upper payment limits for inpatient hospital services rendered by public hospitals in the State to State Medicaid consumers. The State fiscal 2015 budget also included an expansion of the UPL program to outpatient services.

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

These funds are distributed prospectively on a quarterly basis. Funding for the UPL program is generated through intergovernmental transfers and matching funds from the federal government. The gross amount recorded in net patient revenue for UPL and Indigent Accident Fund (IAF) was \$99,580,500 and \$96,229,511 in fiscal 2022 and 2021, respectively. As of June 30, 2022 and 2021, \$40,914,417 and \$85,603,296, respectively, were recorded as receivable.

- **Disproportionate share:** As a public health care provider, the Hospital renders services to residents of the County and others regardless of ability to pay. The Hospital is classified as a disproportionate share provider by the Medicare and Medicaid programs due to the volume of low-income patients it serves. Accordingly, the Hospital receives additional payments from these programs as a result of this status totaling \$67,320,016 and \$65,405,579 in fiscal 2022 and 2021, respectively, which are included in net patient revenue. As of June 30, 2022 and 2021, the Hospital has reserved approximately \$46,989,417 and \$87,481,348, respectively, for possible future adjustments, which is reflected in intergovernmental liabilities on the accompanying statements of net position (deficit). Normal estimation differences between final settlements and amounts accrued in previous periods are reflected in net patient revenues in the period of settlement. These estimation differences between final settlements and amounts previously accrued results in an increase of \$6,042,873 and a decrease of \$14,711,401, respectively, in net patient revenues during the years ended June 30, 2022 and 2021. Funding for the disproportionate share program is generated through intergovernmental transfers and matching funds from the federal government. The Hospital also provides major trauma services to the region, and the ability to continue these levels of service and programs is contingent upon the continuation of various funding sources.
- **Other payers:** The Hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment under these agreements includes prospectively-determined rates-per-discharge, discounts from established charges, and prospectively-determined per diem rates.

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YEARS ENDED JUNE 30, 2022 AND 2021

**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

The approximate percentage of gross patient revenues by major payer group for the fiscal years ended June 30 follows:

	2022	2021
Medicare	30 %	28 %
Medicaid, and self-pay	43	43
Commercial, HMO, PPO	22	24
Other	5	5
Total	100 %	100 %

The provision for bad debts is based upon management’s assessment of expected net collections considering economic conditions, historical experience, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payer category, including those amounts not covered by insurance. The results of this review are then used to make any modifications to the provision for bad debts to establish an appropriate allowance for uncollectible accounts. Extensive efforts are made to collect all amounts owed to the Hospital. Several avenues are pursued including direct collections efforts, assistance in finding pay sources, and assistance in compliance with the County’s uninsured discount program. After satisfaction of amounts due from insurance and reasonable efforts to collect from the patient have been exhausted, the Hospital follows established guidelines for placing certain past-due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by the Hospital. These accounts are then followed up by collection agencies.

For receivables associated with services provided to patients who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for bad debts, allowance for contractual adjustments, provision for bad debts, and contractual adjustments on accounts for which the third-party payor has not yet paid or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely. For receivables associated with self-pay patients or with balances remaining after the third-party coverage has already paid, the Hospital records a significant provision for bad debts in the period of services on the basis of its historical collections, which indicates that many patients ultimately do not pay the portion of their

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

bill for which they are financially responsible. The difference between the discounted rates and the amounts collected after all reasonable collection efforts have been exhausted is charged off against the allowance for bad debts. The change in the allowance for bad debts was as follows for the fiscal years ended June 30:

	2022	2021
Reserve-Beginning Balance	\$ (117,230,581)	\$ (116,761,520)
Provision	(183,355,767)	(157,708,462)
Write-Offs	163,340,737	164,474,911
Bad Debt Recovery	(5,322,952)	(7,235,510)
Reserve-Ending Balance	\$ (142,568,563)	\$ (117,230,581)

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer arrangements. Significant concentrations of patient accounts receivable at June 30, 2022 and 2021 include:

	2022	2021
Medicare	20 %	20 %
Medicaid, and self-pay	46	42
Commercial, HMO, PPO	27	28
Other	7	10
Total	100 %	100 %

Grants and Contributions

The Hospital receives financial assistance from federal agencies, the State, and the County, in the form of grants, as well as contributions from individuals and private organizations. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes and are reported as other operating revenues.

Other such audits could be undertaken by federal and state granting agencies and result in the disallowance of claims and expenditures; however, in the opinion of management, any such

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

disallowed claims or expenditures will not have a material effect on the overall financial position of the Hospital.

Defined Benefit Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Nevada (NVPERS) and additions to/deductions from NVPERS fiduciary net position have been determined on the same basis as they are reported by NVPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Concentrations of Credit and Economic Risks and Uncertainties

Financial instruments that potentially subject the Hospital to concentrations of credit risk consist principally of cash and cash equivalents, patient accounts receivable, and investments.

The Hospital's cash and cash equivalents on deposit with financial institutions, including cash and cash equivalents in the custody of the Treasurer or a fiscal agent, are often in excess of federally insured limits, and the risk of losses related to such concentrations may be increasing as a result of continuing economic conditions including, but not limited to, weakness in the commercial and investment banking systems. The extent of a future loss, if any, to be sustained as a result of uninsured deposits in the event of a future failure of a financial institution; however, is not subject to estimation at this time.

Concentration of credit risk relating to patient accounts receivable is limited to some extent by the diversity and number of the Hospital's patients and payers. Patient accounts receivable consist of amounts due from government programs, commercial insurance companies, private pay patients, and other group insurance programs. One payer source, self-pay, comprises approximately 17% and 17% of gross patient accounts receivable at June 30, 2022 and 2021, respectively. The Hospital maintains an allowance for losses based on the expected collectability of patient accounts receivable.

Because the Hospital operates in the health care industry exclusively in southern Nevada, realization of its receivables, inventories, and its future operations could be affected by adverse economic conditions in the area. In addition, the Hospital receives the majority of its supplies

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

from a limited number of suppliers and any reduction or interruption of such sources could adversely affect future operations. The majority of the Hospital's employees are covered by collective bargaining agreements entered into with the Service Employee International Union (SEIU) and the International Union of Operating Engineers (IUOE). The SEIU updated contract was ratified, effective on November 3, 2020 and will expire on June 30, 2024. The IUOE contract was updated and ratified on April 13, 2017, and was retroactively effective on July 1, 2016. The IUOE contract expired on June 30, 2020, however the Hospital and the IUOE are currently in negotiations to update the contract.

Subsequent Events

The Hospital evaluates the impact of subsequent events, which are events that occur after the statement of net position (deficit) date but before the financial statements are issued, for potential recognition in the financial statements as of the statement of net position date. For the year ended June 30, 2022, the Hospital evaluated subsequent events through December 2, 2022, representing the date the accompanying audited financial statements were issued. During this period the Hospital determined there were no subsequent events that needed to be disclosed.

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2. Recent Accounting Pronouncements

The GASB has recently issued the following statements, which the Hospital is assessing the impact of the implementation, if any, on its financial statements.

Statement No. 91, *Conduit debt obligations*

- This standard will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.
- A conduit debt obligation is defined as a debt instrument having all of the following characteristics:
 - There are at least three parties involved: (1) an issuer, (2) a third-party obligor, and (3) a debt holder or a debt trustee.
 - The issuer and the third-party obligor are not within the same financial reporting entity.
 - The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
 - The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
 - The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).
- All conduit debt obligations involve the issuer making a limited commitment.
- An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met.
- This statement also addresses arrangements-often characterized as leases-that are associated with conduit debt obligations.
- This statement requires issuers to disclose general information about their conduit debt obligations.
- Expected effective date: Year ending June 30, 2023, and Management is still evaluating the impact of this Statement.

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2. Recent Accounting Pronouncements (continued)

GASB Statement No. 94, Public-private and Public-public partnerships and availability payment arrangements

- This statement will improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).
- A PPP is an arrangement in which a government contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.
- Some PPPs meet the definition of a service concession arrangement (SCA), which is a PPP in which (1) The operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.
- This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.
- This Statement is effective for reporting periods beginning after June 15, 2022 which will be the Hospital's fiscal year ending June 30, 2023. Management is still evaluating the impact of this Statement.

GASB Statement No. 96, Subscription-Based information Technology Arrangements

- This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).
- A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.
- A government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability.

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2. Recent Accounting Pronouncements (continued)

- Activities associated with a SBITA, other than making subscription payments, should be grouped into the following three stages, and their costs should be accounted for accordingly: (1) Preliminary Project Stage, including activities such as evaluating alternatives, determining needed technology, and selecting a SBITA vendor. Outlays in this stage should be expensed as incurred; (2) Initial Implementation Stage, including all ancillary charges necessary to place the subscription asset into service. Outlays in this stage generally should be capitalized as an addition to the subscription asset; (3) Operation and Additional Implementation Stage, including activities such as subsequent implementation activities, maintenance, and other activities for a government's ongoing operations related to a SBITA. Outlays in this stage should be expensed as incurred unless they meet specific capitalization criteria. If a SBITA contract contains multiple components, a government should account for each component as a separate SBITA or nonsubscription component and allocate the contract price to the different components.
- This Statement provides an exception for short-term SBITAs, those having a maximum possible term of 12 months (or less), including any options to extend, regardless of their probability of being exercised. These SBITAs should be recognized as outflows of resources.
- This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.
- This Statement is effective for reporting periods beginning after June 15, 2022 which will be the Hospital's fiscal year ending June 30, 2023. Management is still evaluating the impact of this Statement.

GASB Statement No. 97, Certain component unit criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

- This Statement (1) requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities.

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2. Recent Accounting Pronouncements (continued)

- This Statement supersedes the remaining provisions of Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, as amended, regarding investment valuation requirements for Section 457 plans. As a result, investments of all Section 457 plans should be measured as of the end of the plan's reporting period in all circumstances.
- This Statement is effective for reporting periods beginning after December 15, 2021 which will be the Hospital's fiscal year ending June 30, 2023. The Hospital participates in a State Pension Plan and Management has determined there is no impact of this Statement.

GASB Statement No. 99, *Omnibus 2022*

- This Statement address practice issues identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees.
- Effective Upon Statement Issuance – April 2022:
 - Extension of the period during which LIBOR is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt
 - Accounting of benefits distributed as part of the Supplemental Nutrition Assistance Program (SNAP)
 - Disclosures related to nonmonetary transactions
 - Pledges of future revenues when resources are not received by the pledging government
 - Clarification of provisions of Statement No. 34 related to the focus of the government-wide financial statements
 - Updates to terminology used in Statement No. 53 to refer to resource flow statements and to certain provisions in Statement No. 63

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2. Recent Accounting Pronouncements (continued)

- Effective for Fiscal Years Beginning After June 15, 2022:
 - Determination of lease term and classification of leases as short-term in accordance with Statement No. 87
 - Clarification related to the determination of Public-Private Partnerships (PPP) term and recognition and measurement of installment payments and the transfer of PPP assets under Statement No. 94
 - Clarification of the provisions of Statement No. 96 related to Subscription Based Information Technology Arrangements (SBITA) term, classification of short-term SBITA, and recognition and measurement of a subscription liability
- Effective for Fiscal Years Beginning After June 15, 2023:
 - A government extending an exchange or exchange-like financial guarantee should recognize a liability and expense/expenditure related to the guarantee when qualitative factors and historical data indicate that it is more likely than not a government will be required to make a payment related to the guarantee. Statement No. 99 excludes guarantees related to special assessment debt, financial guarantee contracts within the scope of Statement No. 53, or guarantees related to conduit debt obligations.
 - Requirements related to the classification and reporting of derivative instruments within the scope of Statement No. 53 that do not meet the definition of an investment or hedging derivative instrument

GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*

- This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes.

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2. Recent Accounting Pronouncements (continued)

- As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability.
- This Statement also addresses corrections of errors in previously issued financial statements.
- This Statement requires that:
 - changes in accounting principles and error corrections be reported retroactively by restating prior periods,
 - changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and
 - changes in accounting estimates be reported prospectively by recognizing the change in the current period.
- The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement.
- Statement No. 100 requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.
- This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

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2. Recent Accounting Pronouncements (continued)

- Statement No. 100 also addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB Statement No. 101, *Compensated Absences*

- This Statement requires that liabilities for compensated absences be recognized for leave that as not been used and leave that has been used but not yet paid in cash or settled through noncash means.
- Requires recognition of a liability for leave that has not been used if:
 - the leave is attributable to services already rendered,
 - the leave accumulates, and
 - the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.
- Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.
- Statement No. 101 requires that a liability for certain types of compensated absences, including parental leave, military leave, and jury duty leave, not be recognized until the leave commences.
- In addition, this Statement requires that for specific types of compensated absences, a liability not be recognized until the leave is used.

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2. Recent Accounting Pronouncements (continued)

- This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.
- With respect to financial statements prepared using the current financial resources measurement focus, Statement No. 101 requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.
- Statement No. 101 amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

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NOTES TO FINANCIAL STATEMENTS
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3. Cash, Cash Equivalents, and Investments

Substantially all cash (including cash equivalents) and investments of the Hospital are under control of the Treasurer and are included in the Treasurer’s investment pool. The Hospital’s cash and investments generally are reported at fair value, as discussed in note 1. As of June 30, 2022 and 2021, these amounts were as follows:

	2022	2021
Clark County investment pool	\$ 262,417,859	\$ 220,356,087
Cash on hand	16,636	16,600
Total cash and investments	\$ 262,434,495	\$ 220,372,687

The Treasurer invests monies held both by individual funds and through a pooling of monies. The pooled monies, referred to as the investment pool, are invested as a whole and not as a combination of monies from each fund belonging to the pool. In this manner, the Treasurer is able to invest the monies at a higher interest rate for a longer period of time. Interest is apportioned monthly to each fund in the pool based on the average daily cash balance of the fund for the month.

According to Statutes, County monies must be deposited with federally insured banks, credit unions, or savings and loan associations within the County. The Treasurer is authorized to use demand accounts, time accounts, and certificates of deposit. Statutes do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible investments. Permissible investments are similar to allowable County investments described below, except that statutes permit a longer term and include securities issued by municipalities within Nevada. The County’s deposits are fully covered by federal depository insurance or collateral held by the County’s agent in the County’s name. The County has written custodial agreements with the various financial institutions’ trust banks for demand deposits and certificates of deposit. These custodial agreements pledge securities totaling 102% of the deposits with each financial institution. The County has a written agreement with the State Treasurer for monitoring the collateral maintained by the County’s depository institutions.

Due to the nature of the investment pool, it is not possible to separately identify any specific investment as being that of the Hospital. It is not feasible to allocate the level of risk to the various component units of the County, including the Hospital, due to the co-mingling of assets in the investment pool. Details on the County investment policies including the level of risk are included in the Clark County Annual Comprehensive Financial Report. Instead, the Hospital owns a proportionate share of each investment, based on the Hospital’s participation percentage in the investment pool. As of June 30, 2022 and 2021, \$262,417,859 and \$220,356,087, respectively, of Hospital investments in the investment pool were as follows:

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NOTES TO FINANCIAL STATEMENTS
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3. Cash, Cash Equivalents, and Investments (continued)

Investment Type	2022		2021	
	Allocation	Duration in Years	Allocation	Duration in Years
U.S. Agencies	37.74%	2.83	40.14%	2.89
U.S. Treasury Obligations	29.79%	2.24	27.81%	2.33
Corporate Notes	12.55%	2.42	15.87%	2.35
Negotiable Certificates of Deposit	5.93%	0.61	5.73%	0.70
Asset-Backed Securities	6.07%	3.92	4.14%	3.28
Commercial Paper Discounts	7.66%	0.10	3.63%	0.18
Money Market Funds	0.26%	-	2.68%	-
	<u>100.00%</u>		<u>100.00%</u>	
Average Portfolio Duration		2.08		2.22

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County’s investment policy applies a prudent-person rule, which is: “In investing the County’s monies, there shall be exercised the judgment and care under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

As of June 30, 2022 and 2021, the County’s investments were rated by Standard and Poor’s and Moody’s Investors Service, respectively, as follows:

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NOTES TO FINANCIAL STATEMENTS
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3. Cash, Cash Equivalents, and Investments (continued)

	<u>2022</u>	<u>2021</u>
U.S. Treasury Obligations	A-1+,AA+/Aaa,P-1	A-1+,AA+/Aaa,P-1
Bonds of U.S. Agencies	AA+/Aaa, Unrated (1)	AA+/Aaa, Unrated (1)
Corporate Obligations	A-, A, A+, AA-, AA, AA+/Aaa, Aa, A	BBB+,A- to AAA/Aaa, Aa, A
Commercial Paper Discounts	A-1, A-1+/P-1	A-1, A-1+/P-1
Negotiable Certificates of Deposit	A-1, A-1+/P-1	A-1, A-1+/P-1
Money Market Mutual Funds	A+, AAA/Aa, Aaa	AAA/Aaa
Asset-Backed Securities	AAA/Aaa, Unrated (2)	AAA/Aaa, Unrated (2)
Agency CMOs	n/a	n/a
Collateralized Investment Agreements	(3)	(3)
Discount Notes of U.S. Agencies	A-1+/P-1	A-1+/P-1
Corporate Notes	(4)	(4)

(1) Unrated U.S. federal agency securities are Farmer Mac securities not rated by either Moody's or Standard & Poor's

(2) Unrated asset backed securities are rated AAA by Standard & Poor's

(3) Issued by insurance companies rated AA/Aa2, or its equivalent, or higher, or issued by entities rated A/A2, or its equivalent, or higher

(4) Issued by insurance companies rated AA-/Aa1, or its equivalent, or higher, or issued by entities rated A/A2, or its equivalent, or higher

The County investments in U.S. Treasury obligations carry no measurable credit risk because they are backed by the U.S. federal government. The State Investment Pool does not have a credit rating.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy limits the amount that may be invested in obligations of any one issuer, except direct obligations of the U.S. government or federal agencies, to be no more than 5% of the County investment pool. At June 30, 2022 and 2021, the following investments exceeded 5% of the investment pool:

	<u>2022</u>	<u>2021</u>
U.S. Treasury obligations	33.73 %	27.81 %
Federal Home Loan Bank (FHLB)	12.41	8.77
Federal Farm Credit Bank (FFCB)	6.81	6.27
Federal Agricultural Mortgage Corp (FAMCA)	6.71	
Federal National Mortgage Association (FNMA)		8.29
Federal Home Loan Mortgage Corporation (FHLMC)		10.92

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NOTES TO FINANCIAL STATEMENTS
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3. Cash, Cash Equivalents, and Investments (continued)

Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the weighted average duration of its investment portfolio to less than 2.5 years. Duration is a measure of the present value of a fixed income's cash flows and is used to estimate the sensitivity of a security's price to interest rate changes. Accordingly, the County's investment policy limits investment portfolio maturities for certain investment instruments as follows: U.S. Treasury and U.S. agencies to less than ten years; bankers' acceptances to 180 days; commercial paper to 270 days; certificates of deposit to one year; corporate notes and bonds to five years; and repurchase agreements to 90 days.

Interest Rate Sensitivity

At June 30, 2022 and 2021, the County invested in the following types of securities that have a higher sensitivity to interest rates, which represented 27% and 13%, respectively, of total investment securities.

- Callable securities are directly affected by the movement of interest rates. Callable securities allow the issuer to redeem or call a security before maturity, generally on coupon dates.
- Step-up/step-down securities have fixed rate coupons for a specific time interval that will step-up or step-down a predetermined number of basis points at scheduled coupon or other reset dates. These securities are callable one time or on their coupon dates.
- Fix-to-floating rate notes have fixed rate coupons for a specified period of time, then a variable rate coupon for the remaining life of the security. The variable rate is generally based on the three-month LIBOR plus 125 basis points. In some cases, interest rate caps are reset higher annually. These securities are callable, generally on their coupon dates.
- CPI floaters have variable rate coupons based on the Consumer Price Index Year-Over-Year index plus 114 basis points. This rate resets and pays a coupon monthly.
- Range notes have fixed rate coupons based on the three-month LIBOR staying within a range for a time period, generally one year. If the three-month LIBOR is within the predetermined range for a specified time period, the coupon rate is reset at a higher rate at periodic intervals. If the three-month LIBOR is out of the predetermined range, then coupon rate is reset to a floor rate of 1%. These securities are also callable on their coupon dates.

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NOTES TO FINANCIAL STATEMENTS
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4. Other Receivables, Net

The Hospital has agreements with third-party payers that provide for payment of amounts different from established rates. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined. See Note 1, *Net Patient Revenue, Accounts Receivable, and Allowance for Uncollectible Accounts* for additional information. As of June 30, 2022 and 2021, there is no third-party settlements recorded.

Other receivable also includes account receivables that are not directly related to patient receivable, as a result of invoicing clients for various services rendered and implementing GASB 87 as a lessor to record lease receivable. See Note 1, *Leases* for additional information.

A summary of other receivables, net at June 30, follows:

	2022	2021
Lease receivable	\$ 2,064,691	\$ 3,313,773
Other	5,906,057	12,274,435
	\$ 7,970,748	\$ 15,588,208

5. Internally Designated Assets

The Hospital's internally designated assets consist of the following as of June 30:

	2022	2021
Self-insurance funds	\$ 15,686,622	\$ 15,844,640
Debt service funds	6,276,827	6,503,226
Capital acquisition funds	95,527,524	86,493,154
	\$ 117,490,973	\$ 108,841,020

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6. Capital Assets

Capital asset additions, retirements, and balances for the fiscal years ended June 30, 2022 and 2021, were as follows:

<u>2022</u>	Beginning Balance	Additions	Retirements/ Transfers	Ending Balance
Nondepreciable capital assets:				
Land	\$ 10,204,997	\$ -	\$ -	\$ 10,204,997
Construction in progress	20,879,339	8,145,312	(19,226,598)	9,798,053
Total nondepreciable capital assets	31,084,336	8,145,312	(19,226,598)	20,003,050
Depreciable capital assets:				
Land improvements	4,790,912	-	-	4,790,912
Buildings and building improvements	228,614,686	7,253,355	31,066	235,899,107
Equipment	274,158,641	10,257,678	13,506,155	297,922,474
Furniture and fixtures	7,090,854	328,316	-	7,419,170
Infrastructure	1,481,220	3,126	-	1,484,346
LVA-IT Hardware	143,391	-	-	143,391
Fixed Assets - Conversion (System)	(257,319)	-	257,319	-
Leased Land & Buildings	24,187,948	-	-	24,187,948
Leased Equipment & Other	6,518,334	2,348,068	-	8,866,402
Total depreciable capital assets	546,728,667	20,190,543	13,794,540	580,713,750
Less accumulated depreciation and amortization:				
Land improvements	(3,413,597)	(148,375)	-	(3,561,972)
Buildings and building improvements	(124,422,324)	(5,889,715)	-	(130,312,039)
Equipment	(211,377,648)	(20,311,143)	25,536	(231,663,255)
Furniture and fixtures	(3,703,579)	(572,358)	-	(4,275,937)
Infrastructure	(353,948)	(90,078)	-	(444,026)
LVA-IT Hardware	(143,391)	-	-	(143,391)
Leased Land & Building	(4,034,510)	(3,456,281)	-	(7,490,791)
Leased Equip & Other	(1,822,602)	(1,190,225)	-	(3,012,827)
	(349,271,599)	(31,658,175)	25,536	(380,904,238)
Total depreciable capital assets, net	197,457,068	(11,467,632)	13,820,076	199,809,512
Total capital assets, net	\$ 228,541,404	\$ (3,322,320)	\$ (5,406,522)	\$ 219,812,562

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

6. Capital Assets (continued)

<u>2021</u>	Beginning Balance	Additions	Retirements/ Transfers	Ending Balance
Nondepreciable capital assets:				
Land	\$ 10,204,997	\$ -	\$ -	\$ 10,204,997
Construction in progress	18,620,955	5,701,283	(3,442,899)	20,879,339
Total nondepreciable capital assets	28,825,952	5,701,283	(3,442,899)	31,084,336
Depreciable capital assets:				
Land improvements	4,790,912	-	-	4,790,912
Buildings and building improvements	224,940,012	3,674,674	-	228,614,686
Equipment	257,338,864	16,884,545	(64,768)	274,158,641
Furniture and fixtures	5,812,373	1,278,481	-	7,090,854
Infrastructure	1,412,207	69,013	-	1,481,220
LVA-IT Hardware	143,391	-	-	143,391
Fixed Assets - Conversion (System)	(133,813)	-	(123,506)	(257,319)
Leased Land & Buildings	-	24,187,948	-	24,187,948
Leased Equipment & Other	-	6,518,334	-	6,518,334
Total depreciable capital assets	494,303,946	52,612,995	(188,274)	546,728,667
Less accumulated depreciation and amortization:				
Land improvements	(3,265,223)	(148,374)	-	(3,413,597)
Buildings and building improvements	(119,073,089)	(5,349,235)	-	(124,422,324)
Equipment	(193,445,251)	(17,935,637)	3,240	(211,377,648)
Furniture and fixtures	(3,026,233)	(677,346)	-	(3,703,579)
Infrastructure	(267,349)	(86,599)	-	(353,948)
LVA-IT Hardware	(143,391)	-	-	(143,391)
Leased Land & Building	-	(4,034,510)	-	(4,034,510)
Leased Equip & Other	-	(1,822,602)	-	(1,822,602)
	(319,220,536)	(30,054,303)	3,240	(349,271,599)
Total depreciable capital assets, net	175,083,410	22,558,692	(185,034)	197,457,068
Total capital assets, net	\$ 203,909,362	\$ 28,259,975	\$ (3,627,933)	\$ 228,541,404

Capitalized interest is part of the cost of buildings and building improvements and construction in progress. No capitalized interest was recorded for fiscal 2022 and 2021.

Estimated costs to complete the construction in progress are approximately \$2.9 million as of June 30, 2022.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

7. Long-term Debt

The Hospital's long-term debt consists of the following as of June 30:

		2022				
		Beginning Balance	Additions	Payments/ Reductions	Ending Balance	Due Within One Year
Clark County, Nevada General						
	Obligation Hospital Refunding Bonds, Series 2013	\$ 19,105,000	\$ -	\$ (6,170,000)	\$ 12,935,000	\$ 6,370,000
Long-term debt		\$ 19,105,000	-	\$ (6,170,000)	\$ 12,935,000	\$ 6,370,000
		2021				
		Beginning Balance	Additions	Payments/ Reductions	Ending Balance	Due Within One Year
Clark County, Nevada General						
	Obligation Hospital Refunding Bonds, Series 2013	\$ 25,090,000	\$ -	\$ (5,985,000)	\$ 19,105,000	\$ 6,170,000
Long-term debt		\$ 25,090,000	-	\$ (5,985,000)	\$ 19,105,000	\$ 6,170,000

On September 9, 2013, Clark County, Nevada issued \$26,065,000 in General Obligation (Limited Tax) Hospital Refunding Bonds (the 2013 Bonds) with an interest rate of 3.10%, which are collateralized with pledge gross revenues. The proceeds of the bonds were used to: (i) refund \$8,585,000 aggregate principle amount of the County's General Obligation Hospital Improvement and Refunding Bonds, Series 2003; (ii) refund \$17,920,000 aggregate principle amount of the County's General Obligation Hospital Refunding Bonds, Series 2007; (iii) pay the cost of issuing the 2013 Bonds. As a result, the previously outstanding refunded bonds are considered to be defeased and the liabilities for those bonds have been extinguished. The aggregate difference in debt service between the refunded debt and the refunding debt was \$125,000. As a result of the advance refunding, the Hospital reduced its total debt service requirements by \$2,884,644 which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,455,999. The issuance of the 2013 Bonds resulted in a deferred loss of \$513,998, which will be amortized over the life of the new bonds. Principal and interest of the 2013 Bonds are due semiannually on March 1st and September 1st. All required payments on the bonds are guaranteed by Clark County, Nevada in the event that the Hospital is unable to make required payments. The Bonds mature in fiscal 2024.

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NOTES TO FINANCIAL STATEMENTS
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7. Long-term Debt (continued)

The Hospital's general obligation bond ordinances contain the usual and customary covenants associated with such bonds. Management believes it is in compliance with all such covenants.

The Tax Reform Act of 1986 imposes an arbitrage rebate requirement with respect to bonds issued by the County. Under this act, an amount may be required to be rebated to the United States Treasury, so that all interest on the bonds qualifies for exclusion from gross income for federal income tax purposes. The Hospital is current on all required arbitrage payments. As of June 30, 2022 and 2021, there is no estimated potential arbitrage liability.

Scheduled principal and interest payments required to maturity on long-term debt at June 30, 2022, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	6,370,000	302,250	6,672,250
2024	6,565,000	101,758	6,666,758
	<u>\$ 12,935,000</u>	<u>\$ 404,008</u>	<u>\$ 13,339,008</u>

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8. Other long-term Liabilities

Operating Leases

The Hospital has operating leases with lease term shorter than 1 year or leases not subject to GASB 87 presentation. Operating leases primarily consist of medical and office equipment used in Hospital operations, as well as other occupancy costs such as common area maintenance and utilities related to real property leases for off-campus outpatient clinic and business office facilities.

Total rent expense under all operating leases was \$2,450,132 and \$8,688,230 in fiscal 2022 and 2021, respectively. Future commitments under operating leases extending beyond June 30, 2022, were as follows:

FY 2023	\$	418,370
FY 2024		341,328
FY 2025		352,805
FY 2026		163,956
FY 2027		132,044
FY 2028 and after		86,535
Grand total	\$	<u>1,495,038</u>

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NOTES TO FINANCIAL STATEMENTS
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8. Other long-term Liabilities (continued)

The Hospital as Lessee

As of June 30, 2022 University Medical Center of Southern Nevada has 12 lessee financing leases for buildings and 17 lessee financing leases for equipment.

Buildings are leased primarily for cash flow management purposes while equipment is leased primarily to have access to the latest technology.

The 12 lessee building leases have terms ranging from 3 years to 11 years. All building leases have monthly payments with four of the building leases having fixed payments throughout the lease term while the remaining eight have annual increases ranging from 1.7% to 5.0%. The value of the right-to-use assets and lease payable for buildings as of June 30, 2022 was \$24,187,948 and \$16,955,767, respectively, with accumulated amortization for buildings of \$7,490,791.

The 17 lessee equipment leases have terms ranging from 1 year to 5 years. All equipment leases have fixed monthly payments except for one that has quarterly payments. The value of the right-to-use assets and lease payable for equipment as of June 30, 2022 was \$8,866,402 and \$6,020,881, respectively, with accumulated amortization of \$3,012,827.

The future principal and interest lease payments for buildings as of June 30, 2022, were as follows:

Fiscal Year	Principal	Interest	Total
Ending June 30			
2023	\$ 3,968,734	\$ 265,957	\$ 4,234,691
2024	3,734,519	248,463	3,982,982
2025	3,562,999	236,611	3,799,610
2026	1,295,783	163,348	1,459,131
2027	943,436	143,047	1,086,483
2028-2032	1,703,641	506,051	2,209,692
2033-2037	1,542,268	224,399	1,766,667
2038-2042	204,387	3,838	208,225
Total	\$ 16,955,767	\$ 1,791,714	\$ 18,747,481

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8. Other long-term Liabilities (continued)

The future principal and interest lease payments for equipment as of June 30, 2022, were as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2023	\$ 2,653,112	\$ 106,998	\$ 2,760,110
2024	1,708,450	50,758	1,759,208
2025	820,834	26,677	847,511
2026	838,485	27,251	865,736
Total	\$ 6,020,881	\$ 211,684	\$ 6,232,565

The Hospital as Lessor

As of June 30, 2022, the Hospital has 3 lessor financing leases for buildings. Building space is leased out for academic medical education and research purposes. Two leases are with the University of Nevada, Las Vegas, School of Medicine and one sub-lease to Nevada Aids Research and Education Society. The leases range from 4 to 5 years with monthly payments and annual increases ranging from 3% to 5%. Total amount of revenue (lease and interest) recognized in FY 2022 is \$1,042,899 and the lease receivable at June 30, 2022 associated with these building leases is \$2,064,691.

The Hospital recognized a deferred inflow of resource associated with the leases of \$2,036,182 at June 30, 2022 that will be recognized as revenue over the remainder of the lease terms.

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NOTES TO FINANCIAL STATEMENTS
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8. Other long-term Liabilities (continued)

The future principal receipts and interest revenue for buildings as of June 30, 2022, were as follows:

Fiscal Year Ending June 30	Principal Receipt	Interest Revenue	Total
2023	\$ 1,139,305	\$ 34,759	\$ 1,174,064
2024	741,686	85,754	827,440
2025	183,700	5,511	189,211
After	-	-	-
Totals	\$ 2,064,691	\$ 126,024	\$ 2,190,715

Liability Insurance

The Hospital is exposed to various risks of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and patients, and natural disasters. These risks are covered by the Hospital's self-insured professional and general liability insurance policy, commercial insurance purchased from independent third parties, and the County's worker's compensation program. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

On January 20, 1987, the Board approved self-insured professional and general liability and workers' compensation insurance programs. In lieu of maintaining insurance coverage, the Board created the professional and general liability fund and the workers' compensation fund. The Hospital has accrued an undiscounted liability for estimated future settlements and claims losses for professional liability, general liability, and workers' compensation using its best estimate of these losses in accordance with actuarially determined amounts. Included in internally designated restricted assets, the Hospital has funded \$15,686,622 and \$15,844,640 at June 30, 2022 and 2021, of the accrued liability of \$13,874,305 and \$12,285,224, respectively. In the opinion of management, there are no claims or lawsuits asserted or unasserted that would not be adequately covered by insurance and/or the professional and general liability accrual.

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8. Other long-term Liabilities (continued)

A summary of changes in the self-insurance liability during fiscal 2022 and 2021 were as follows:

2022

	Beginning Balance	Claims Incurred/ Changes in Estimates	Claims Paid	Ending Balance	Due Within One Year
Professional liability	\$ 12,285,224	\$ 2,530,487	\$ (941,406)	\$ 13,874,305	\$ 3,069,123
Workers' compensation	6,757,712	1,016,109	(2,490,479)	5,283,342	3,871,342
	<u>\$ 19,042,936</u>	<u>\$ 3,546,596</u>	<u>\$ (3,431,885)</u>	<u>\$ 19,157,647</u>	<u>\$ 6,940,465</u>

2021

	Beginning Balance	Claims Incurred/ Changes in Estimates	Claims Paid	Ending Balance	Due Within One Year
Professional liability	\$ 12,220,368	\$ 469,617	\$ (404,761)	\$ 12,285,224	\$ 2,985,561
Workers' compensation	5,966,648	2,410,489	(1,619,425)	6,757,712	5,345,712
	<u>\$ 18,187,016</u>	<u>\$ 2,880,106</u>	<u>\$ (2,024,186)</u>	<u>\$ 19,042,936</u>	<u>\$ 8,331,273</u>

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9. Related Party Transactions

The Hospital receives payments from the County under a contractual arrangement to provide care for qualifying indigent and emergency care. For the years ended June 30, 2022 and 2021, the Hospital received \$1,696,203 and \$2,471,943, respectively, for such care. Amounts received for qualifying indigent and emergency care are included in net patient revenues in the fiscal year the services are rendered.

The County charges for legal and financial services provided to the Hospital. The Hospital recorded costs of \$888,075 and \$814,959 for these services during fiscal 2022 and 2021, respectively. At June 30, 2022 and 2021, there were no non-interest bearing amounts due to the County for such services.

The Hospital is billed by the County for its portion of self-insurance premiums for health, dental, and vision insurance. Since the Hospital is affiliated with the County, this liability is reported in the due to related party line on the statement of net position.

A summary of changes in related party liability balances during fiscal 2022 and 2021 follows:

<u>2022</u>	Beginning Balance	Additions	Reductions	Ending Balance
<u>Current liabilities</u>				
Clark County Worker's Compensation	\$ 578,653	\$ 3,300,371	(3,000,000)	\$ 879,024
Clark County Automotive	2,400	91,254	(91,254)	2,399
Clark County Enterprise/Physical	(10,124)	96,678	(91,014)	(4,460)
Clark County Treasurer	(138,873)	69,941	68,793	(139)
Clark County Self-Funded	6,078,341	39,218,739	(39,715,330)	5,581,750
	<u>\$ 6,510,397</u>	<u>\$ 42,776,983</u>	<u>\$ (42,828,805)</u>	<u>\$ 6,458,575</u>

<u>2021</u>	Beginning Balance	Additions	Reductions	Ending Balance
<u>Current liabilities</u>				
Clark County Worker's Compensation	\$ 1,134,552	\$ 2,444,101	\$ (3,000,000)	\$ 578,653
Clark County Automotive	2,606	70,280	(70,486)	2,400
Clark County Enterprise/Physical	(20,917)	106,460	(95,667)	(10,124)
Clark County Treasurer	(137,253)	150,584	(152,204)	(138,873)
Clark County Self-Funded	3,898,211	28,399,231	(26,219,101)	6,078,341
	<u>\$ 4,877,199</u>	<u>\$ 31,170,656</u>	<u>\$ (29,537,458)</u>	<u>\$ 6,510,397</u>

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10. Employee Benefits Plans

Retirement Plan

Substantially all of the Hospital's employees are participants in a retirement plan (the Plan) that is part of the Public Employees' Retirement System (PERS) for public employees in the State. The Plan was established on July 1, 1948, by the Legislature and is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor. All public employees who meet certain eligibility requirements may participate in the Plan. The Plan is a cost sharing, multiple-employer, defined benefit plan of PERS.

The Hospital does not exercise any control over the Plan and NRS 286.110 states, "Respective participating public employers are not liable for any obligation of the system." Benefits, as required by State Statute, are determined by the number of years of credited service at the time of retirement and the participants' highest average compensation in any 36 consecutive months. Benefit payments to which participants may be entitled under the Plan include pension benefits, disability benefits, and death benefits.

Monthly benefit allowances for regular participants are computed at 2.25% (on or after July 1, 2015), 2.5% (January 1, 2010 – June 30, 2015), 2.67% (July 1, 2001 – December 31, 2009), and 2.5% (prior to July 1, 2001) of average compensation (average of 36 consecutive months of highest compensation) for each credited year of service prior to retirement up to a maximum of 90% of the average compensation for employees entering the system prior to July 1, 1985, and 75% for those entering after that date. The Plan offers several alternatives to the unmodified service retirement benefit which, in general, allows the retired employee to accept a reduced service retirement benefit payable monthly during the employee's life and various optional monthly payments to a named beneficiary after the employee's death. Regular members entering the system prior to January 1, 2010 are eligible for retirement benefits at age 65 with 5 years of service, at age 60 with 10 years of service or at any age with 30 years of service. Regular members entering the system on or after January 1, 2010 are eligible for retirement benefits at age 65 with 5 years of service, or age 62 with 10 years of service or at any age with 30 years of service. Regular members entering the system on or after July 1, 2015 are eligible for retirement benefits at age 65 with 5 years of service, at age 62 with 10 years of service or at age 55 with 30 years of service or at any age with 33 1/3 years of service.

NRS 286.410 establishes the required contribution rates and provides for yearly increases until such time as the actuarially determined unfunded liability of the Plan is reduced to zero. The Hospital is obligated to contribute all amounts due under the Plan. The contribution rate, based on covered payroll, was 29.75%, 29.25% and 29.25% for each of three years ended June 30, 2022, 2021, and 2020, respectively.

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10. Employee Benefits Plans (continued)

The Hospital's contributions to the Plan for the years ended June 30, 2022, 2021, and 2020, were \$76,822,819, \$72,035,693, and \$76,411,113, respectively, and were equal to the required contributions for each fiscal year. At June 30, 2022, 2021, and 2020, accrued compensation and benefits include \$10,438,135, \$9,349,371, and \$10,263,391, respectively, due to PERS.

An annual report containing financial statements and required information for the Plan may be obtained by writing to PERS, 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling (775) 687-4200.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities

At June 30, 2022, the Hospital reported a liability of \$313,924,210 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Hospital's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At June 20, 2021, the Hospital's proportion was 3.44 percent.

At June 30, 2021, the Hospital reported a liability of \$510,283,540 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Hospital's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At June 20, 2020, the Hospital's proportion was 3.66 percent.

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10. Employee Benefits Plans (continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the Hospital recognized pension expense reduction of \$8,643,917. At June 30, 2022, the Hospital reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 104,228,246	\$ -
Changes in proportion	15,719,158	40,379,279
Differences between expected and actual experience	34,773,265	2,209,284
Net difference between projected and actual investment earnings on pension plan investments	-	256,152,153
Hospital contributions subsequent to the measurement date	38,411,410	-
Total	<u>\$ 193,132,079</u>	<u>\$ 298,740,716</u>

\$38,411,410, reported as deferred outflows of resources related to pensions resulting from Hospital employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

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10. Employee Benefits Plans (continued)

Year ended June 30	Amount
2023	\$ (36,918,234)
2024	(37,659,496)
2025	(42,735,407)
2026	(47,309,283)
2027	18,018,812
2028 and after	2,583,561
	\$ (144,020,047)

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.50%
Investment Rate of Return	7.25%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.20% to 9.10%, depending on service, Rates include inflation and productivity increases
Other assumptions	Same as those used in the June 30, 2021 funding actuarial valuation

Actuarial assumptions used in the June 30, 2021 valuation were based on the results of the experience review completed in 2020.

The discount rate used to measure the total pensions liability was 7.25%, 7.50%, and 7.50% as of June 30, 2021, June 30, 2020, and June 30, 2019, respectively. The projection of cash flow used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on the assumption, the pensions plans' fiduciary net position at June 30, 2021, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension

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YEARS ENDED JUNE 30, 2022 AND 2021

10. Employee Benefits Plans (continued)

plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2021, June 30, 2020, and June 30, 2019.

The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
U.S. stocks	42%	5.50%
International stocks	18%	5.50%
U.S. bonds	28%	0.75%
Private markets	12%	6.65%
Total	100%	

*As of June 30, 2021, PERS' long-term inflation assumption was 2.50%

Pension Liability Discount Rate Sensitivity

The following presents the net pension liability of the Hospital as of June 30, 2021, calculated using the discount rate of 7.25%, as well as what the Hospital's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current discount rate:

	1% Lower (6.25%)	Discount Rate (7.25%)	1% Higher (8.25%)
Hospital's proportionate share of the net pension liability	\$ 625,013,043	\$ 313,924,210	\$ 57,301,383

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

10. Employee Benefits Plans (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the PERS Comprehensive Annual Financial Report, available on the PERS website (www.nvpers.org).

Deferred Compensation Plan

The Hospital offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Hospital does not exercise any control over the assets of the deferred compensation plan. The deferred compensation plan, available to all Hospital employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Postemployment Benefits Other Than Pensions (OPEB)

Plan Description: The Hospital subsidizes eligible retirees' contributions to the Public Employees' Benefits Plan (PEBP), a non-trust, agent multiple-employer defined benefit postemployment healthcare plan administered by the State of Nevada. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. The plan is now closed to future retirees, however, district employees who previously met the eligibility requirement for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP with a subsidy provided by the Health District as determined by their number of years of service. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employee's Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, NV, 89701, by calling (775) 684-7000, or by accessing the website at www.pebp.state.nv.us/informed/financial.htm.

The Retiree Health Program Plan (RHPP) is a non-trust, single-employer defined benefit postemployment healthcare plan administered by Clark County, Nevada. Retirees may choose between Clark County Self-Funded Group Medical and Dental Benefits Plan (Self-Funded Plan) and a health maintenance organization (HMO) plan.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

10. Employee Benefits Plans (continued)

Benefits Provided

PEBP plan provides medical, dental, prescription drug, Medicare Part B, and life insurance coverage to eligible retirees and their spouses. Benefits are provided through a third-party insurer. RHPP provides medical, dental, prescription drug, and life insurance coverage to eligible active and retired employees and beneficiaries. Benefit provisions are established and amended through negotiations between the respective unions and the Health District.

Employees Covered by Benefit Terms

At June 30, 2022, the following employees were covered by the benefit terms:

	PEBP	RHPP	Total all Plans
Inactive employees or beneficiaries			
currently receiving benefit payments	229	779	1,008
Active employees	-	3,081	3,081
Covered spouses	-	227	227
Total	229	3,860	4,089

As of November 1, 2008, PEBP was closed to any new participants.

Total OPEB Liability

The Hospital total OPEB liability of \$215,378,338 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

	PEBP	RHPP	Total OPEB Liability
Balance recognized at June 30, 2021	\$ 20,147,516	\$ 184,136,967	\$ 204,284,483
Changes Recognized for the Fiscal Year			
Service Cost	-	8,937,345	8,937,345
Interest cost	437,416	4,227,380	4,664,796
Differences between expected and actual experience	-		-
Changes in assumptions or other inputs	94,725	1,687,151	1,781,876
Benefit payments	(709,878)	(3,580,284)	(4,290,162)
Net Changes	(177,737)	11,271,592	11,093,855
Balance recognized at June 30, 2022	\$ 19,969,779	\$ 195,408,559	\$ 215,378,338

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

10. Employee Benefits Plans (continued)

Actuarial assumptions and other inputs: The total OPEB liability for all plans as of June 30, 2022 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Medical Consumer Price Index	Chained-CPI of 2.0% per annum
Salary increases	3.0% per annum
Discount rate	2.16%
Pre-Medicare trend rate	Select: 6.75%, ultimate: 4.0%
Post-Medicare trend rate	Select: 5.75%, ultimate: 4.0%
Retirees' share of benefit-related costs	0% to 100% of premium amounts based on years of service

Post-Retirement Mortality Rates:

Pub-2010 headcount weighted mortality table, projected generationally using Scale MP-2020, applied on a gender-specific basis for general and safety personnel.

Key Assumption Changes Since the Prior Valuation

- The discount rate was updated from 2.21% to 2.16% based on the municipal bond rate as of June 30, 2021.
- The trend rates were reset to an initial rate of 6.75% (5.75% for post-Medicare), grading down by 0.25% per year until reaching the ultimate rate of 4.00% based on current Healthcare Analytics (HCA) Consulting trend study; current economic environment suggests a longer period until reaching the ultimate rate.
- The mortality tables were updated to utilize the Pub-2010 table with the MP-2020 improvement scales (previously the RP-2014 with MP-2018 scales).
- The marriage assumption is updated to 30% based on the current retiree population data.
- The plan election rate is updated to 80% PPO, and 20% HMO based on the current retiree elections.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Hospital, as well as what the Hospital's total OPEB liability would be

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

10. Employee Benefits Plans (continued)

if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1 percentage point higher (3.16 percent) than the current discount rate:

	1% Decrease 1.16%	Discount Rate 2.16%	1% Increase 3.16%
PEBP	\$ 22,961,000	\$ 19,970,000	\$ 17,532,000
RHPP	236,776,000	195,409,000	163,192,000
Total OPEB Liability	\$ 259,737,000	\$ 215,379,000	\$ 180,724,000

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Hospital, as well as what the Hospital's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1- percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend	1% Increase
PEBP	\$ 17,649,000	\$ 19,970,000	\$ 22,743,000
RHPP	163,110,000	195,409,000	236,472,000
Total OPEB Liability	\$ 180,759,000	\$ 215,379,000	\$ 259,215,000

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Hospital recognized OPEB expense of \$1,694,664. The breakdown by plan is as follows:

	PEBP	RHPP	Total OPEB Total All plans
OPEB Expense	\$ 532,141	\$ 1,162,523	\$ 1,694,664

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

10. Employee Benefits Plans (continued)

At June 30, 2022, the Hospital reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred Outflows of Resources	Deferred Inflows of Resources
PEBP			
	Contributions made in fiscal year ending 2022 after July 1, 2021 measurement date	\$ 844,195	\$ -
Total PEBP		\$ 844,195	\$ -
RHPP			
	Differences between expected and actual experience	\$ 38,624	\$ 87,944,020
	Changes of assumptions or other inputs	33,329,299	31,392,639
	Contributions made in fiscal year ending 2022 after July 1, 2021 measurement date	2,671,593	-
Total RHPP		\$ 36,039,516	\$ 119,336,659
Total All Plans			
	Differences between expected and actual experience	\$ 38,624	\$ 87,944,020
	Changes of assumptions or other inputs	33,329,299	31,392,639
	Contributions made in fiscal year ending 2022 after July 1, 2021 measurement date	3,515,788	-
Total All Plans		\$ 36,883,711	\$ 119,336,659

The amount of \$3,515,788 reported as deferred outflows of resources related to OPEB from Hospital contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year ending June 30,		RHPP
2023	\$	(12,002,102)
2024		(12,002,102)
2025		(12,002,102)
2026		(9,320,150)
2027		(7,770,362)
Thereafter		(32,871,919)
	\$	(85,968,737)

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

11. Commitments and Contingencies

Litigation

The Hospital is involved in litigation and regulatory investigations arising in the ordinary course of business. The Hospital does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters, but rather records such as period costs when services are rendered.

HIPAA

The Health Insurance Portability and Accountability Act (“HIPAA”) was enacted on August 21, 1996, to assure health insurance portability, reduce healthcare fraud and abuse, guarantee security and privacy of health information, and enforce standards for health information. Effective August 2009, the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”) was introduced imposing notification requirements in the event of certain security breaches relating to protected health information. Organizations are subject to significant fines and penalties if found not to be compliant with the provisions outlined in these laws and accompanying regulations.

Cyber Security Incident

During June 2021 the Hospital's cyber security team recognized suspicious activity on the Hospital's computer network and responded by immediately restricting external access to its computer servers. The Hospital worked with law enforcement and cyber-security professionals to investigate this activity. Based upon this investigation, the Hospital believes cybercriminals accessed a server used to store data. This type of attack has become increasingly common in the health care industry, with hospitals across the world experiencing similar situations. The cyber-attack and internal response did not result in disruptions to patient care of the Hospital's clinical systems.

Although the Hospital has no reason to believe cybercriminals accessed any clinical systems, in accordance with applicable federal regulations, the Hospital notified patients and employees that their personal information may be at risk. The Hospital provided patients and staff with access to complimentary identity protection and credit monitoring services and contacted patients and staff directly to provide information about how to access the complimentary services.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

11. Commitments and Contingencies (continued)

As of June 30, 2021, a \$5.0 million liability was accrued for potential future expense related to this incident. As of the date of this report, a total of \$1,544,980 in expense related to the Cyber Security Incident has been incurred since June 30, 2021, leaving \$3.5 million as liability as of June 30, 2022.

Subsequent to June 30, 2021, there were two class action lawsuits filed, against the Hospital, as a result of the cyber incident. The Hospital has filed a motion to dismiss in both cases. The liability is not probable or estimable at the time the financial statements are available to be issued, and as such, the Hospital cannot predict whether it will have a material impact on the financial statements.

12. Revision of Previously Issued Financial Statements for Correction of Immaterial Errors

Subsequent to the issuance of the Hospital's audited financial statements for the year ended June 30, 2021, the Hospital discovered an inconsistency in classification of the \$16 million Coronavirus Relief Funds received from Clark County for expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19). The Hospital was informed by Clark County that it was determined to be a subrecipient of the \$16 million of Coronavirus Relief Funds received from Clark County, whereas the Hospital had determined itself as a contractor. The Hospital revised the accompanying statements of revenues, expenses, and changes in net position (deficit) and statements of cash flows for the year ended June 30, 2021 to reflect the correction of these immaterial errors.

The reclassification reduced the Hospital's previously reported transfers in by \$16 million and increased other nonoperating revenue by \$16 million for the year ended June 30, 2021. Other than the impact as stated, there was no balance sheet impact noted. The following table summarizes the impact from the revision on the previously reported audited financial statement line items:

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

**12. Revision of Previously Issued Financial Statements for Correction of Immaterial Errors
(continued)**

	As of and for the year ended 30-Jun-21			
	As Previously Reported	Adjustments	Other Adjustments	As Restated
Nonoperating revenues (expenses):				
Other nonoperating revenues	\$ 34,654,271	\$ 16,000,000	\$ -	\$ 50,654,271
Total nonoperating revenues (expenses), net	32,684,026	16,000,000	(185,146)	48,498,880
Income (loss) before transfers	30,636,486	16,000,000	(288,750)	46,347,736
Transfers in	31,000,000	(16,000,000)	-	15,000,000
Change in net position (deficit)	61,636,486	-	(288,750)	61,347,736
Net position (deficit), end of year	(303,374,071)	-	(288,750)	(303,662,821)
Cash flows from noncapital financing activities				
Contributions and transfers in from Clark County	40,000,000	(16,000,000)	-	24,000,000
Contributions, donations and other	34,654,271	16,000,000	-	50,654,271
Net cash provided by noncapital financing activities	74,654,271	-	-	74,654,271
Cash and cash equivalents, end of year	220,372,687	-	-	220,372,687

13. New Accounting Pronouncements

The Hospital has retroactively implemented GASB Statement Number 87, Leases (GASB 87) effective for the Hospital's fiscal year beginning July 1, 2020. GASB 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

13. New Accounting Pronouncements (continued)

The effects of reporting GASB 87 in the Hospital's financial statements for the year ended June 30, 2021 are as follows:

	As Previously Reported	Effect of Adoption of GASB 87	As Restated
Assets			
Other receivables, net	\$ 12,274,436	\$ 3,313,772	\$ 15,588,208
Capital assets	203,692,234	24,849,170	228,541,404
Total assets	723,392,664	28,162,942	751,555,606
Liabilities			
Current portion of lease payable	-	6,010,401	6,010,401
Total current liabilities	149,510,541	6,010,401	155,520,942
Lease payable, net of current portion	-	19,176,708	19,176,708
Total liabilities	975,206,575	25,187,109	1,000,393,684
Deferred inflows of resources			
Related to lease	-	3,264,583	3,264,583
Total deferred inflows of resources	179,895,147	3,264,583	183,159,730
Net Position	(303,374,071)	(288,750)	(303,662,821)

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

**Employee Benefit Retirement Plan
Net Pension Liability
Required Supplementary Information**

Schedule of the Hospital's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System of Nevada
(Amounts Were Determined as of 6/30 of Each Prior Fiscal Year)*

	2022	2021	2020	2019	2018	2017	2016	2015
Hospital's proportion of net pension liability (%)	3.44%	3.66%	3.82%	3.76%	3.58%	3.49%	3.47%	3.60%
Hospital's proportionate share of net pension liability	\$ 313,924,210	\$ 510,283,540	\$ 521,536,183	\$ 512,951,016	\$ 476,011,834	\$ 469,010,768	\$ 397,580,372	\$375,191,289
Hospital's covered-employee payroll	\$ 258,994,712	\$ 247,058,515	\$ 263,088,842	\$ 264,122,683	\$ 250,244,531	\$ 230,360,225	\$ 213,368,871	\$208,421,960
Hospital's proportionate share of net pension liability as a percentage of its covered-employee payroll	121.21%	206.54%	198.24%	194.21%	190.22%	203.60%	186.33%	180.02%
Plan fiduciary net position as a percentage of total pension liability	86.51%	77.04%	76.46%	75.24%	74.40%	72.20%	75.10%	76.30%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Hospital should present information for those years for which information is available.

* The amounts are determined from the prior fiscal year for the current reporting year.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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**Employee Benefit Retirement Plan
Note to Required Supplementary Information**

Schedule of Hospital's Contributions
Public Employees' Retirement System of Nevada
(Amounts Were Determined as of 6/30 Prior Fiscal Year)

	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contributions	\$ 38,411,410	\$ 36,017,847	\$ 38,205,556	\$ 36,785,296	\$ 35,026,725	\$ 31,952,786	\$ 59,262,299	\$ 53,667,927
Contributions in relations to statutorily required contributions	\$ 38,411,410	\$ 36,017,847	\$ 38,205,556	\$ 36,785,296	\$ 35,026,725	\$ 31,952,786	\$ 59,262,299	\$ 53,667,927
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hospital's covered-employee payroll	\$ 258,994,712	\$ 247,058,515	\$ 263,088,842	\$ 264,122,683	\$ 250,244,531	\$ 230,360,225	\$ 213,368,871	\$208,421,960
Contributions as a percentage of covered-employee payroll	14.83%	14.58%	14.52%	13.93%	14.00%	13.87%	27.77%	25.75%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Hospital should present information for those years for which information is available.

Changes of benefit terms: There were no changes of benefit terms in 2022.

Changes of assumptions: There were no changes of benefit assumptions in 2022.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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Other Postemployment Benefits
Required Supplementary Information

Schedules of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30 of Each Prior Fiscal Year

PEBP Plan	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	437,416	712,888	754,777	837,289	752,369
Changes of benefit terms	-	-	-	-	-
Difference between actual and expected experience	-	(3,738,844)	-	(6,654)	50,232
Changes of assumptions or other inputs	94,725	3,217,101	941,195	(4,153,809)	(2,555,531)
Benefit payments	(709,878)	(823,721)	(838,318)	(910,344)	(943,003)
Net Change in Total OPEB Liability	(177,737)	(632,576)	857,654	(4,233,518)	(2,695,933)
Total OPEB Liability - Beginning	20,147,516	20,780,091	19,922,437	24,155,955	26,851,888
Total OPEB Liability - Ending	<u>\$ 19,969,779</u>	<u>\$ 20,147,515</u>	<u>\$ 20,780,091</u>	<u>\$ 19,922,437</u>	<u>\$ 24,155,955</u>
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A
RHPP	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 8,937,345	\$ 8,093,442	\$ 6,766,369	\$ 17,486,880	\$ 18,335,102
Interest	4,227,380	5,552,088	5,423,405	9,615,301	8,032,804
Changes of benefit terms	-	-	-	-	-
Difference between actual and expected experience	-	(6,056,494)	-	(116,492,033)	5,259
Changes of assumptions or other inputs	1,687,151	28,178,688	9,761,359	(24,138,375)	(35,408,967)
Benefit payments	(3,580,284)	(4,336,810)	(5,236,733)	(3,154,125)	(3,220,455)
Net Change in Total OPEB Liability	11,271,592	31,430,914	16,714,400	(116,682,352)	(12,256,257)
Total OPEB Liability - Beginning	184,136,967	152,706,053	135,991,653	252,674,005	264,930,262
Total OPEB Liability - Ending	<u>\$ 195,408,559</u>	<u>\$ 184,136,967</u>	<u>\$ 152,706,053</u>	<u>\$ 135,991,653</u>	<u>\$ 252,674,005</u>
Covered Payroll	247,058,515	263,088,842	231,341,937	231,341,937	231,533,548
Total OPEB Liability as a Percentage of Covered Payroll	79%	70%	66%	59%	109%

Fiscal year 2018 is the first year of implementation, therefore only five years are shown.

As it becomes available this schedule will ultimately present information for the ten most recent fiscal years.

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Other Postemployment Benefits
Note to Required Supplementary Information

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions

With reporting date of June 30, 2022, key assumption changes since the prior valuation were as follows:

- The discount rate was updated from 2.21% to 2.16% based on the municipal bond rate.
- The trend rate was updated to 6.75% (5.75% for Post-Medicare) with ultimate rate of 4.00%, from prior year's 7.00% (6.00% for post-Medicare).
- The mortality tables were updated to utilize PUB- 2010 headcount weighted mortality table, projected generationally using Scale MP- 2020, gender- specific (previously the Pub-2010 table with the MP-2020 improvement scales)
- The marriage assumption is same as prior year's 30% based on the prior retiree population data.
- The plan election rate is same as prior year's 80% PPO, and 20% HMO based on the prior retiree elections.



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

UMC Governing Board
University Medical Center of Southern Nevada
Las Vegas, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of University Medical Center of Southern Nevada ("UMC"), a component unit of Clark County, Nevada, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise UMC's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 2, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the UMC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the UMC's internal control. Accordingly, we do not express an opinion on the effectiveness of the UMC's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the UMC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the UMC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the UMC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, LLP

Las Vegas, Nevada
December 2, 2022



Report to Those Charged with Governance

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

Audit Wrap Up:
Year Ended June 30, 2022

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The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Board of Directors and Audit Committee) and, if appropriate, management of the Client and is not intended and should not be used by anyone other than these specified parties.

Welcome

December 2, 2022

Those Charged With Governance
University Medical Center of Southern Nevada

Professional standards require us to communicate with you regarding matters related to the audit, that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. On October 21, 2022, we presented management an overview of our plan for the audit of University Medical Center of Southern Nevada ("UMC" or the "Hospital") as of and for the year ended June 30, 2022, including a summary of our overall objectives for the audit, and the nature, scope, and timing of the planned audit work.

This communication is intended to elaborate on the significant findings from our audit, including our views on the qualitative aspects of the UMC's accounting practices and policies, management's judgments and estimates, financial statement disclosures, and other required matters.

We are pleased to be of service to the UMC and look forward to meeting with you to discuss our audit findings, as well as other matters that may be of interest to you, and to answer any questions you might have.

Respectfully,

BDO USA, LLP

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Executive Summary

Status of Our Audit

We have completed our audit of the financial statements, pending completion of procedures on federal awards as of and for the year ended June 30, 2022. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. This audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

- ▶ The objective of our audit was to obtain reasonable - not absolute - assurance about whether the financial statements are free from material misstatements.
- ▶ The scope of the work performed was substantially the same as that described to you in our earlier Audit Planning communications.
- ▶ We issued an unmodified opinion on the financial statements and released our report on the financial statement audit on December 2, 2022.
- ▶ We plan to issue our report for the single audit in February 2023.
- ▶ Our responsibility for other information in documents containing UMC's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform procedures to corroborate such other information. However, in accordance with professional standards, we have read the information included by UMC and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements. Our responsibility also includes calling to management's attention any information that we believe is a material misstatement of fact. We have not identified any material inconsistencies or concluded there are any material misstatements of facts in the other information that management has chosen not to correct.
- ▶ All records and information requested by BDO were freely available for our inspection.
- ▶ Management's cooperation was excellent. We received full access to all information that we requested while performing our audit, and we acknowledge the full cooperation extended to us by all levels of UMC personnel throughout the course of our work.

Results of the Audit

ACCOUNTING PRACTICES, POLICIES, ESTIMATES

The following summarizes the more significant required communications related to our audit concerning the UMC's accounting practices, policies, and estimates:

The UMC's significant accounting practices and policies are those included in Note 1 to the financial statements. These accounting practices and policies are appropriate, comply with generally accepted accounting principles and industry practice, were consistently applied, and are adequately described within Note 1 to the financial statements.

- ▶ A summary of recently issued accounting pronouncements is included in Note 2 to the UMC's financial statements.
- ▶ UMC adopted Statement No. 87 of the Governmental Accounting Standards Board ("GASB 87"), Leases, during the fiscal year 2022.
- ▶ There were no other changes in significant accounting policies and practices during fiscal year 2022.

Significant estimates are those that require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The UMC's significant accounting estimates, including a description of management's processes and significant assumptions used in development of the estimates, are disclosed in Note 1 of the financial statements.

Significant Accounting Estimates

Patient Accounts Receivable and Revenue

DSH Recoupment Estimate

Medical Malpractice and Worker's Compensation Liabilities

Pension and OPEB Liabilities

- ▶ Management did not make any significant changes to the processes or significant assumptions used to develop the significant accounting estimates in 2022.

Results of the Audit

CORRECTED AND UNCORRECTED MISSTATEMENTS

There were three corrected misstatements, other than those that were clearly trivial, related to accounts and/or disclosures that we brought to the attention of management.

Item #	Account Name and Adjustment Description	Debit	Credit
1	Dr. 146600 - Leased land & buildings	3,459,387	
	Cr. 148500 - Accum Amortization - Leased L & building		3,459,387
<i>To correctly present the gross leased asset balance retrospectively as of June 30, 2021, for GASB 87 implementation during fiscal year ended June 30, 2022.</i>			
2	Dr. 270900 - Capital Leases Payable - Noncurrent	2,050,638	
	Cr. 146600 - Leased Land & building		2,050,638
<i>To correct the leased asset and lease payable balances for the Centennial QC and PC leases retrospectively as of June 30, 2021, based on lease calculation from lease agreement terms.</i>			
3	Dr. 270900 - Capital Leases Payable - Noncurrent	556,706	
	Cr. 146600 - Leased Land & building		556,706
<i>To correct the leased asset and lease payable balances for the Ricoh lease retrospectively as of June 30, 2021, based on lease calculation from lease agreement terms.</i>			

There were two uncorrected misstatements, other than those that were clearly trivial, related to accounts and/or disclosures that we presented to management.

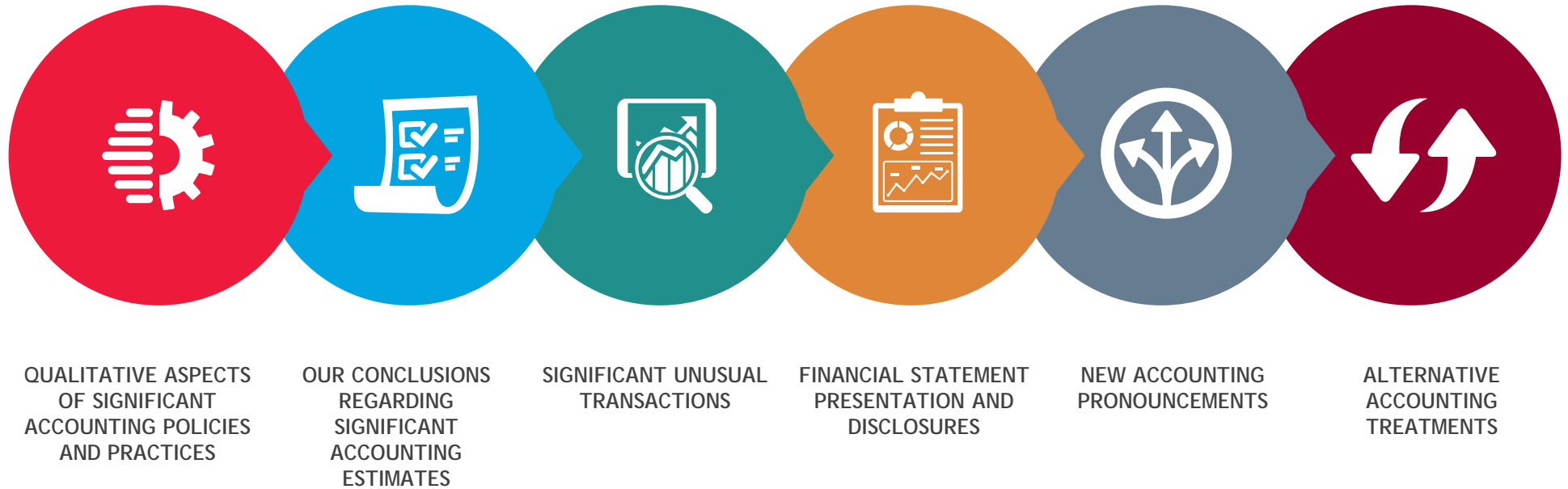
Item #	Account Name and Adjustment Description	Debit	Credit	Impact on Net Position
1	Depreciable property and equipment	2,387,681		-
	Construction in progress		2,387,681	-
<i>To correctly reclass the construction in progress assets to depreciable property and equipment that have been completed and placed in service as of June 30, 2022.</i>				

Description of Uncorrected Disclosure Misstatements
Footnote 6 - Capital assets additions, retirements, and balances for the fiscal year ended June 30, 2022:
Reclass \$2,387,681 construction in progress under non-depreciable capital assets to depreciable capital assets as of and for the year ended June 30, 2022.

Results of the Audit

QUALITY OF THE UMC'S FINANCIAL REPORTING

A discussion was held regarding the quality of the UMC's financial reporting, which included :





Internal Control Over Financial Reporting

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the UMC's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the UMC's internal control. Accordingly, we do not express an opinion on the effectiveness of the UMC's internal control.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We are required to communicate, in writing, to those charged with governance all material weaknesses and significant deficiencies that have been identified in the UMC's internal control over financial reporting. The definitions of control deficiency, significant deficiency and material weakness follow:

Category	Definition
Control Deficiency	A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.
Significant Deficiency	A deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
Material Weakness	A deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the UMC's financial statements will not be prevented, or detected and corrected, on a timely basis.

In conjunction with our audit of the financial statements, we noted no material weaknesses.



Additional Required Communications

Other Required Communications

Following is a summary of other required items, along with specific discussion points as they pertain to the UMC:

Requirement	Discussion Point
Significant changes to planned audit strategy or significant risks initially identified	There were no significant changes to the planned audit strategy or significant risks initially identified and previously communicated to those charged with governance as part of our Audit Planning communications.
Obtain information from those charged with governance relevant to the audit	There were no matters noted relevant to the audit, including, but not limited to: violations or possible violations of laws or regulations; risks of material misstatement, including fraud risks; or tips or complaints regarding the UMC's financial reporting that we were made aware of as a result of our inquiry of those charged with governance.
Nature and extent of specialized skills or knowledge needed related to significant risks.	There were no specialized skills or knowledge needed, outside of the core engagement team, to perform the planned audit procedures or evaluate audit results related to significant risks.
Extent to which our plan to use the work of others and the basis for our determination that we can serve as the principal auditor has changed since our planning communication	<p>Since our Audit Planning communications, there have been no significant changes in:</p> <ol style="list-style-type: none"> 1. our plans to use the work of UMC's internal auditors in the audit of financial statements; 2. the basis for our determination that we can serve as the principal auditor.
Consultations with other accountants	We are not aware of any consultations about accounting or auditing matters between management and other independent public accountants. Nor are we aware of opinions obtained by management from other independent public accountants on the application of generally accepted accounting principles.
Significant findings and issues arising during the audit in connection with the UMC's related parties	We have evaluated whether the identified related party relationships and transactions have been appropriately identified, accounted for, and disclosed and whether the effects of the related party relationships and transactions, based on the audit evidence obtained, prevent the financial statements from achieving fair presentation.
Significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management	There were no significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management.

Other Required Communications

Following is a summary of other required items, along with specific discussion points as they pertain to the UMC:

Requirement	Discussion Point
Disagreements with management	There were no disagreements with management about matters, whether or not satisfactorily resolved, that individually or in aggregate could be significant to the UMC's financial statements or to our auditor's report.
Significant difficulties encountered during the audit	There were no significant difficulties encountered during the audit.
Matters that are difficult or contentious for which the auditor consulted outside the engagement team	There were no difficult or contentious matters that we consulted with others outside the engagement team that we reasonably determined to be relevant to those charged with governance regarding their oversight of the financial reporting process.
Other matters significant to the oversight of the Company's financial reporting process, including complaints or concerns regarding accounting or auditing matters	There are no other matters that we consider significant to the oversight of UMC's financial reporting process that have not been previously communicated.
Representations requested from management	Please refer to the management representation letter.

Independence

Our engagement letter to you dated June 29, 2022 describes our responsibilities in accordance with professional standards and certain regulatory authorities with regard to independence and the performance of our services. This letter also stipulates the responsibilities of UMC with respect to independence as agreed to by UMC . Please refer to that letter for further information.





Appendix



Implementation of New GASB Standards

New GASB Standards

In light of the COVID-19 Pandemic, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, to provide relief to governments. This Statement, which was effective upon the issuance date of May 8, 2020, postponed the effective dates of certain provisions in Statements that were first effective for reporting periods beginning after June 15, 2018. The effective dates of certain provisions contained in the following pronouncements were postponed by one year:

- ▶ Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- ▶ Statement No. 96, *Subscription-Based Information Technology Arrangements*
- ▶ Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32
- ▶ Statement No. 98, *The Annual Comprehensive Financial Report*
- ▶ Statement No. 99, *Omnibus 2022*
- ▶ Statements No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62
- ▶ Statements No. 101, *Compensated Absences*

Earlier application of the standards is encouraged and is permitted to the extent specified in each pronouncement as originally issued.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 6/15/2022

- ▶ For the Public-Private and Public-Public Partnerships (P3s) that meet the definition of a service concession arrangement (SCA), this Statement carries forward the financial reporting requirements for SCAs that were included in Statement 60, with modifications to apply the more extensive requirements related to recognition and measurement of leases to SCAs.
- ▶ For P3s that meet the definition of a lease, the guidance in Statement No. 87 should be applied, if existing assets of the transferor that are not required to be improved by the operator as part of the P3 arrangement are the only underlying P3 assets and the P3s do not meet the definition of an SCA.
- ▶ This Statement provides specific guidance for all other P3s from the perspective of both a government that transfers rights to another party and governmental operators that receive those rights.
- ▶ The Statement requires governments to account for Availability Payment Arrangement (APAs) in which ownership of the asset transfers by the end of the contract as a financed purchase of the underlying infrastructure or other nonfinancial asset. It also requires a government to report an APA that is related to operating or maintaining a nonfinancial asset as an outflow of resources (for example, expense) in the period to which payments relate

GASB Statement No. 96, *Subscription Based Information Technology Arrangements*

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 6/15/2022

- ▶ Addresses accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. Standard is based on the standards established in Statement No. 87, *Leases*.
- ▶ Defines a SBITA as a contract that conveys control of the right to use a SBITA vendor’s IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.
- ▶ Requires governments with SBITAs to recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability (with an exception for short-term SBITAs—those with a maximum possible term of 12 months).
- ▶ Provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Plans Deferred Compensation Plans*

Effective Dates	Date per Pronouncement
	Effective as Noted Below

- ▶ Effective Upon Statement Issuance - June 2020:
 - Requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or an other employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically performs.
 - Requires that the financial benefit burden criteria in Statement No. 84, Fiduciary Activities, be applicable to only defined benefit pension and OPEB plans administered through a trust.
- ▶ Effective for Fiscal Years Beginning After June 15, 2021
 - Requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan.
 - Requires that a Section 457 plan that meets the definition of a pension apply all accounting and financial reporting requirements relevant to pensions.
 - Clarifies that Statement 84, as amended, should be applied to all Section 457 plans to determine whether those arrangements should be reported as fiduciary activities.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*

Effective Dates	Date per Pronouncement
	Fiscal Years Ending After 12/15/2021

- ▶ This Statement establishes the term annual comprehensive financial report, and its acronym, ACFR.
- ▶ The new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.
- ▶ This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement’s introduction of the new term is founded on a commitment to promoting inclusiveness.

GASB Statement No. 99, *Omnibus 2022*

Effective Dates	Date per Pronouncement
	Effective as Noted Below

- ▶ This Statement address practice issues identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees.
- ▶ Effective Upon Statement Issuance - April 2022:
 - Extension of the period during which LIBOR is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt
 - Accounting of benefits distributed as part of the Supplemental Nutrition Assistance Program (SNAP)
 - Disclosures related to nonmonetary transactions
 - Pledges of future revenues when resources are not received by the pledging government
 - Clarification of provisions of Statement No. 34 related to the focus of the government-wide financial statements
 - Updates to terminology used in Statement No. 53 to refer to resource flow statements and to certain provisions in Statement No. 63
- ▶ Effective for Fiscal Years Beginning After June 15, 2022:
 - Determination of lease term and classification of leases as short-term in accordance with Statement No. 87
 - Clarification related to the determination of Public-Private Partnerships (PPP) term and recognition and measurement of installment payments and the transfer of PPP assets under Statement No. 94
 - Clarification of the provisions of Statement No. 96 related to Subscription Based Information Technology Arrangements (SBITA) term, classification of short-term SBITA, and recognition and measurement of a subscription liability
- ▶ Effective for Fiscal Years Beginning After June 15, 2023:
 - A government extending an exchange or exchange-like financial guarantee should recognize a liability and expense/expenditure related to the guarantee when qualitative factors and historical data indicate that it is more likely than not a government will be required to make a payment related to the guarantee. Statement No. 99 excludes guarantees related to special assessment debt, financial guarantee contracts within the scope of Statement No. 53, or guarantees related to conduit debt obligations.
 - Requirements related to the classification and reporting of derivative instruments within the scope of Statement No. 53 that do not meet the definition of an investment or hedging derivative instrument

GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 6/15/2023

- ▶ This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes.
- ▶ As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability.
- ▶ This Statement also addresses corrections of errors in previously issued financial statements.
- ▶ This Statement requires that:
 - changes in accounting principles and error corrections be reported retroactively by restating prior periods,
 - changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and
 - changes in accounting estimates be reported prospectively by recognizing the change in the current period.
- ▶ The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement.
- ▶ Statement No. 100 requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.
- ▶ This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.
- ▶ Statement No. 100 also addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB Statement No. 101, *Compensated Absences*

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 12/15/2023

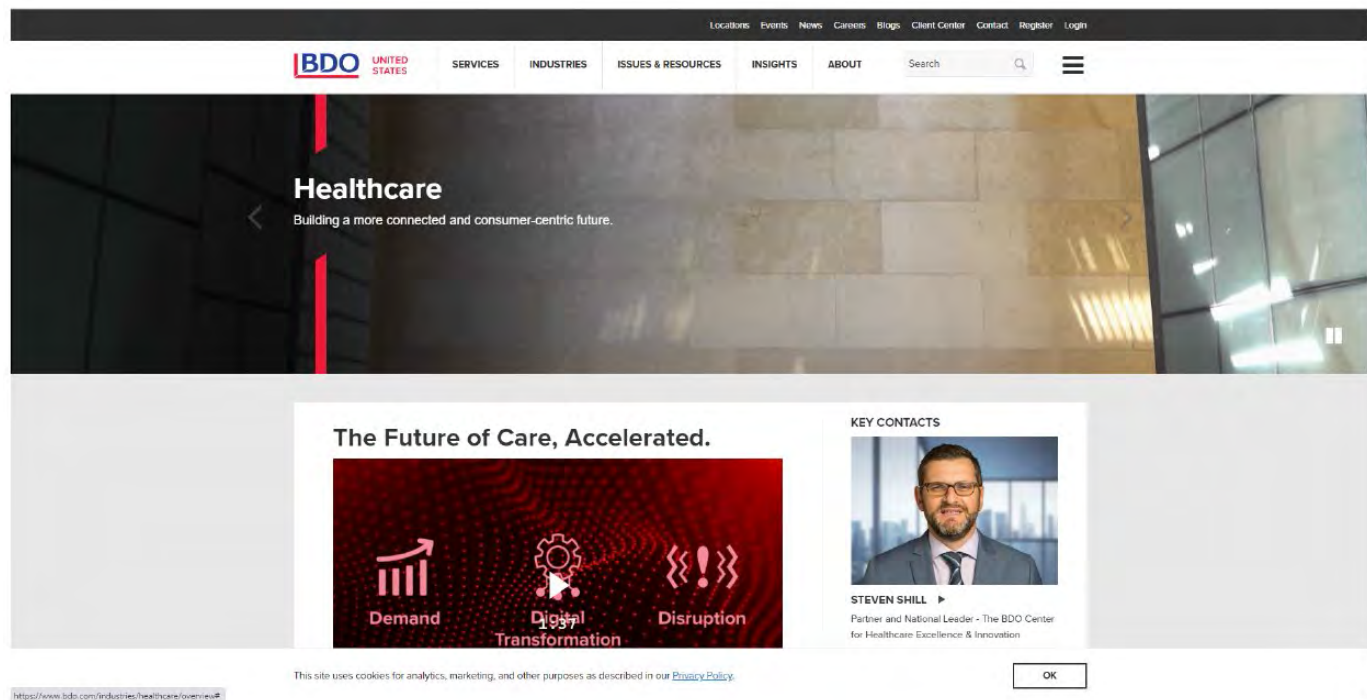
- ▶ This Statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means.
- ▶ Requires recognition of a liability for leave that has not been used if:
 - the leave is attributable to services already rendered,
 - the leave accumulates, and
 - the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.
- ▶ Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.
- ▶ Statement No. 101 requires that a liability for certain types of compensated absences, including parental leave, military leave, and jury duty leave, not be recognized until the leave commences.
- ▶ In addition, this Statement requires that for specific types of compensated absences, a liability not be recognized until the leave is used.
- ▶ This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.
- ▶ With respect to financial statements prepared using the current financial resources measurement focus, Statement No. 101 requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.
- ▶ Statement No. 101 amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.



Industry Risk and Resources

Industry Risk and Resources

- ▶ BDO's industry focus is part of who we are and how we serve our clients and has been for over a century. We demonstrate our experience through knowledgeable professionals, relevant client work and participation in the industries we serve.
- ▶ Our industry practices bring perspective on trends, opportunities, issues and regulations that frame our services and approach to address your needs and your industry.



Your Provider Relief Fund Checklist

If you received any funding from the Provider Relief Fund (PRF), chances are, you've already had to report your use of funds in either reporting period one or two, and you know how complicated the process can be. In fact, according to the [2022 BDO Healthcare CFO Outlook Survey](#), 35% of the respondents identified CARES Act/PRF reporting as a regulatory concern.

We've helped countless providers like you submit accurate reports in the first two reporting periods. Through those experiences, we've learned the best tips to achieve reporting success.



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Ask These Questions Before You Pursue An M&A Transaction

M&A remains a key growth strategy in 2022, with more than one in five healthcare CFOs (22%) planning to pursue M&A this year, according to the [2022 BDO Healthcare CFO Outlook Survey](#).

With high valuations and uncertainty around future market trends, it's important that healthcare organizations carefully consider if an M&A deal is the right move for them, whether they're on the buy- or sell-side. When looking at acquisitions made in the last three years, more than a third of healthcare CFOs said they either did not successfully capture available synergies (10%), or synergies fell short of expectations (24%).

Are you trying to determine if it's the right time for M&A? We've provided a list of questions related to strategy, due diligence, integration and operations for both buy- and sell-side healthcare organizations. You should ensure you can answer all questions relevant to your intentions before deciding to go through with a transaction. While this is not a comprehensive list of all considerations for pursuing M&A, these questions can be used to help you build a strong foundation for any deal you pursue.

Ask These Questions Before You Pursue an M&A Transaction

Your guide to making sure your transaction decisions are what's best for your business

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For healthcare organizations looking to acquire a company:

Strategy

- Why are you acquiring this company?
- What are you looking to achieve from the transaction? Have you clearly defined what success looks like and how you will measure it?
- Does your strategy for the transaction align with your overall corporate strategy?
- How much risk are you willing to take on?
- How have you been realistic about your ability to do the transaction in terms of access to resources?

Due Diligence

- What is the reputation of the company you'd like to acquire?
- Have you completed diligence related to:
 - Synergies - Deal value drivers
 - People - Compensation strategy, culture
 - Technology - IT systems, 3rd party solutions
 - Financials - Quality of earnings (QOE) analysis
 - Operations - SG&A, supply chain
 - Regulatory Compliance
 - Contract/Market strategy
- Do the results of your due diligence investigations match with the information you were provided?
- Are there any outstanding issues with the company that you need to be aware of? If there are outstanding issues, what steps has the company taken to address them?

Integration

- How you defined the integration goals and priorities? Are they aligned with your transaction rationale and deal value drivers?
- Have you defined the target operating model for the combined company (e.g., degree of integration)? Are you prepared to provide your integration teams a roadmap to facilitate integration planning?
- Have you defined an integration management structure to support the integration and synergy capture planning and execution process?
- Do you have a good understanding of the concerns that your stakeholders (e.g., employees, customers, partners, etc.) may have about the transaction? Have you developed a communications and retention strategy to address your stakeholder concerns?
- What will it take to integrate the acquisition into your company's culture? Are the cultures aligned, and if not, why a good fit?
- How will employee roles and responsibilities change with the deal? Have you taken steps to ensure the right people will be in the right roles?
- Are your technology systems compatible? What support will be needed to integrate the technology systems, and what is the timeline for doing so?
- What cyber and patient data privacy risks will come with the integration process? Do you have a plan to address and mitigate them?

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Minimizing Revenue Loss Due to Inpatient Status Downgrades

Hospital revenue has taken a hit in recent years due to hurdles in meeting inpatient criteria established by payers. When these criteria aren't met, payers will deny inpatient status, resulting in a payout reduction of up to 80%. Nowhere is this more common than with managed Medicare payers.

So how can hospitals mitigate revenue loss as a result of inpatient status downgrades?



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Cares Act Provider Relief Fund: FAQs

In response to the pandemic, Congress has passed several pieces of legislation that created various stimulus packages to help organizations navigate the impact of COVID-19. The Provider Relief Fund (PRF) is one such package; but comes with a unique set of compliance, auditing and reporting requirements that must be met by recipient organizations.



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4 Healthcare Transaction Trends To Know

Healthcare has a big year ahead, with 22% of healthcare CFOs planning to pursue M&A in 2022. There's a reason healthcare is betting big on deals: When asked to describe their deal synergies from acquisitions made over the past three years, 64% of healthcare CFOs said they met or exceeded expectations. Overall, M&A and investment activities should lead to a more efficient, patient-centric and tech-enabled approach to care in the field.

4 Healthcare Transaction Trends to Know

See what's happening in healthcare in 2022, from M&A to SPACs

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Curious what the healthcare deal environment will look like over the next 12 months? Here are the four trends to have on your radar:

- 1 M&A will stay hot — for now.**
There's a healthy environment for deals in healthcare, but counter pressures could put the brakes on M&A momentum. Rising interest rates, a potential decline in valuations and the ongoing labor shortage could take the wind out of buyers' sails. If a company is looking to buy or sell, they should keep in mind that the current dealmaking environment may not last.
- 2 CFOs will cultivate innovation through partnerships.**
When asked about their innovation plans, 41% of healthcare CFOs said they'll pursue partnerships or collaboration for greater network value. In addition, 23% plan to pursue a joint venture this year. Healthcare innovation isn't happening in a vacuum — instead, the field is working together to reach new heights.
- 3 Tech needs will drive deals.**
When asked about their deal and partnership drivers, the top cited response was new tech or capability integration, meaning that CFOs aim to buy new tech capabilities rather than build them. As more patients seek virtual care and data sharing becomes a requirement among healthcare organizations, the demand for tech deals should continue to increase.
- 4 Behavioral health investments will take the form of partnerships.**
The behavioral health sector requires significant investments in both real estate and technology capabilities. As a result, 38% of CFOs plan to partner with a capital provider or operator on behavioral health. For many organizations, it makes more sense to partner with companies that already have the necessary infrastructure instead of starting from the ground up.

Want to dive deeper into the data around healthcare's dealmaking environment?
[Read our 2022 BDO Healthcare CFO Outlook Survey](#)

HAVE QUESTIONS OR WANT TO LEARN MORE? CONTACT US!

Insights are based on the 2022 BDO Healthcare CFO Outlook Survey, which polled 202 healthcare industry CFOs from September to November 2021. The survey was conducted by Deloitte LLP for Baker Research Company, an independent consulting research firm (BRC's) and its affiliates.

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Deploying Telehealth To Protect Vulnerable Patients During COVID-19

An innovative virtual health system and enhanced patient services result in success and a clear roadmap of the future for this crucial nonprofit healthcare organization.



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Revenue Cycle Optimization With Automation And Standardization

A multispecialty practice contracts BDO to improve their use of Epic and 3rd party tools and instill administrative processes.



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Healthcare Webinar Series

2022 BDO HEALTHCARE TRENDS & TOPICS WEBINAR SERIES

AUGUST 2022



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The BDO Healthcare Trends & Topics Webinar Series is produced and delivered by the BDO Center for Healthcare Excellence and Innovation, which brings together an interdisciplinary group of healthcare executives to help address organizations' opportunities and risks related to digital transformation, financial improvement, and clinical innovation. We're intimately familiar with the challenges healthcare leaders are up against. Please join us and register for the full series today.

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September 13, 2022
1:00 - 2:30 PM EST

Healthcare Hot Topics Webinar Series:

How Consumerism is Changing Patient Behavior

December 6, 2022
1:00 - 2:30 PM EST

Healthcare Hot Topics Webinar Series:

2023 BDO Healthcare CFO Outlook Survey

February 14, 2023
1:00 - 2:30 PM EST

Healthcare Hot Topics Webinar Series:

2023 Healthcare Regulatory & Compliance for What's Next

April 11, 2023
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**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Monthly Financial Reports for October FY23	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	
Recommendation: That the Governing Board Audit and Finance Committee receive the monthly financial report for October FY23; and direct staff accordingly. (<i>For possible action</i>)	

FISCAL IMPACT:

None

BACKGROUND:

The Chief Financial Officer will present the financial report for October FY23 for the committee's review and direction.

Cleared for Agenda
December 7, 2022

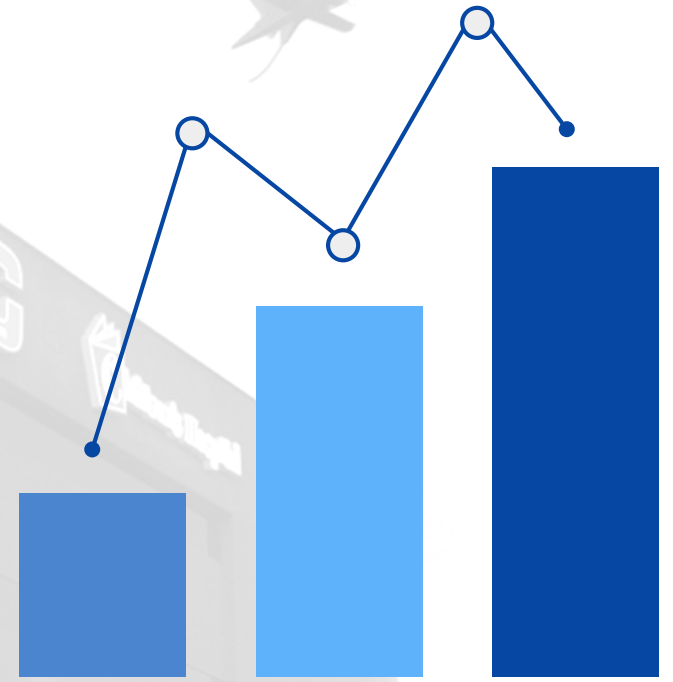
Agenda Item #

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October 2022 Financials

AFC Meeting



KEY INDICATORS – OCT



Current Month	Actual	Budget	% Var	Prior Year	Variance	% Var
APDs	20,116	17,706	13.61%	18,810	1,306	6.94%
Total Admissions	1,997	1,891	5.58%	1,803	194	10.76%
Observation Cases	920	1,091	(15.67%)	1,091	(171)	(15.67%)
AADC	649	571	13.61%	607	42	6.94%
ALOS (Admits)	7.10	6.03	17.69%	6.65	0.45	6.77%
ALOS (Obs)	1.03	1.52	(32.44%)	1.52	(0.49)	(32.44%)
Hospital CMI	1.73	1.98	(12.65%)	1.93	(0.20)	(10.03%)
Medicare CMI	1.82	2.00	(9.18%)	1.95	(0.13)	(6.45%)
IP Surgery Cases	800	870	(8.04%)	831	(31)	(3.73%)
OP Surgery Cases	383	542	(29.40%)	516	(133)	(25.78%)
Transplants	11	12	(8.33%)	12	(1)	(8.33%)
Total ER Visits	9,844	9,277	6.11%	9,007	837	9.29%
ED to Admission	11.01%	-	-	7.36%	3.65%	-
ED to Observation	10.66%	-	-	11.66%	(1.00%)	-
ED to Adm/Obs	21.67%	-	-	19.02%	2.65%	-
Quick Cares	16,971	15,547	9.16%	15,210	1,761	11.58%
Primary Care	6,670	5,231	27.51%	5,220	1,450	27.78%
Deliveries	133	127	4.98%	123	10	8.13%

TRENDING STATS



	Oct- 21	Nov- 21	Dec- 21	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Oct- 19	Var
APDs	18,810	19,440	20,466	20,361	18,711	20,666	19,556	20,454	20,212	20,535	21,128	19,865	20,116	15,742	4,374
Total Admissions	1,803	1,832	1,821	1,827	1,608	1,791	1,850	1,927	1,827	1,892	1,914	1,864	1,997	1,796	201
Observation Cases	1,091	1,123	1,070	1,097	1,007	1,234	904	937	978	901	956	839	920	1,438	(518)
AADC	607	648	660	657	668	667	652	660	674	662	682	662	649	508	141
ALOS (Adm)	6.65	6.25	7.69	7.47	8.15	7.33	7.17	6.25	7.08	6.54	7.05	7.70	7.10	5.33	1.77
ALOS (Obs)	1.52	1.43	1.46	1.42	1.42	1.51	1.29	1.02	1.06	1.19	1.13	1.08	1.03	1.41	(0.39)
Hospital CMI	1.93	1.92	2.03	2.07	2.03	1.97	1.87	1.89	1.84	1.83	1.84	1.91	1.73	1.72	0.01
Medicare CMI	1.95	2.16	1.79	2.20	2.07	2.01	2.08	1.99	1.81	2.00	1.97	2.18	1.82	1.67	0.15
IP Surgery Cases	831	828	723	754	738	913	777	844	788	869	811	786	800	755	45
OP Surgery Cases	516	472	469	171	468	621	448	495	523	433	524	426	383	595	(212)
Transplants	12	11	9	12	10	15	13	14	8	16	12	12	11	2	9
Total ER Visits	9,007	8,793	9,226	8,706	7,936	9,764	9,432	9,898	9,091	8,994	9,728	9,183	9,844	9,795	49
ED to Admission	7.36%	7.68%	7.09%	7.37%	8.43%	7.88%	10.61%	10.03%	9.94%	11.34%	10.27%	11.29%	11.01%	5.94%	5.07%
ED to Observation	11.66%	12.29%	11.44%	12.86%	12.55%	13.61%	10.28%	10.65%	12.00%	11.52%	11.14%	10.52%	10.66%	14.24%	(3.59%)
ED to Adm/Obs	19.02%	19.97%	18.52%	20.24%	20.98%	21.49%	20.90%	20.68%	21.94%	22.86%	21.41%	21.81%	21.67%	20.18%	1.48%
Quick Care	15,210	15,073	17,802	19,473	12,345	16,330	16,025	17,060	15,800	14,601	17,119	15,811	16,971	15,792	1,179
Primary Care	5,220	5,294	5,093	4,831	5,454	6,935	5,888	5,795	5,841	5,724	6,942	6,780	6,670	5,979	691
Deliveries	123	123	117	104	99	104	108	94	113	121	129	129	133	146	

Payor Mix Trend



IP- Payor Mix 12 Mo Oct- 22

Fin Class	Oct- 21	Nov- 21	Dec- 21	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	12-Mo Avg	Oct to Avg Var
Commercial	19.24%	17.70%	17.31%	16.34%	16.83%	16.34%	18.01%	17.55%	17.37%	17.08%	18.65%	17.25%	17.86%	17.47%	0.39%
Government	3.97%	3.95%	4.13%	3.29%	4.19%	4.37%	4.37%	5.30%	3.81%	5.19%	4.27%	4.12%	4.63%	4.25%	0.38%
Medicaid	40.98%	40.79%	42.19%	42.56%	44.01%	41.96%	43.39%	43.95%	45.57%	44.53%	45.23%	44.63%	43.43%	43.32%	0.11%
Medicare	29.07%	31.37%	29.91%	31.75%	29.46%	31.40%	30.06%	28.65%	28.56%	27.61%	26.69%	27.74%	28.96%	29.36%	(0.40%)
Self Pay	6.74%	6.19%	6.46%	6.06%	5.51%	5.93%	4.17%	4.55%	4.69%	5.59%	5.16%	6.26%	5.12%	5.61%	(0.49%)

ED- Payor Mix 12 Mo Oct- 22

Fin Class	Oct- 21	Nov- 21	Dec- 21	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	12-Mo Avg	Oct to Avg Var
Commercial	19.92%	20.57%	19.69%	19.47%	19.39%	19.15%	17.69%	17.47%	17.86%	17.90%	18.02%	18.07%	17.92%	18.77%	(0.85%)
Government	3.82%	4.21%	3.74%	3.81%	4.95%	4.09%	3.93%	4.09%	4.41%	4.12%	3.99%	4.05%	4.10%	4.10%	(0.00%)
Medicaid	50.22%	49.16%	50.65%	48.98%	47.45%	49.49%	53.23%	53.94%	52.92%	53.12%	52.87%	51.20%	51.95%	51.10%	0.85%
Medicare	13.25%	12.45%	12.74%	14.35%	15.67%	14.49%	13.33%	12.88%	13.07%	13.82%	13.25%	13.79%	14.23%	13.59%	0.64%
Self Pay	12.79%	13.61%	13.18%	13.39%	12.54%	12.78%	11.82%	11.62%	11.74%	11.04%	11.87%	12.89%	11.80%	12.44%	(0.64%)

Payor Mix Trend



Surg IP- Payor Mix 12 Mo Oct- 22

Surg IP	Oct- 21	Nov- 21	Dec- 21	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	12-Mo Avg	Oct to Avg Var
Commercial	24.85%	24.04%	21.96%	19.55%	18.24%	19.41%	23.81%	20.73%	18.53%	21.03%	23.80%	23.41%	20.70%	21.61%	(0.91%)
Government	6.48%	7.00%	6.91%	4.76%	5.95%	6.51%	4.38%	8.41%	5.20%	7.13%	7.77%	5.09%	6.48%	6.30%	0.18%
Medicaid	36.25%	33.45%	34.67%	40.42%	40.41%	36.98%	34.74%	34.24%	40.36%	37.47%	35.38%	36.89%	33.92%	36.77%	(2.85%)
Medicare	27.97%	30.56%	32.18%	29.72%	29.32%	32.54%	32.82%	31.04%	31.09%	27.24%	27.87%	28.12%	32.79%	30.04%	2.75%
Self Pay	4.45%	4.95%	4.28%	5.55%	6.08%	4.56%	4.25%	5.58%	4.82%	7.13%	5.18%	6.49%	6.11%	5.28%	0.83%

Surg OP- Payor Mix 12 Mo Oct- 22

Surg OP	Oct- 21	Nov- 21	Dec- 21	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	12-Mo Avg	Oct to Avg Var
Commercial	31.91%	32.63%	32.84%	26.74%	29.51%	30.50%	33.26%	31.52%	32.89%	34.10%	32.76%	33.80%	33.68%	31.87%	1.81%
Government	6.58%	4.87%	5.12%	8.72%	5.94%	6.42%	6.03%	6.87%	8.80%	6.22%	6.67%	8.22%	6.27%	6.71%	(0.43%)
Medicaid	37.52%	34.95%	36.88%	41.28%	42.04%	39.97%	37.72%	37.57%	34.98%	40.79%	36.57%	36.85%	36.81%	38.09%	(1.28%)
Medicare	19.73%	23.52%	20.90%	16.28%	19.75%	20.70%	20.98%	21.62%	21.99%	16.36%	21.52%	17.84%	20.37%	20.10%	0.27%
Self Pay	4.26%	4.03%	4.26%	6.98%	2.76%	2.41%	2.01%	2.42%	1.34%	2.53%	2.48%	3.29%	2.87%	3.23%	(0.36%)

SUMMARY INCOME STATEMENT – OCT



REVENUE	Actual	Budget	Variance	% Variance	
Total Gross Patient Revenue	\$357,810,385	\$346,440,740	\$11,369,645	3.28%	↑
Net Patient Revenue	\$63,576,865	\$64,338,467	(\$761,602)	(1.18%)	↓
Other Revenue	\$4,113,493	\$2,415,659	\$1,697,834	70.28%	↑
Total Operating Revenue	\$67,690,358	\$66,754,126	\$936,232	1.40%	↑
Net Patient Revenue as a % of Gross	17.77%	18.57%	(0.80%)	-	
EXPENSE	Actual	Budget	Variance	% Variance	
Total Operating Expense	\$69,664,413	\$66,180,414	(\$3,483,998)	(5.26%)	↓
INCOME FROM OPS	Actual	Budget	Variance	% Variance	
Total Inc from Ops	(\$1,974,055)	\$573,711	(\$2,547,766)	(444.09%)	↓
Add back: Depr & Amort.	\$2,811,261	\$2,905,602	\$94,341	3.25%	↑
Tot Inc from Ops plus Depr & Amort.	\$837,206	\$3,479,313	(\$2,642,107)	(75.94%)	↓
Operating Margin (w/Depr & Amort.)	1.24%	5.21%	(3.98%)	-	

SUMMARY INCOME STATEMENT – YTD OCT



REVENUE	Actual	Budget	Variance	% Variance	
Total Gross Patient Revenue	\$1,442,871,970	\$1,380,266,250	\$62,605,720	4.54%	↑
Net Patient Revenue	\$258,326,042	\$258,798,411	(\$472,369)	(0.18%)	↓
Other Revenue	\$11,387,286	\$9,805,475	\$1,581,811	16.13%	↑
Total Operating Revenue	\$269,713,328	\$268,603,886	\$1,109,442	0.41%	↑
Net Patient Revenue as a % of Gross	17.90%	18.75%	(0.85%)	-	
EXPENSE	Actual	Budget	Variance	% Variance	
Total Operating Expense	\$271,600,119	\$266,244,549	(\$5,355,570)	(2.01%)	↓
INCOME FROM OPS	Actual	Budget	Variance	% Variance	
Total Inc from Ops	(\$1,886,791)	\$2,359,337	(\$4,246,128)	(179.97%)	↓
Add back: Depr & Amort.	\$11,213,003	\$11,510,008	\$297,005	2.58%	↑
Tot Inc from Ops plus Depr & Amort.	\$9,326,212	\$13,869,345	(\$4,543,132)	(32.76%)	↓
Operating Margin (w/Depr & Amort.)	3.46%	5.16%	(1.71%)	-	

SUMMARY INCOME STATEMENT – TREND



REVENUE	Oct- 21	Nov- 21	Dec- 21	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	12-Mo Avg	Oct to Avg Var
Total Gross Patient Revenue	\$341,588	\$352,326	\$341,043	\$338,582	\$313,977	\$368,803	\$337,185	\$345,132	\$338,423	\$356,195	\$374,965	\$353,902	\$357,810	\$346,843	\$10,967
Net Patient Revenue	\$64,019	\$64,795	\$67,093	\$68,035	\$64,571	\$64,547	\$64,298	\$66,093	\$63,125	\$64,442	\$66,003	\$64,304	\$63,577	\$65,110	(\$1,534)
Other Revenue	\$1,557	\$3,229	\$2,573	\$3,468	\$4,742	\$4,836	\$2,527	\$1,321	\$2,805	\$2,516	\$2,177	\$2,581	\$4,113	\$2,861	\$1,252
Total Operating Revenue	\$65,576	\$68,024	\$69,666	\$71,503	\$69,313	\$69,384	\$66,826	\$67,414	\$65,930	\$66,958	\$68,180	\$66,885	\$67,690	\$67,971	(\$281)
Net Patient Revenue as a % of Gross	18.74%	18.39%	19.67%	20.09%	20.57%	17.50%	19.07%	19.15%	18.65%	18.09%	17.60%	18.17%	17.77%	18.81%	(1.04%)
EXPENSE	Oct- 21	Nov- 21	Dec- 21	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	12-Mo Avg	Oct to Avg Var
Salaries, Wages and Benefits	\$41,365	\$40,360	\$41,105	\$45,054	\$43,368	\$39,398	\$40,875	\$39,809	\$36,995	\$41,229	\$39,837	\$39,487	\$41,427	\$40,740	\$687
Supplies	\$10,783	\$11,162	\$11,479	\$10,880	\$14,728	\$14,622	\$11,243	\$11,844	\$9,479	\$11,288	\$11,569	\$12,110	\$12,085	\$11,766	\$319
Other	\$13,776	\$15,439	\$15,617	\$14,791	\$15,197	\$16,469	\$15,816	\$16,251	\$17,617	\$15,284	\$15,240	\$15,892	\$16,152	\$15,616	\$537
Total Operating Expense	\$65,925	\$66,961	\$68,201	\$70,725	\$73,294	\$70,490	\$67,934	\$67,905	\$64,091	\$67,800	\$66,645	\$67,490	\$69,664	\$68,122	\$1,543
INCOME FROM OPS	Oct- 21	Nov- 21	Dec- 21	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	12-Mo Avg	Oct to Avg Var
Total Inc from Ops	(\$349)	\$1,063	\$1,464	\$778	(\$3,980)	(\$1,106)	(\$1,108)	(\$491)	\$1,839	(\$842)	\$1,535	(\$605)	(\$1,974)	(\$150)	(\$1,824)
Add back: Depr & Amort.	\$2,186	\$2,158	\$2,157	\$2,119	\$2,141	\$2,714	\$2,545	\$2,245	\$2,219	\$2,781	\$2,819	\$2,802	\$2,811	\$2,407	\$404
Tot Inc from Ops plus Depr & Amort.	\$1,836	\$3,221	\$3,621	\$2,897	(\$1,840)	\$1,608	\$1,437	\$1,754	\$4,057	\$1,938	\$4,354	\$2,196	\$837	\$2,257	(\$1,420)
Operating Margin (w/Depr & Amort.)	2.80%	4.74%	5.20%	4.05%	(2.65%)	2.32%	2.15%	2.60%	6.15%	2.90%	6.39%	3.28%	1.24%	3.32%	(2.08%)

SALARY & BENEFIT EXPENSE – OCT



	Actual	Budget	Variance	% Variance	
Salaries	\$27,845,458	\$24,334,276	(\$3,511,183)	(14.43%)	↓
Benefits	\$11,625,802	\$11,905,179	\$279,377	2.35%	↑
Overtime	\$961,360	\$1,283,990	\$322,630	25.13%	↑
Contract Labor	\$994,746	\$847,614	(\$147,132)	(17.36%)	↓
TOTAL	\$41,427,366	\$38,371,058	(\$3,056,308)	(7.97%)	↓
Paid FTEs	3,561	3,446	(116)	(3.35%)	↓
SWB per FTE	\$11,633	\$11,136	(\$497)	(4.46%)	↓
SWB/APD	\$2,059	\$2,156	\$97	4.48%	↑
SWB % of Net	65.16%	59.64%	-	(5.52%)	↓
AEPOB	5.49	5.95	0.46	46.22%	↑

SALARY & BENEFIT EXPENSE - TREND



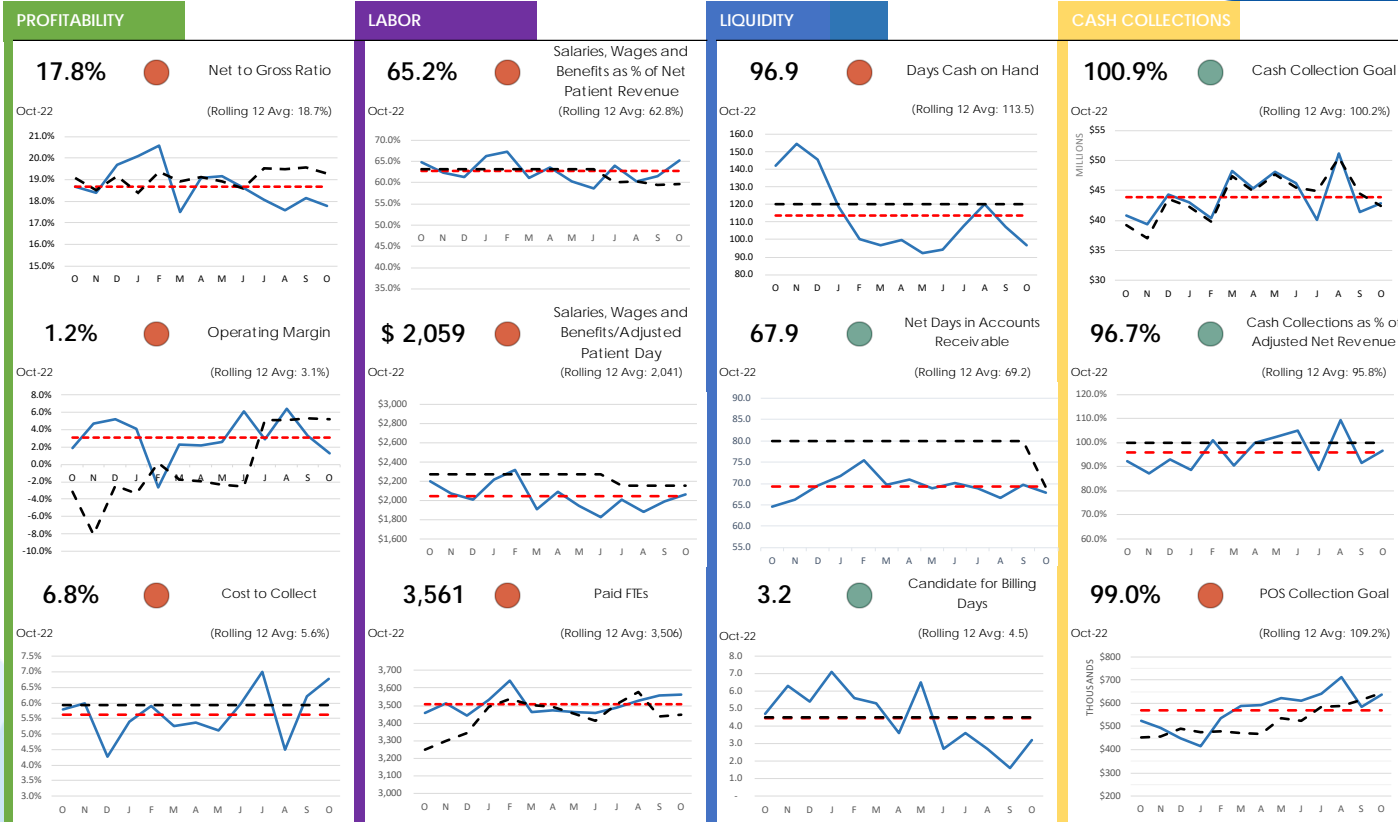
SALARY & BENEFIT EXPENSE	Oct- 21	Nov- 21	Dec- 21	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	12-Mo Avg	Oct to Avg Var
Salaries	\$26,664	\$24,907	\$25,590	\$27,177	\$27,808	\$24,801	\$25,957	\$25,994	\$23,562	\$26,230	\$26,013	\$25,194	\$27,845	\$25,825	(\$2,021)
Benefits	\$11,139	\$10,877	\$10,965	\$12,329	\$10,720	\$11,433	\$11,568	\$11,274	\$11,124	\$12,908	\$11,886	\$12,359	\$11,626	\$11,548	(\$77)
Overtime	\$1,871	\$2,002	\$1,747	\$2,592	\$1,881	\$836	\$1,405	\$1,216	\$1,183	\$1,283	\$1,106	\$1,012	\$961	\$1,511	\$550
Contract Labor	\$1,692	\$2,575	\$2,804	\$2,957	\$2,959	\$2,328	\$1,944	\$1,325	\$1,126	\$808	\$832	\$922	\$995	\$1,856	\$861
TOTAL	\$41,365	\$40,360	\$41,105	\$45,054	\$43,368	\$39,398	\$40,875	\$39,809	\$36,995	\$41,229	\$39,837	\$39,487	\$41,427	\$40,740	(\$687)
Paid FTE	3,469	3,504	3,360	3,503	3,628	3,473	3,478	3,459	3,460	3,488	3,525	3,557	3,561	3,492	(69)
SWB per FTE	\$11,925	\$11,517	\$12,235	\$12,863	\$11,953	\$11,343	\$11,753	\$11,507	\$10,692	\$11,819	\$11,300	\$11,100	\$11,633	\$11,667	\$34
SWB/APD	\$2,199	\$2,076	\$2,008	\$2,213	\$2,318	\$1,906	\$2,090	\$1,946	\$1,830	\$2,008	\$1,885	\$1,988	\$2,059	\$2,039	-\$20
SWB % of Net	64.61%	62.29%	61.27%	66.22%	67.16%	61.04%	63.57%	60.23%	58.60%	63.98%	60.36%	61.41%	65.16%	62.56%	-2.60%
OT % of Productive	6.14%	6.70%	5.92%	7.34%	5.73%	4.03%	4.41%	4.10%	4.30%	4.29%	3.64%	3.48%	3.22%	5.01%	1.78%
AEPOB	5.71	5.41	5.22	5.40	5.40	5.21	5.34	5.25	5.14	5.27	5.17	5.37	5.49	5.32	-0.16

EXPENSES – OCT



	Actual	Budget	Variance	% Variance	
Professional Fees	\$3,694,135	\$3,803,968	\$109,833	2.89%	↑
Supplies	\$12,084,617	\$12,176,169	\$91,552	0.75%	↑
Purchased Services	\$6,392,278	\$5,937,006	(\$455,272)	(7.67%)	↓
Depreciation	\$2,258,228	\$2,300,178	\$41,950	1.82%	↑
Amortization	\$553,033	\$605,424	\$52,391	8.65%	↑
Repairs & Maintenance	\$942,583	\$914,259	(\$28,324)	(3.10%)	↓
Utilities	\$531,129	\$449,887	(\$81,242)	(18.06%)	↓
Other Expenses	\$1,648,723	\$1,431,574	(\$217,149)	(15.17%)	↓
Rental	\$132,320	\$190,891	\$58,571	30.68%	↑
Total Other Expenses	\$28,237,047	\$27,809,357	(\$427,690)	(1.54%)	↓

KEY FINANCIAL INDICATORS - OCT



Actual ———
 Rolling Average - - - -
 Target - - - -

FY23 CASH FLOW



	October 2022	September 2022	August 2022	YTD of FY2023
Operating Activities				
Cash received from patients and payors	47,629,827	50,211,569	84,234,710	226,405,833
Cash paid to vendors	(26,388,124)	(36,547,462)	(15,768,365)	(102,566,589)
Cash paid to employees	(45,048,757)	(35,772,703)	(39,844,563)	(173,467,320)
Other operating receipts/(disbursements)	2,196,820	1,917,850	1,810,570	10,084,495
Net cash provided by/(used in) operations	(21,610,233)	(20,190,746)	30,432,352	(39,543,581)
Investing Activities				
Purchase of property and equipment, net	(2,157,587)	(3,866,346)	(2,100,346)	(10,475,317)
Interest received	687,635	-	313,084	11,145,355
Addition/(reduction) in donor-restricted cash	-	-	-	-
Addition/(reduction) in internally designated cash	(956,006)	7,769,118	(877,494)	(1,466,528)
Net cash provided by/(used in) investing activities	(2,425,958)	3,902,772	(2,664,756)	(796,490)
Financing Activities				
From/(to) Clark County	-	-	-	-
Unrestricted donations and other	-	-	-	-
Borrowing/(repayment) of debt	-	(6,370,000)	-	(6,370,000)
Interest paid	(25,965)	(226,391)	-	(252,356)
Other	-	-	-	-
Net cash provided by/(used in) financing activities	(25,965)	(6,596,391)	-	(6,622,356)
Increase/(decrease) in cash	(24,062,156)	(22,884,365)	27,767,596	(46,962,427)
Cash beginning of period	59,346,506	82,230,871	54,424,459	82,246,778
Cash end of period	35,284,350	59,346,506	82,192,055	35,284,350
Unrestricted cash	35,284,350	59,346,506	82,192,055	35,284,350
Cash restricted by donor	4,634,708	4,792,232	4,853,083	4,634,708
Internally designated cash	177,222,446	176,266,440	184,035,558	177,222,446

FY23 BALANCE SHEET HIGHLIGHTS



	Oct 2022	Sep 2022	Aug 2022
CASH			
Unrestricted	\$ 35.3	\$ 59.3	\$ 82.2
Restricted by donor	4.6	4.8	4.8
Internally designated	177.2	176.3	184.0
	\$ 217.1	\$ 240.4	\$ 271.0
NET WORKING CAPITAL	\$ 182.6	\$ 185.1	\$ 185.7
NET PP&E	\$ 198.6	\$ 198.4	\$ 199.4
LONG-TERM DEBT	\$ -	\$ -	\$ 6.6
NET PENSION LIABILITY	\$ 313.9	\$ 313.9	\$ 313.9
NET POSITION	\$ (218.3)	\$ (216.5)	\$ (215.4)

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: CFO Update	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	
Recommendation: That the Audit and Finance Committee receive an update report from the Chief Financial Officer; and direct staff accordingly. (<i>For possible action</i>)	

FISCAL IMPACT:

None

BACKGROUND:

The Chief Financial Officer will provide an update on any financial matters of interest to the Board.

Cleared for Agenda
December 7, 2022

Agenda Item #

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Agreements with a P&L Impact												
Item #	Bid/RFP# or CBE	Vendor on GPO?	Contract Name	New Contract/ Amendment/Exercise Option/Change Order	Are Terms/Conditions the Same?	This Contract Term	Out Clause	Contract Value	Capital/Maintenance and Support	Savings/Cost Increase	Requesting Department	Description/Comments
8	RFP 2022-10	No	RR/CRR Holdings dba B&P Advertising	New Contract	N/A	5 years	30 days w/o cause	\$24,250,000	None	increase NTE \$4,250,000 over 5 years	Patient Experience	Provide Advertising, Promotion, & Marketing consulting to UMC including the development of comprehensive advertising/marketing communications campaigns that include, but are not limited to, television, print, radio, billboard, and online advertising; media placement and buying; collateral material production; social media development; and media.
9	NRS 332.115(1)(g) NRS 332.115(1)(h)	No	Compute & Storage Project	New Contracts	N/A	Until Project Completion or 1 year	Budget Act and Fiscal Fund Out	Total Project NTE \$1,748,244.34 Zunesis \$1,655,764.42 Custom Storage \$92,479.92	Zunesis \$1,236,753.56 Custom Storage \$79,629.92	N/A	IT	This request is to execute hardware, software and professional services to replace the end of life compute and storage systems used by UMCSN. The project is funded through Capital, Project #23-052. UMCSN will purchase the hardware and software through Zunesis, Inc. and the implementation services will be provided through Custom Storage, LLC.
10	NRS 450.525	Yes	Records Management and Storage Services Purchaser-Specific Agreement	New Contract	N/A	5 years	Budget Act and Fiscal Fund Out	NTE \$3,775,530.44	None	Estimated savings from new HPG pricing over 5 years \$652,443	HIM	This request is for approval of the Records Management and Storage Services Purchaser-Specific Agreement with Iron Mountain Information Management to maintain all hard-copy records and/or media in accordance with the terms of the Agreement, UMC's I-25 Policy, UMC's record retention and destruction policies, and the Local Government Records Retention Schedules as amended from time to time.
11	NRS 332.115(1)(j) NRS 332.115(4)	No	Software Licensure and Hardware Products	New Contracts	N/A	3 Years, with a One (1) Year Option	90 Days written notice w/o cause	NTE \$1,084,520.00	None	Estimated savings from application discounts over 3 years \$218,400.00	OR	This request is for the purchase of hardware and software licenses that will live on hardware (new and current hardware) in the main OR and Trauma. The technology will be used by the Orthopedic Surgeons.
12	NRS 332.115(1)(h)	No	Vizient, Inc	Amendment	No	3 years	Budget Act and Fiscal Fund Out	Base Agreement \$1,418,097 Amendments 1 \$123,636 Cumulative NTE \$1,541,733	None	None	Ctr Quality & Patient Safety	Provide CMS-required Core Measures data provided for Clinical Data Base, Resource Manager, Core Measures Reporting, and Get with the Guidelines Data Analytics subscriptions. This Amendment adds Data Connector Services solution onto the Base Agreement for the term of January 1, 2023 through December 31, 2025.
13	RFP 2021-07	No	Clark Welding and Fabricating	New Contract	N/A	1 year	15 days w/o cause	Base Agreement \$1,471,046.70	Capital Funding: \$1,345,296.70	None	Environmental Services	CWF to supply labor and materials to install an autoclave sterilizer and boiler: equipment used to treat, process and dispose of biohazardous waste. Autoclave sterilizers are an economic alternative to incineration. This agreement with CWF includes a 3-year service agreement and all permits for installation and operation.
14	NRS 332.115(1)(b)	No	Laboratory Medicine Consultants ("LMC"), Ltd.	New Contract	N/A	3 Years, with Two (1)-Year Options	180 days w/o cause	Base Agreement NTE \$1,260,000	None	Increase NTE \$12,000 annually	Various	Provide medical directorship services and 24/7 emergency, on-call and consultative pathology services for UMC's inpatients, outpatients, and Emergency and Trauma patients, in accordance with the schedule maintained by Provider.
16	NRS 332.112	No	WWWilliams Inc.	New Contract	N/A	1 year	Termination for Convenience	Base Agreement \$308,065	None	None	Plant Operations	Vendor performed emergency repair of generator radiators for UMC while providing short-term equipment rentals. Time was crucial to get the emergency generators fixed.

Agreements with \$0 P&L impact and/or positive P&L impact (i.e. grants)										
Item #	Bid/RFP# or CBE	Vendor on GPO?	Contract Name	New Contract/ Amendment/Exercise Option/Change Order	Are Terms/Conditions the Same?	This Contract Term	Out Clause	Estimated Revenue	Requesting Department	Description/Comments
7	N/A	No	Health Services Coalition	Amendment 1	No	5 years	90 days w/o cause	Revenue based on volume	Managed Care	Provide its members healthcare access to hospital services at UMC. This request is to the First Amendment to Hospital Services Agreement with HSC for the same services. The contract is extended for a term of five years commencing January 1, 2023, and either party may terminate without cause with 90-day written notice to the other party
15	N/A	No	Southern Nevada Health District	Amendment 3	Yes	1 Year	30 days w/o cause	\$1,263,982.00	Wellness Center	Assist with SNHD's efforts in southern Nevada to diagnose patients with HIV, STIs, and Hepatitis, provide treatment for said patients, reduce HIV transmission through evidenced-based prevention practices, respond quickly to HIV outbreaks, and identify and link candidates for PreP/PEP Services.

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue:	First Amendment to Hospital Services Agreement with Health Services Coalition	Back-up:
Petitioner:	Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation:		
<p>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the First Amendment to Hospital Services Agreement with Health Services Coalition; and take action as deemed appropriate. (For possible action)</p>		

FISCAL IMPACT:

Fund #: 5420.0000	Fund Name: UMC Operating Fund
Fund Center: 3000850000	Funded Pgm/Grant: N/A
Description: Amendment to HSC Hospital Services Agreement	
Bid/RFP/CBE: N/A	
Term: Extends through December 31, 2028	
Amount: Revenue based on volume	
Out Clause: 90 days w/o cause	

BACKGROUND:

Since March 2005, UMC has had an agreement with Health Services Coalition (“HSC”) to provide its members healthcare access to hospital services at UMC. This request is to approve the First Amendment to the existing Hospital Services Agreement which will extend the term for five years commencing January 1, 2023. Either party may terminate without cause with 90-day written notice to the other party.

The Director of Managed Care has reviewed the Amendment and recommends approval by the Governing Board.

This Amendment has been approved as to form by UMC’s Office of General Counsel.

A Clark County business license is not required as UMC is the provider of hospital services to this insurance fund.

Cleared for Agenda
December 7, 2022

Agenda Item #

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**FIRST AMENDMENT TO
HOSPITAL SERVICES AGREEMENT
BETWEEN
UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
AND
HEALTH SERVICES COALITION**

THIS FIRST AMENDMENT ("Amendment") is by and between Health Services Coalition, a Nevada nonprofit corporation ("**Coalition**") and University Medical Center of Southern Nevada, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes ("**Hospital**").

WHEREAS, the Coalition and Hospital have executed a Hospital Services Agreement dated January 1, 2020 ("the Agreement"); and

WHEREAS, the parties mutually desire to amend the Agreement with this Amendment as provided herein;

NOW, THEREFORE, in consideration of the premises and for the other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged, the parties agree to amend the Agreement as follows:

1. **Term.** Section 15.2 of the Agreement shall be amended and restated in its entirety as: "This agreement shall continue in effect for a 60-month period commencing on January 1, 2023 ("Amendment Effective Date") and ending on December 31, 2027 at 11:59pm. Unless terminated sooner in accordance with the provisions of this article. In the event that the parties are unable to reach agreement on a new Agreement by December 31, 2027, and upon the request of Coalition, Hospital agrees to extend all terms and conditions, of this Agreement for an additional one-month period through and including January 31, 2028 with the understanding that any renewal agreement will be retroactive to January 1, 2028.
2. **Compensation Schedule.** Delete in its entirety Exhibit B-Contracted Rates dated January 1, 2022 and replace with Exhibit B – Contracted Rates dated January 1, 2023.
3. **Quality Program.** Delete in its entirety Exhibit I, Quality Program dated January 1, 2022 and replace with Exhibit I Quality Program dated January 1, 2023.
4. All other terms of the Agreement not amended herein shall remain in full force and effect. If any term of this Amendment conflicts with the terms of the Agreement, the terms of this Amendment shall prevail.

IN WITNESS WHEREOF, the parties have caused this amendment to be executed below.

HOSPITAL

Signature: _____

By: Mason VanHouweling

Title: Chief Executive Officer

Date: _____

COALITION

Signature: Stacie Sasso

By: Stacie Sasso

Title: Executive Director

Date: 12/5/22

EXHIBIT B – Contracted Rates
University Medical Center (UMC)
2023 – 2027 Contracted Rates

[The information in this attachment is confidential and proprietary in nature]

**EXHIBIT I
QUALITY PROGRAM**

If Hospital does not meet the Quality Program metric goals, the contract reimbursement shall not increase by the applicable percentage rate shown in the table below. The reporting periods and applicable reporting due dates for the Quality Program metrics are as follows:

	For January 1, 2024 Rates	For January 1, 2025 Rates	For January 1, 2026 Rates
Reporting Period	3Q2022-2Q2023	3Q2023-2Q2024	3Q2024-2Q2025
Report BY	10/15/2023	10/15/2024	10/15/2025
Hospital must report all Quality Program metric results to Health Services Coalition Executive Director by October 15 of the year following the reporting Periods described above, in a format and manner that is acceptable to both parties. All quality metrics must be reported graphically similar to formats encouraged by CMS in the Partnership for Patients Program.			
Quality Improvement Metric	For January 1, 2024 Rates	For January 1, 2025 Rates	For January 1, 2026 Rates
Readmission Reduction a. Definition - All readmissions to Hospital within 30 days of discharges b. Data includes related and unrelated readmissions for ALL nursing units, not only the ICUs, with the exception of Chemotherapy, Radiation Therapy, Rehabilitation, Death 1st Admit, Dialysis, Delivery/Birth, Mental health/Alcohol & Drug Use c. Data Source - self-reporting	Goal: Better than readmission rate self-reported by Hospital for Q3 2021 -Q2 2022 Rate 0.25%	Goal: Better than readmission rate self-reported by Hospital for Q3 2021 -Q2 2022 Rate 0.25%	Goal: Better than readmission rate self-reported by Hospital for Q3 2021 -Q2 2022 Rate 0.25%
Sepsis Mortality Reduction a. Definition - patient death when there is a diagnosis of ICD-9 995.91 - Simple sepsis (without acute organ failure). ICD-9 995.92 - Server sepsis (with acute organ failure) ICD-9 785.52 Septic shock b. Data Source - self-reporting	Goal: Better than sepsis mortality rate self-reported by Hospital for Q3 2021 - Q2 2022 Rate 0.25%	Goal: Better than sepsis mortality rate self-reported by Hospital for Q3 2021 -Q2 2022 Rate 0.25%	Goal: Better than sepsis mortality rate self-reported by Hospital for Q3 2021 -Q2 2022 Rate 0.25%

	For January 1, 2027 Rates		
Reporting Period	3Q2025-2Q2026		
Report BY	10/15/2026		
Quality Improvement Metric	For January 1, 2027 Rates		
Readmission Reduction a. Definition - All readmissions to Hospital within 30 days of discharges b. Data includes related and unrelated readmissions for ALL nursing units, not only the ICUs, with the exception of Chemotherapy, Radiation Therapy, Rehabilitation, Death 1st Admit, Dialysis, Delivery/Birth, Mental health/Alcohol & Drug Use c. <i>Data Source - self-reporting</i>	Goal: Better than readmission rate self-reported by Hospital for Q3 2021 -Q2 2022 Rate 0.25%		
Sepsis Mortality Reduction a. Definition - patient death when there is a diagnosis of ICD-9 995.91 - Simple sepsis (without acute organ failure). ICD-9 995.92 - Server sepsis (with acute organ failure) ICD-9 785.52 Septic shock b. Data Source - self-reporting	Goal: Better than sepsis mortality rate self-reported by Hospital for Q3 2021 - Q2 2022 Rate 0.25%		

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Award RFP No. 2022-10 Promotion, Advertising, & Marketing to RR/CRR Holdings dba B&P Advertising	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation:	
<p>That the Governing Board Audit and Finance Committee review and recommend for award by the Governing Board the RFP No. 2022-10 Promotion, Advertising, & Promotion to RR/CRR Holdings dba B&P Advertising; approve the RFP No. 2022-10 Service Agreement; authorize the Chief Executive Officer to exercise any extension/renewal options; or take action as deemed appropriate. (For possible action)</p>	

FISCAL IMPACT:

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000863800	Funded Pgm/Grant: N/A
Description: Advertising, Promotion, & Marketing Services	
Bid/RFP/CBE: RFP 2022-10	
Term: 2/1/2023 – 1/31/2028	
Amount: Not to exceed \$24,250,000	
Out Clause: 30 days w/o cause	

BACKGROUND:

On June 6, 2022, a notice for RFP 2022-10 Promotion, Advertising & Marketing Services was published in the Las Vegas Review Journal and posted on the Nevada Government eMarketplace (NGEM) Portal. On August 18, 2022, a response was received from B&P Advertising (“B&P Advertising”). An ad hoc committee reviewed the proposal independently and anonymously, and recommends the selection of, and contract approval with B&P Advertising.

B&P Advertising will provide advertising/marketing services for University Medical Center of Southern Nevada, including the development of comprehensive advertising/marketing communications campaigns that include, but are not limited to, television, print, radio, billboard, and online advertising; media placement and buying; collateral material production; social media development; and media.

Cleared for Agenda
December 7, 2022

Agenda Item #

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The term of the Agreement is from February 1, 2023 through January 31, 2028, with an option to extend the Agreement for up to an additional three (3) months for convenience unless terminated with a 30-day cancellation notice.

Staff also requests authorization for the Hospital CEO, at the end of the initial term, to exercise the extension option at his discretion if deemed beneficial to UMC.

The NTE total cost for this Agreement is estimated at \$24,250,000.00 over the five (5) year term.

UMC's Chief Executive Officer has reviewed the Agreement and recommends approval by the Governing Board.

This Agreement has been approved as to form by the UMCSN Office of General Counsel.

B&P Advertising currently has a Clark County Business License.

**UNIVERSITY MEDICAL CENTER
OF SOUTHERN NEVADA**

**AGREEMENT FOR
PROMOTION, MARKETING, & ADVERTISING**

RR/CRR Holdings dba B&P Advertising
NAME OF FIRM
Charles J. Johnston, Managing Partner & President
DESIGNATED CONTACT, NAME AND TITLE (Please type or print)
900 s. Pavilion Center Drive, Suite 170 Las Vegas, NV 89144
ADDRESS OF FIRM INCLUDING CITY, STATE AND ZIP CODE
702-967-2222
(AREA CODE) AND TELEPHONE NUMBER
cjohnston@bpadv.com
E-MAIL ADDRESS

AGREEMENT FOR PROMOTION, MARKETING, & ADVERTISING

This Agreement (the "Agreement") is made and entered into as of the last date of signature set forth below (the "Effective Date"), by and between UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes (hereinafter referred to as "HOSPITAL"), and RR/CRR Holdings dba B&P Advertising (hereinafter referred to as "COMPANY"), for **PROMOTION, MARKETING, & ADVERTISING** (hereinafter referred to as "PROJECT").

WITNESSETH:

WHEREAS, COMPANY has the personnel and resources necessary to accomplish the PROJECT within the required schedule and with a budget allowance not to exceed \$24,420,000 as further described herein; and

WHEREAS, COMPANY has the required licenses and/or authorizations pursuant to all federal, State of Nevada and local laws in order to conduct business relative to this Agreement.

NOW, THEREFORE, HOSPITAL and COMPANY agree as follows:

SECTION I: TERM OF AGREEMENT

HOSPITAL agrees to retain COMPANY for the period from Effective Date through January 31, 2028 ("Term"). During this period, COMPANY agrees to provide services as required by HOSPITAL within the scope of this Agreement. HOSPITAL reserves the right to extend the Agreement for up to an additional three (3) months for its convenience.

SECTION II: COMPENSATION AND TERMS OF PAYMENT

A. Terms of Payments

1. HOSPITAL agrees to pay COMPANY for the performance of services described in the Scope of Work (**Exhibit A**) for the fixed not-to-exceed fee of \$24,250,000.00. It is expressly understood that the entire Scope of Work defined in **Exhibit A** must be completed by COMPANY and it shall be COMPANY's responsibility to ensure that hours and tasks are properly budgeted so the entire PROJECT is completed for the said fee.
2. Payment of invoices will be made within forty-five (45) calendar days after receipt of an accurate invoice that has been reviewed and approved by HOSPITAL.
3. HOSPITAL, at its discretion, may not approve or issue payment on invoices if COMPANY fails to provide the following information required on each invoice:
 - a. The title of the PROJECT as stated in **Exhibit A**, Scope of Work, itemized description of products delivered or services rendered and amount due, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
 - b. Expenses not defined in **Exhibit A**, Scope of Work will not be paid without prior written authorization by HOSPITAL.
 - c. HOSPITAL's representative shall notify COMPANY in writing within fourteen (14) calendar days of any disputed amount included on the invoice. COMPANY must submit a new invoice for the undisputed amount which will be paid in accordance with this paragraph A.2 above. Upon mutual resolution of the disputed amount, COMPANY will submit a new invoice for the agreed amount and payment will be made in accordance with this paragraph A.2 above.
4. No penalty will be imposed on HOSPITAL if HOSPITAL fails to pay COMPANY within ninety (90) calendar days after receipt of a properly documented invoice, and HOSPITAL will receive no discount for payment within that period.
5. HOSPITAL shall subtract from any payment made to COMPANY all damages, costs and expenses caused by COMPANY's negligence, resulting from or arising out of errors or omissions in COMPANY's work products, which have not been previously paid to COMPANY.
6. HOSPITAL shall not provide payment on any invoice COMPANY submits after six (6) months from the date COMPANY

performs services, provides deliverables, and/or meets milestones, as agreed upon in **Exhibit A**, Scope of Work.

7. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.

B. HOSPITAL's Fiscal Limitations

1. The content of this section shall apply to the entire Agreement and shall take precedence over any conflicting terms and conditions, and shall limit HOSPITAL's financial responsibility as indicated in Sections 2 and 3 below.
2. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by HOSPITAL for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and HOSPITAL's obligations under it shall be extinguished at the end of any of HOSPITAL's fiscal years in which HOSPITAL's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. HOSPITAL agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve HOSPITAL of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.
3. HOSPITAL's total liability for all charges for services which may become due under this Agreement is limited to the total maximum expenditure(s) authorized in HOSPITAL's purchase order(s) to COMPANYY.

SECTION III: SCOPE OF WORK

Services to be performed by COMPANYY for the PROJECT shall consist of the work described in the Scope of Work as set forth in **Exhibit A** of this Agreement, attached hereto. In the event of a conflict between the terms of this Agreement and the terms in the Scope of Work, the terms of this Agreement shall prevail.

SECTION IV: CHANGES TO SCOPE OF WORK

- A. HOSPITAL may at any time, by written order, make changes within the general scope of this Agreement and in the services or work to be performed. If such changes cause an increase or decrease in COMPANYY's cost or time required for performance of any services under this Agreement, an equitable adjustment limited to an amount within current unencumbered budgeted appropriations for the PROJECT shall be made and this Agreement shall be modified in writing accordingly. Any claim of COMPANYY for the adjustment under this clause must be submitted in writing within thirty (30) calendar days from the date of receipt by COMPANYY of notification of change unless HOSPITAL grants a further period of time before the date of final payment under this Agreement.
- B. No services for which an additional compensation will be charged by COMPANYY shall be furnished without the written authorization of HOSPITAL.

SECTION V: RESPONSIBILITY OF COMPANYY

- A. It is understood that in the performance of the services herein provided for, COMPANYY shall be, and is, an independent contractor, and is not an agent, representative or employee of HOSPITAL and shall furnish such services in its own manner and method except as required by this Agreement. Further, COMPANYY has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by COMPANYY in the performance of the services hereunder. COMPANYY shall be solely responsible for, and shall indemnify, defend and hold HOSPITAL harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and regulations of any nature whatsoever.
- B. COMPANYY shall appoint a Manager, upon written acceptance by HOSPITAL, who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Manager, or by COMPANYY's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of COMPANYY be unable to complete his or her responsibility for any reason, COMPANYY must obtain written approval by HOSPITAL prior to replacing him or her with another equally qualified person. If COMPANYY fails to make a required replacement within fifteen (15) days, HOSPITAL may terminate this

Agreement for default.

- C. COMPANY has, or will, retain such employees as it may need to perform the services required by this Agreement. Such employees shall not be employed by the HOSPITAL.
- D. COMPANY agrees that its officers and employees will cooperate with HOSPITAL in the performance of services under this Agreement and will be available for consultation with HOSPITAL at such reasonable times with advance notice as to not conflict with their other responsibilities.
- E. COMPANY will follow HOSPITAL's relevant compliance policies as followed by HOSPITAL's staff in regard to programming changes; testing; change control; and other similar activities, including its corporate compliance program, HOSPITAL's Policy I-66 (Contracted Non-Employees/Allied Health Non-Credentialed /Dependent Allied Health / Temporary Staff / Construction/Third Party Equipment), and HOSPITAL's Vaccine Policy as may be amended from time to time. HOSPITAL will provide a copy of said policy upon COMPANY request. COMPANY must register through HOSPITAL's vendor management/credentialing system prior to arriving onsite at any of HOSPITAL's facilities. Should the Project involve a continuous presence by COMPANY's employees or agents onsite at HOSPITAL's facilities, COMPANY may be required to complete HOSPITAL's onboarding process and abide by onboarding requirements of HOSPITAL's Human Resources Department. COMPANY's employees, agents, subcontractors and/or designees who do not abide by HOSPITAL's policies may be barred from physical access to HOSPITAL's premises
- F. COMPANY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by COMPANY, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, COMPANY shall follow practices consistent with generally accepted professional and technical standards. COMPANY further agree that for a period of one year following completion of its work, or such longer period as may be indicated in the specification, COMPANY will replace or repair any product it provides or installs because of defects in workmanship or materials, except to the extent the failure results from negligence of HOSPITAL. COMPANY expressly disclaims all other warranties, whether implied or statutory, including but not limited to, any warranty of merchantability or fitness for a particular purpose.
- G. It shall be the duty of COMPANY to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. If applicable, COMPANY will not produce a work product which violates or infringes on any copyright or patent rights. COMPANY shall, without additional compensation, correct or revise any errors or omissions in its work products:
 - 1. Permitted or required approval by HOSPITAL of any products or services furnished by COMPANY shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of its work.
 - 2. HOSPITAL's review, approval, acceptance, or payment for any of COMPANY's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and COMPANY shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to HOSPITAL caused by COMPANY's performance or failures to perform under this Agreement.
- H. All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by COMPANY for HOSPITAL relating to the services to be performed hereunder and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by COMPANY to parties other than HOSPITAL shall become the property of HOSPITAL and shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever comes first. COMPANY shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by HOSPITAL. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement.
- I. Drawings and specifications remain the property of COMPANY. Copies of the drawings and specifications retained by HOSPITAL may be utilized only for its use and for occupying the PROJECT for which they were prepared, and not for the construction of any other project. A copy of all materials, information and documents, whether finished, unfinished, or draft, developed, prepared, completed, or acquired by COMPANY during the performance of services for which it has been compensated under this Agreement, shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever occurs first.

HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement. COMPANY shall furnish Hospital's representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.

- J. COMPANY shall not have authority to act as agent of HOSPITAL, and COMPANY shall not represent itself as acting as an agent of HOSPITAL. Without limiting the foregoing, COMPANY shall have no authority to enter into any commitment, contractual or other agreement, binding upon, or pledge the credit of, HOSPITAL, nor shall COMPANY have any authority to negotiate any such agreement except as HOSPITAL may expressly agree in writing.
- K. The rights and remedies of HOSPITAL provided for under this section are in addition to any other rights and remedies provided by law or under other sections of this Agreement.

SECTION VI: SUBCONTRACTS

- A. Services specified by this Agreement shall not be subcontracted by COMPANY, without prior written approval of HOSPITAL.
- B. Approval by HOSPITAL of COMPANY's request to subcontract, or acceptance of, or payment for, subcontracted work by HOSPITAL shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of the work. COMPANY shall be and remain liable for all damages to HOSPITAL caused by negligent performance or non-performance of work under this Agreement by COMPANY's subcontractor or its sub-subcontractor.
- C. The compensation due under Section II shall not be affected by HOSPITAL's approval of COMPANY's request to subcontract.

SECTION VII: RESPONSIBILITY OF HOSPITAL

- A. HOSPITAL agrees that its officers and employees will cooperate with COMPANY in the performance of services under this Agreement and will be available for consultation with COMPANY at such reasonable times with advance notice as to not conflict with their other responsibilities.
- B. The services performed by COMPANY under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative, Danita Cohen, telephone number (702) 383-3987 or her designee. HOSPITAL's representative may delegate any or all of her responsibilities under this Agreement to appropriate staff members, and shall so inform COMPANY by written notice before the effective date of each such delegation.
- C. The review comments of HOSPITAL's representative may be reported in writing as needed to COMPANY. It is understood that HOSPITAL's representative's review comments do not relieve COMPANY from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.
- D. HOSPITAL shall assist COMPANY in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Agreement.
- E. COMPANY will not be responsible for accuracy of information or data supplied by HOSPITAL or other sources to the extent such information or data would be relied upon by a reasonably prudent COMPANY.

SECTION VIII: TIME SCHEDULE

- A. Time is of the essence of this Agreement.
- B. If COMPANY's performance of services is delayed or if COMPANY's sequence of tasks is changed, COMPANY shall notify HOSPITAL's representative in writing of the reasons for the delay and prepare a revised schedule for performance of services. The revised schedule is subject to HOSPITAL's written approval.

SECTION IX: SUSPENSION AND TERMINATION

A. Suspension

HOSPITAL may suspend performance by COMPANY under this Agreement for such period of time as HOSPITAL, at its sole discretion, may prescribe by providing written notice to COMPANY at least five (5) working days prior to the date on which HOSPITAL wishes to suspend. Upon such suspension, HOSPITAL shall pay COMPANY its compensation, based on the percentage of the PROJECT completed and earned until the effective date of suspension, less all previous payments. COMPANY shall not perform further work under this Agreement after the effective date of suspension until receipt of written notice from HOSPITAL to resume performance. In the event HOSPITAL suspends performance by COMPANY for any cause other than the error or omission of the

COMPANY, for an aggregate period in excess of thirty (30) days, COMPANY shall be entitled to an equitable adjustment of the compensation payable to COMPANY under this Agreement to reimburse COMPANY for additional costs occasioned as a result of such suspension of performance by HOSPITAL based on appropriated funds and approval by HOSPITAL.

B. Termination

1. Termination for Cause

This Agreement may be terminated in whole or in part by either party in the event of substantial failure or default of the other party to fulfill its obligations under this Agreement through no fault of the terminating party; but only after the other party is given:

- a. not less than ten (10) calendar days written notice of intent to terminate; and
- b. an opportunity for consultation with the terminating party prior to termination.

2. Termination for Convenience

- a. This Agreement may be terminated in whole or in part by HOSPITAL for its convenience; but only after COMPANY is given not less than fifteen (15) calendar days written notice of intent to terminate; and
- b. If termination is for HOSPITAL's convenience, HOSPITAL shall pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.

3. Effect of Termination

- a. If termination for substantial failure or default is effected by HOSPITAL, HOSPITAL will pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but:
 - i. No amount shall be allowed for anticipated profit on performed or unperformed services or other work; and
 - ii. Any payment due to COMPANY at the time of termination may be adjusted to the extent of any additional costs occasioned to HOSPITAL by reason of COMPANY's default.
- b. Upon receipt or delivery by COMPANY of a termination notice, COMPANY shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to HOSPITAL's representative, copies of all deliverables as provided in Section V, paragraph H. Each Party shall return or destroy all originals and copies, except for those copies it may retain for archival purposes, of any confidential information of the other Party regarding the Project, including but not limited to protected health information ("PHI"), and shall certify in writing to the other Party, no later than thirty (30) days after termination, that it has done so.
- c. If after termination for failure of COMPANY to fulfill contractual obligations it is determined that COMPANY has not so failed, the termination shall be deemed to have been effected for the convenience of HOSPITAL.
- d. Upon termination, HOSPITAL may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event COMPANY shall cease conducting business, HOSPITAL shall have the right to make an unsolicited offer of employment to any employees of COMPANY assigned to the performance of this Agreement.

4. The rights and remedies of HOSPITAL and COMPANY provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.

5. Neither party shall be considered in default in the performance of its obligations hereunder, nor any of them, to the extent that performance of such obligations, nor any of them, is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such party. Delays arising from the actions or inactions of one or more of COMPANY'S principals, officers, employees, agents, subcontractors, vendors or suppliers are expressly recognized to be within COMPANY'S control.

SECTION X: INSURANCE

COMPANY shall obtain and maintain the insurance coverage required in **Exhibit B** incorporated herein by this reference. COMPANY shall comply with the terms and conditions set forth in **Exhibit B** and shall include the cost of the insurance coverage in their prices.

SECTION XI: NOTICES

Any notice required to be given hereunder shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery, certified U.S. mail, return receipt requested or facsimile, at the following addresses, or such other address that a party may designate in writing:

TO HOSPITAL: University Medical Center of Southern Nevada
Attn: Legal Department
1800 W. Charleston Blvd.
Las Vegas, NV 89102

TO COMPANY: RR / CRR Holdings dba B&P Advertising
900 South Pavilion Center Dr. Suite 170
Las Vegas, NV 89144

SECTION XII: MISCELLANEOUS

A. ADA Requirements

All work performed or services rendered by COMPANY shall comply with the Americans with Disabilities Act standards adopted by Clark County. All facilities built prior to January 26, 1992 must comply with the Uniform Federal Accessibility Standards; and all facilities completed after January 26, 1992 must comply with the Americans with Disabilities Act Accessibility Guidelines.

B. Amendments

No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.

C. Assignment

Any attempt by COMPANY to assign or otherwise transfer any interest in this Agreement without the prior written consent of HOSPITAL shall be void.

D. Audits

The performance of this Agreement by COMPANY is subject to review by HOSPITAL to ensure Agreement compliance. COMPANY agrees to provide HOSPITAL any and all information requested that relates to the performance of this Agreement. All requests for information will be in writing to COMPANY. Time is of the essence during the audit process. Failure to provide the information requested within the timeline provided in the written information request may be considered a material breach of Agreement and be cause for suspension and/or termination of the Agreement. The parties hereto further agree that except as otherwise required by law, any audit and inspection rights include only the rights to verify amounts invoiced by COMPANY and to verify the nature of the services being invoiced, but does not include the right to review personal information of COMPANY's employees, or proprietary information of COMPANY, including but not limited to COMPANY's underlying cost, markup or overhead rates.

E. Clark County Business License / Registration

COMPANY warrants that it has a valid Clark County Business License and will maintain such licensure through the duration of this Agreement.

F. Complete Agreement

This Agreement, together with all exhibits, appendices or other attachments, which are incorporated herein by reference, is the sole and entire agreement between the parties relating to the subject matter hereof. This Agreement supersedes all prior understandings, representations, agreements and documentation relating to such subject matter. In the event of a conflict between the provisions of the main body of the Agreement and any attached exhibits, appendices or other materials, the Agreement shall take precedence.

G. Confidential Treatment of Information

COMPANY shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Agreement and COMPANY represents and warrants that it shall not resell HOSPITAL confidential information. Confidential information does not include information that, under the Health Insurance Portability and Accountability Act (HIPAA) as may be

amended from time to time, is protected health information (PHI).

H. Counterparts

This Agreement may be executed in one or more counterparts. Each counterpart will be an original, and all such counterparts will constitute a single instrument.

I. Covenant

COMPANY covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. COMPANY further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

J. Covenant Against Contingent Fees

COMPANY warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide permanent employees. For breach or violation of this warranty, HOSPITAL shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

K. Exclusion

COMPANY represents and warrants that neither it, nor any of its employees or other contracted staff (collectively referred to in this paragraph as "employees") has been or is about to be excluded from participation in any Federal Health Care Program (as defined herein). COMPANY agrees to notify HOSPITAL within five (5) business days of COMPANY's receipt of notice of intent to exclude or actual notice of exclusion from any such program. The listing of COMPANY or any of its employees on the Office of Inspector General's exclusion list (OIG website), the General Services Administration's Lists of Parties Excluded from Federal Procurement and Non-procurement Programs (GSA website) for excluded individuals or entities, any state Medicaid exclusion list, or the Office of Foreign Assets Control's (OFAC's) blocked list shall constitute "exclusion" for purposes of this paragraph. In the event that COMPANY or any of its employees is excluded from any Federal Health Care Program or placed on the OFAC's blocked list, it shall be a material breach and this Agreement shall immediately terminate without penalty to HOSPITAL. For the purpose of this paragraph, the term "Federal Health Care Program" means the Medicare program, the Medicaid program, TRICARE, any health care program of the Department of Veterans Affairs, the Maternal and Child Health Services Block Grant program, any state social services block grant program, any state children's health insurance program, or any similar program.

L. Governing Law / Venue

Nevada law shall govern the interpretation of this Agreement. Venue shall be any court of competent jurisdiction in Las Vegas, Nevada.

M. Gratuities

1. HOSPITAL may, by written notice to COMPANY, terminate this Agreement if it is found after notice and hearing by HOSPITAL that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by COMPANY or any agent or representative of COMPANY to any officer or employee of HOSPITAL with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.
2. In the event this Agreement is terminated as provided in paragraph 1 hereof, HOSPITAL shall be entitled:
 - a. to pursue the same remedies against COMPANY as it could pursue in the event of a breach of this Agreement by COMPANY; and
 - b. as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by HOSPITAL) which shall be not less than three (3) nor more than ten (10) times the costs incurred by COMPANY in providing any such gratuities to any such officer or employee.
3. The rights and remedies of HOSPITAL provided in this clause shall not be exclusive and are in addition to any other rights

and remedies provided by law or under this Agreement.

N. Immigration Reform and Control Act

In accordance with the Immigration Reform and Control Act of 1986, COMPANY agrees that it will not employ unauthorized aliens in the performance of this Agreement.

O. Indemnity

COMPANY does hereby agree to defend, indemnify, and hold harmless HOSPITAL and the employees, officers and agents of HOSPITAL from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of COMPANY or the employees or agents of COMPANY in the performance of this Agreement.

P. Independent Contractor

COMPANY acknowledges that it, COMPANY, and any subcontractors, agents or employees employed by it shall not, under any circumstances, be considered employees of the HOSPITAL, and that they shall not be entitled to any of the benefits or rights afforded employees of HOSPITAL, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. HOSPITAL will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of COMPANY or any of its officers, employees or other agents.

Q. Prohibition Against Israel Boycott

In accordance with Nevada Revised Statute 332.065, COMPANY certifies that it is not refused to deal or to conduct business with, abstained from dealing or conducting business with, terminating business or business activities with or performing any other action that is intended to limit commercial relations with Israel or a person or entity doing business in Israel or in territories controlled by Israel.

R. Public Funds / Non-Discrimination

COMPANY acknowledges that the HOSPITAL has an obligation to ensure that public funds are not used to subsidize private discrimination. COMPANY recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, handicapping condition (including AIDS or AIDS related conditions), national origin, or any other class protected by law or regulation, HOSPITAL may declare COMPANY in breach of the Agreement, terminate the Agreement, and designate COMPANY as non-responsible.

S. Public Records

COMPANY acknowledges that HOSPITAL is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its records are public documents available for copying and inspection by the public. If HOSPITAL receives a demand for the disclosure of any information related to this Agreement that COMPANY has claimed to be confidential and proprietary, HOSPITAL will immediately notify COMPANY of such demand and COMPANY shall immediately notify HOSPITAL of its intention to seek injunctive relief in a Nevada court for protective order. COMPANY shall indemnify and defend HOSPITAL from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of COMPANY document in HOSPITAL's custody and control in which COMPANY claims to be confidential and proprietary.

T. Publicity

Neither HOSPITAL nor COMPANY shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this Agreement without the prior written consent of the other party.

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U. Subcontractor Information

COMPANY shall provide a list of the Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Physically-Challenged Business Enterprise (PBE), Small Business Enterprise (SBE), and Nevada Business Enterprise (NBE)

subcontractors for this Agreement utilizing the attached format **Exhibit C**. The information provided in **Exhibit C** by COMPANY is for the HOSPITAL's information only.

V. Survival of Terms.

Unless otherwise stated, all of HOSPITAL and COMPANY's respective obligations, representations and warranties under this Agreement which are not, by the expressed terms of this Agreement, fully to be performed while this Agreement is in effect shall survive the termination of this Agreement.

W. Travel Policy

The following are the acceptable travel guidelines for reimbursement of travel costs:

Reimbursement shall only be for the contract personnel.

Transportation:

- Domestic Airlines (Coach Ticket). Number of trips must be approved by HOSPITAL.
- Personal Vehicle: HOSPITAL will not pay costs associated to driving a personal vehicle in lieu of air travel.

Meals: All meal charges will be paid up to and not to exceed \$50 per day. This includes a 15% tip.

Lodging: Lodging will either be booked by HOSPITAL or reimbursed for costs of a reasonable room rate plus taxes for Las Vegas, NV, not to exceed \$150 per night.

Rental Vehicles: One (1) automobile rental will be authorized per four (4) travelers. Rental must be mid-size or smaller. HOSPITAL will reimburse up to \$150 per week. Return re-fuel cap of \$50 per vehicle.

Each traveler shall submit the following documents in order to claim travel reimbursement. The documents shall be readable copies of the original itemized receipts with each traveler's full name. Only actual costs (including all applicable sales tax) will be reimbursed.

- Company's Invoice
 - o With copy of executed Agreement highlighting the allowable travel
 - o List of travelers
 - o Number of days in travel status
- Hotel receipt
- Meal receipts for each meal
- Airline receipt
- Car rental receipt (Identify driver and passengers)
- Airport parking receipt (traveler's Airport origin)
- Gas re-fuel upon return of rental vehicle capped at \$50 per vehicle
- Airport long term parking (only for economy rate)

The following are some of the charges that will NOT be allowable for reimbursement (not all inclusive):

- Personal vehicle (HOSPITAL will not pay costs associated to driving a personal vehicle in lieu of air travel)
- Excess baggage fares
- Upgrades for transportation, lodging, or vehicles
- Alcohol
- Room service
- In-room movie rentals
- In-room beverage/snacks
- Gas for personal vehicles
- Transportation to and from traveler's home and the airport
- Mileage
- Travel time

Travel expenses shall not exceed \$ 0.00 without prior written approval from HOSPITAL.

X. Waiver; Severability

No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented. If any provision of this Agreement is held invalid, void or unenforceable under any applicable statute or rule of law, it shall to that extent be deemed omitted, and the balance of this Agreement shall be enforceable in accordance with its remaining terms.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and effective as of the Effective Date.

HOSPITAL:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

By: _____ DATE _____
MASON VAN HOUWELING
Chief Executive Officer

COMPANY:

RR / CRR Holdings dba B&P Advertising

By:  _____ DATE 11/22/22
Chuck Johnston
President

SCOPE EXHIBIT A

1. The following is B&P's solution to meeting the requirements in Exhibit A.

a. PROPOSER's Solution

Multimedia campaigns. Branding. Quick Care. Primary Care. The Children's Hospital. Special programs. Sponsorships. Our solution is as it's always been. Bring all of our talents to the table in order to produce the best possible work for UMC. If we're not continually raising the bar, frankly, we're not doing our job. From strategic planning to creative execution, we want to find new ways to communicate our message. We take great pride in the work we do for UMC because this institution is too important to southern Nevada to give anything less than our very best, at all times.

b. Draft Conversion Plan and Timetable for Implementation

The following is a complete media plan for the remainder of 2022 and through June of 2023. It's broken down by category: UMC branding, Quick Care, Online Care, and Children's Hospital. It includes every medium, all dates, and the spend for each.

DRAFT CONVERSION PLAN AND TIMETABLE – MEDIA 2022

UMC Quick Care	JUL				AUG				SEP				OCT				NOV			DEC			COSTS											
	27	1	11	18	25	1	8	15	22	29	5	12	19	26	3	10	17	24	31	7	14	21		28	5	12	19							
Spot TV																																		
15 Spot TV – 13 Weeks																																		
UMC Quick Care Broadcast Subtotal																							60	60	60	60	60	60	\$90,940					
																												\$30,313	\$60,626	\$90,940				
Online																																		
The Trade Desk – Connected TV																												\$12,000						
The Trade Desk – Display																												\$9,000						
Facebook + Instagram – General																												\$27,000						
Facebook + Instagram – Specific: Atlanta																												\$3,991						
Facebook + Instagram – Specific: New Location																												\$1,712						
YouTube																												\$22,500						
Paid Search																												\$16,364						
UMC Quick Care Online Subtotal																												\$122,569						
Out of Home																																		
Gas Station TV – 37 Stations																												\$12,955						
Clear Channel – Platinum Digital Rotate Network																												\$11,112						
Clear Channel – Platinum Digital Rotate Network TV spot AV																												\$713						
UMC Quick Care OOH Subtotal																												\$7,884	\$7,171	\$8,598	\$24,366			
UMC Quick Care Total																												\$3,273	\$3,986	\$41,657	\$79,963	\$105,997	\$237,875	
UMC Online Care																																		
Online																																		
Facebook + Instagram																												\$19,600						
The Trade Desk – Display																												\$10,909						
YouTube																												\$13,200						
Paid Search																												\$11,999						
UMC Online Care Subtotal																												\$2,000	\$20,582	\$20,582	\$4,182	\$4,182	\$4,182	\$55,708
UMC Children's Hospital																																		
Online																																		
Connected TV																												\$0						
Facebook + Instagram																												\$0						
YouTube																												\$0						
UMC Children's Hospital Online Subtotal																												\$0						
2022 Grand Total																												\$15,494	\$46,849	\$44,228	\$68,062	\$107,402	\$141,231	\$423,267

DRAFT CONVERSION PLAN AND TIMETABLE – MEDIA 2023

UMC Quick Care	JAN		FEB		MAR		APR		MAY		JUN		COSTS
	26	29	30	31	27	28	29	30	1	2	3	4	
Spot TV													
15 Spot TV - 13 Weeks			60	60	60	60	60	60					\$97,688
UMC Quick Care Broadcast Subtotal			\$41,866		\$55,822								\$97,688
Online													
The Trade Desk - Connected TV													\$12,000
The Trade Desk - Display													\$9,000
Facebook + Instagram - General													\$27,000
Facebook + Instagram - Specific: Ahante													\$0
Facebook + Instagram - Specific: New Location													\$0
YouTube													\$22,500
Paid Search													\$19,636
UMC Quick Care Online Subtotal			\$36,773		\$36,773		\$36,773		\$3,273		\$3,273		\$120,136
Out of Home													
Gas Station TV - 37 Stations													\$12,995
Clear Channel - Platinum Digital Rotate Network													\$8,559
Clear Channel - Platinum Digital Rotate Network 1x spot AV													
UMC Quick Care OOH Subtotal			\$6,458		\$7,171		\$7,171		\$713				\$21,513
UMC Quick Care Total			\$85,097		\$99,766		\$13,914		\$3,986		\$3,273		\$239,338
UMC Online Care													
Online													
Facebook + Instagram													\$29,400
The Trade Desk - Display													\$13,091
YouTube													\$19,800
Paid Search													\$12,000
UMC Online Care Subtotal			\$4,182		\$4,182		\$4,182		\$20,582		\$20,582		\$71,291
UMC Children's Hospital													
Online													
Connected TV													\$50,000
Facebook + Instagram													\$30,000
YouTube													\$20,000
UMC Children's Hospital Online Subtotal			\$16,667		\$16,667		\$16,667		\$16,667		\$16,667		\$100,000
2023 Grand Total			\$120,556		\$139,158		\$174,765		\$162,522		\$154,102		\$909,442

c. Methodology and Major Deliverables

Our process begins with a discussion with UMC's marketing team outlining the challenge at-hand including budgets, creative expectations, and key dates. B&P then prepares a work order and creative brief which is presented to the client to ensure both parties have a shared understanding of deliverables. A project estimate is created by B&P so that UMC is aware of how the project impacts its annual budget. As the project progresses, status reports are delivered to UMC until finally the finished project is presented to UMC key stakeholders. Once approved by UMC, B&P completes the project, delivers relevant materials to media vendors, and archives the work for future reference.

This year, B&P will be creating a new Online Care campaign to be completed in August and run through 2022 and into 2023. We will also concept and produce new gas station TV spots featuring Mason Van Houweling that will run through 2022 and into 2023.

We will continue to run hospital branding print and out-of-home through the remainder of the calendar year, as well as produce advertising to support UMC events and sponsorships. In 2023, we'll be concepting and executing a new Children's Hospital campaign, and we hope to create a new hospital branding campaign in the latter half of 2023.

d. PROPOSER's Support Center

At the heart of what we do is service. B&P principals are involved with all work for UMC and the account has been led by senior account executive Rob Colbrook since the beginning of our relationship. Communication between the UMC team and B&P is an open channel and has proven through the years to be extremely effective. B&P provides regular status reports showing the progress of all current and upcoming work, budgetary recaps showing all monies spent to-date, and media reconciliation of all placements.

Our job is to support UMC in all of its marketing endeavors, no matter the marketing vehicle. As a full-service agency, B&P can deliver and we welcome any challenge.

e. Task Responsibilities

B&P will be responsible for creating strategic plans, completing all advertising projects, delivering final materials to media vendors, and managing allocated marketing budgets throughout the course of the contract.

f. Time Saving Features and Benefits of Service

B&P prides itself on staying sleek, adept, and effective. Our team is top-tier. And our systems keep the agency humming. This includes streamlined trafficking and redundant proofreading and quality checking. At B&P, it happens at every step of every job. We check. Recheck. And check again. And this level of excellence doesn't stop at our front door. We hold our vendors and media partners to the same high standard. Precision is the order of the day, every day, at B&P. Because that level of attention to detail translates into real value for our clients—in both time and money saved.

As a full-service agency, B&P has a well-stocked arsenal of expertise at your disposal, all under one roof, available with a single phone call. B&P plans, concepts, and oversees everything in-house. We then have a trusted network of vendors to ensure everything is produced to all parties' utmost satisfaction. From printers to audio production houses and video editing studios, B&P has developed relationships here in our community and, when necessary, across the country to meet the needs of our clients. In many ways,

Las Vegas is still a small town. And our sterling reputation and unshakable relationships throughout the community will continue to matter for UMC.

g. B&P is making no assumptions in this proposal.

h. B&P has no constraints to this proposal.

i. Top Three Features and Benefits That Distinguish B&P from Competitors

B&P is best suited to meet all the requirements in this RFP. We've proven this with past efforts. And we're excited to discover what's next for the hospital and B&P. Below is a list of the top three features that distinguish B&P from competitors.

1. On time. In budget. It's our mantra.

Our track record for keeping deadlines is stellar, thanks to a staff that understands planning, and a trafficking system that ensures both accuracy and efficiency. We have a hard-earned reputation of delivering amazing work within deadline, and everything we do is fueled by our desire to keep earning that reputation with every client, on every project.

We are always looking for ways to minimize costs and maximize effectiveness for all of our clients, in all that we do. Adhering to budgets and timelines are inextricably sewn into how we do business. We believe they are amongst the fundamentals of greatness.

2. Added Value

When it comes to bringing added value to UMC, B&P has been doing so since day one of our relationship.

We offer UMC a discounted agency rate of \$125 per hour—and we haven't raised our rates since our relationship began. That means with every project we undertake for UMC, you're getting our best work at our best possible price. Costs are presented to UMC's marketing team before a project even begins so there is never any "surprise billing."

Regarding media commissions, UMC has enjoyed one of the lowest rates offered to any B&P client—12% of gross—throughout our tenure as agency of record. No matter the hospital's annual media spend, UMC's rates stay locked in.

In addition, as evidenced by the chart on the following page, we've consistently delivered real, tangible added value, year after year, on media buys. We do this by extending paid buys with bonus inventory, unlocking matching funds, creating trade programs, finding database opportunities, and proposing events. In short, UMC's budget stretches further by working with B&P.

How do we do this better than other agencies? Through our partnership with R&R, we boast a powerhouse-level \$450 million in annual media billings (and B&P places more media in the state of Nevada than any other agency).

This buying power allows us to lock in the best placements, rates, and added value in traditional media, digital media, programmatic, SEM, and social media. Our buying power also means media companies bring betas and new opportunities to us first—allowing UMC and our other clients to "get there" before the competition does. We are also a preferred agency partner to media industry heavyweights like Google, Facebook, and The Trade Desk, which allows us to work closely with their in-house teams to bring the most effective solutions possible to UMC.

3. Stability & Dependability

During the past twenty-plus years in business, B&P has been a fixture in the southern Nevada advertising community. While other full-service agencies disappeared from the market or scaled down to bare-bones staff (while outsourcing more and more services), B&P crafted and maintained a plan for smart, steady growth.

ADDED VALUE BY YEAR						
Tactic	2018 – 2019	2019 – 2020	2020 – 2021	2021 – 2022	2022 – 2023	Total by Tactic
Broadcast AV						
TV – Brand	\$58,782.10	\$43,460.25	\$78,235.35	\$63,203.51	\$63,203.51	\$306,884.72
TV – Quick Care	\$80,209.84	\$69,006.60	\$72,117.30	\$53,231.87	\$53,231.87	\$327,797.48
Radio – Quick Care	\$11,252.88	-	-	-	-	\$11,252.88
Radio – Kohl's Remotes	\$3,028.42	\$1,713.92	\$1,155.21	\$854.45	-	\$6,752.00
Radio – Wellness Remotes	-	-	-	\$3,870.58	-	\$3,870.58
Radio – Wellness	-	-	-	\$5,428.26	-	\$5,428.26
<i>Broadcast AV Subtotal</i>	<i>\$153,273.24</i>	<i>\$114,180.77</i>	<i>\$151,507.86</i>	<i>\$126,588.67</i>	<i>\$116,435.38</i>	<i>\$661,985.92</i>
<i>Broadcast Total Buys</i>	<i>\$584,257.00</i>	<i>\$417,180.00</i>	<i>\$533,538.00</i>	<i>\$425,287.00</i>	<i>\$414,153.00</i>	
<i>TV AV % of TV Buy Only</i>	<i>26%</i>	<i>27%</i>	<i>28%</i>	<i>30%</i>	<i>28%</i>	
Print						
Print – Brand	\$13,665.00	\$19,181.00	\$17,701.00	\$8,106.00	\$2,556.00	
<i>Print AV Subtotal</i>	<i>\$13,665.00</i>	<i>\$19,181.00</i>	<i>\$17,701.00</i>	<i>\$8,106.00</i>	<i>\$2,556.00</i>	<i>\$61,209.00</i>
Out-of-Home						
OOH – Brand	\$24,800.00	\$46,644.00	\$77,000.00	\$78,325.00	\$79,720.00	
OOH – Quick Care	\$0.00	\$0.00	\$23,713.00	\$15,780.00	\$23,670.00	
<i>OOH AV Subtotal</i>	<i>\$24,800.00</i>	<i>\$46,644.00</i>	<i>\$100,713.00</i>	<i>\$94,105.00</i>	<i>\$103,390.00</i>	<i>\$369,652.00</i>
Sponsorships						
Sponsorships – Brand	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total by Year	\$191,738.24	\$180,005.77	\$269,921.86	\$228,799.67	\$222,381.38	\$1,092,846.92
Net Media	\$1,406,238	\$1,315,409	\$1,948,071	\$958,220	\$1,332,709	\$6,960,647
% AV on Net Media	14%	14%	14%	24%	17%	16%

Because of this, we've been able to create more jobs for southern Nevadans. We've been able to evolve with long-time clients. We've been able to add new clients who quickly come to appreciate our level of service.

Those who do business with us know B&P as a financially stable, highly reliable advertising resource. Even during the ongoing pandemic, B&P's steady footing has allowed the agency to weather the complete shutdown of our valley, while adding new talent to our team and introducing new clients to the B&P fold.

B&P is here for UMC. For our employees. For our hometown. Always.

EXHIBIT B
Promotion, Marketing, & Advertising
INSURANCE REQUIREMENTS

TO ENSURE COMPLIANCE WITH THE AGREEMENT DOCUMENT, COMPANY SHOULD FORWARD THE FOLLOWING INSURANCE CLAUSE AND SAMPLE INSURANCE FORM TO THEIR INSURANCE AGENT PRIOR TO PROPOSAL SUBMITTAL.

- A. **Format/Time**: COMPANY shall provide HOSPITAL with Certificates of Insurance, per the sample format (page B-3), for coverage as listed below, and endorsements affecting coverage required by this Agreement within **ten (10) business days** after the award by HOSPITAL. All policy certificates and endorsements shall be signed by a person authorized by that insurer and who is licensed by the State of Nevada in accordance with NRS 680A.300. All required aggregate limits shall be disclosed and amounts entered on the Certificate of Insurance, and shall be maintained for the duration of the Agreement and any renewal periods.
- B. **Best Key Rating**: HOSPITAL requires insurance carriers to maintain during the Agreement term, a Best Key Rating of A.VII or higher, which shall be fully disclosed and entered on the Certificate of Insurance.
- C. **HOSPITAL Coverage**: HOSPITAL, its officers and employees must be expressly covered as additional insured's except on Workers' Compensation. COMPANY's insurance shall be primary as respects HOSPITAL, its officers and employees.
- D. **Endorsement/Cancellation**: COMPANY's general liability and automobile liability insurance policy shall be endorsed to recognize specifically COMPANY's contractual obligation of additional insured to HOSPITAL and must note that HOSPITAL will be given thirty (30) calendar days advance notice by certified mail "return receipt requested" of any policy changes, cancellations, or any erosion of insurance limits. Either a copy of the additional insured endorsement, or a copy of the policy language that gives HOSPITAL automatic additional insured status must be attached to any certificate of insurance.
- E. **Deductibles**: All deductibles and self-insured retentions shall be fully disclosed in the Certificates of Insurance and may not exceed \$25,000.
- F. **Aggregate Limits**: If aggregate limits are imposed on bodily injury and property damage, then the amount of such limits must not be less than \$2,000,000.
- G. **Commercial General Liability**: Subject to Paragraph 6 of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury (including death), personal injury and property damages. Commercial general liability coverage shall be on a "per occurrence" basis only, not "claims made," and be provided either on a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad Form CGL endorsement) insurance form. Policies must contain a primary and non-contributory clause and must contain a waiver of subrogation endorsement.
- H. **Automobile Liability**: Subject to Paragraph 6 of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage to include, but not be limited to, coverage against all insurance claims for injuries to persons or damages to property which may arise from services rendered by COMPANY and **any auto** used for the performance of services under this Agreement.
- I. **Professional Liability**: COMPANY shall maintain limits of no less than \$1,000,000 aggregate. If the professional liability insurance provided is on a Claims Made Form, then the insurance coverage required must continue for a period of two (2) years beyond the completion or termination of this Agreement. Any retroactive date must coincide with or predate the beginning of this and may not be advanced without the consent of HOSPITAL.
- J. **Workers' Compensation**: COMPANY shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D, inclusive, provided, however, a COMPANY that is a Sole Proprietor shall be required to submit an affidavit (Attachment 1) indicating that COMPANY has elected not to be included in the terms, conditions and provisions of Chapters 616A-616D, inclusive, and is otherwise in compliance with those terms, conditions and provisions.
- K. **Failure To Maintain Coverage**: If COMPANY fails to maintain any of the insurance coverage required herein, HOSPITAL may withhold payment, order COMPANY to stop the work, declare COMPANY in breach, suspend or terminate the Agreement, assess liquidated damages as defined herein, or may purchase replacement insurance or pay premiums due on existing policies. HOSPITAL may collect any replacement insurance costs or premium payments made from COMPANY or deduct the amount paid from any sums due COMPANY under this Agreement.
- L. **Additional Insurance**: COMPANY is encouraged to purchase any such additional insurance as it deems necessary.
- M. **Damages**: COMPANY is required to remedy all injuries to persons and damage or loss to any property of HOSPITAL, caused in whole or in part by COMPANY, its subcontractors or anyone employed, directed or supervised by COMPANY.
- N. **Cost**: COMPANY shall pay all associated costs for the specified insurance. The cost shall be included in the price(s).
- O. **Insurance Submittal Address**: All Insurance Certificates requested shall be sent to University Medical Center, Attention: Contracts Management. See the Notice Clause in the Agreement for the appropriate mailing address.
- P. **Insurance Form Instructions**: The following information **must** be filled in by COMPANY's Insurance Company representative:

1. Insurance Broker's name, complete address, phone and fax numbers.
2. COMPANY's name, complete address, phone and fax numbers.
3. Insurance Company's Best Key Rating
4. Commercial General Liability (Per Occurrence)
 - (A) Policy Number
 - (B) Policy Effective Date
 - (C) Policy Expiration Date
 - (D) Each Occurrence (\$1,000,000)
 - (E) Damage to Rented Premises (\$50,000)
 - (F) Medical Expenses (\$5,000)
 - (G) Personal & Advertising Injury (\$1,000,000)
 - (H) General Aggregate (\$2,000,000)
 - (I) Products - Completed Operations Aggregate (\$2,000,000)
5. Automobile Liability (Any Auto)
 - (J) Policy Number
 - (K) Policy Effective Date
 - (L) Policy Expiration Date
 - (M) Combined Single Limit (\$1,000,000)
6. Worker's Compensation: The COMPANY shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D
7. Professional Liability
 - (N) Policy Number
 - (O) Policy Effective Date
 - (P) Policy Expiration Date
 - (Q) Aggregate (\$1,000,000)
8. Description: Promotion, Marketing, & Advertising (must be identified on the initial insurance form and each renewal form).
9. Certificate Holder:

University Medical Center of Southern Nevada
 c/o Contracts Management
 1800 W. Charleston Blvd.
 Las Vegas, Nevada 89102
10. Appointed Agent Signature to include license number and issuing state.
11. Notwithstanding any other provision to the contrary herein, the parties hereto agree that (1) all coverage provided by COMPANY hereunder shall be on a per policy basis; (2) COMPANY shall provide evidence of all such coverages upon request; (3) COMPANY agrees to provide HOSPITAL with a written notice of cancellation in accordance with COMPANY'S insurance policies; (4) all references herein to any ISO, Acord or other insurance form shall be read as to include "or equivalent, at the discretion of COMPANY"; and (5) COMPANY reserves the right to meet Excess/Umbrella Liability coverage requirements by increasing its Commercial General Liability, Business Automobile Liability and Employer's Liability Insurance limits.

POLICY NUMBER: _____

COMMERCIAL GENERAL AND AUTOMOBILE LIABILITY

CBE NUMBER AND CONTRACT NAME: Promotion, Marketing, & Advertising

THIS ENDORSEMENT CHANGED THE POLICY. PLEASE READ IT CAREFULLY
ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY AND AUTOMOBILE LIABILITY COVERAGE PART.

SCHEDULE

Name of Person or Organization:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
C/O CONTRACTS MANAGEMENT
1800 W. CHARLESTON BLVD.
LAS VEGAS, NV 89102

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule as an insured but only with respect to liability arising out of your operations or premises owned by or rented to you.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, ITS OFFICERS, EMPLOYEES AND VOLUNTEERS ARE INSUREDS WITH RESPECT TO LIABILITY ARISING OUT OF THE ACTIVITIES BY OR ON BEHALF OF THE NAMED INSURED IN CONNECTION WITH THIS PROJECT.

ATTACHMENT 1 (OPTIONAL)

AFFIDAVIT

(ONLY REQUIRED FOR A SOLE PROPRIETOR)

I, _____, on behalf of my company, _____, being duly sworn,
(Name of Sole Proprietor) (Legal Name of Company)

depose and declare:

1. I am a Sole Proprietor;
2. I will not use the services of any employees in the performance of this Agreement, identified as Promotion, Marketing, & Advertising;
3. I have elected to not be included in the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive; and
4. I am otherwise in compliance with the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive.

I release University Medical Center of Southern Nevada from all liability associated with claims made against me and my Company, in the performance of this Agreement, that relate to compliance with NRS Chapters 616A-616D, inclusive.

Signed this _____ day of _____, _____.

Signature _____

State of Nevada)
)ss.
County of Clark)

Signed and sworn to (or affirmed) before me on this _____ day of _____, 20____,
by _____ (name of person making statement).

Notary Signature

STAMP AND SEAL

EXHIBIT C
SUBCONTRACTOR INFORMATION

DEFINITIONS:

MINORITY OWNED BUSINESS ENTERPRISE (MBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.

WOMEN OWNED BUSINESS ENTERPRISE (WBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.

PHYSICALLY-CHALLENGED BUSINESS ENTERPRISE (PBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.

SMALL BUSINESS ENTERPRISE (SBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function, is **not** owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.

NEVADA BUSINESS ENTERPRISE (NBE): Any Nevada business which has the resources necessary to sufficiently perform identified County projects, and is owned or controlled by individuals that are not designated as socially or economically disadvantaged.

VETERAN OWNED ENTERPRISE (VET): A Nevada business at least 51% owned/controlled by a veteran.

DISABLED VETERAN OWNED ENTERPRISE (DVET): A Nevada business at least 51% owned/controlled by a disabled veteran.

It is our intent to utilize the following MBE, WBE, PBE, SBE, and NBE subcontractors in association with this Agreement:

1. Subcontractor Name: _____
Contact Person: _____ Telephone Number: _____
Description of Work: _____

Estimated Percentage of Total Dollars: _____
Business Type: ___ MBE ___ WBE ___ PBE ___ SBE ___ NBE

2. Subcontractor Name: _____
Contact Person: _____ Telephone Number: _____
Description of Work: _____

Estimated Percentage of Total Dollars: _____
Business Type: ___ MBE ___ WBE ___ PBE ___ SBE ___ NBE

3. Subcontractor Name: _____
Contact Person: _____ Telephone Number: _____
Description of Work: _____

Estimated Percentage of Total Dollars: _____
Business Type: ___ MBE ___ WBE ___ PBE ___ SBE ___ NBE

4. Subcontractor Name: _____
Contact Person: _____ Telephone Number: _____
Description of Work: _____

Estimated Percentage of Total Dollars: _____
Business Type: ___ MBE ___ WBE ___ PBE ___ SBE ___ NBE

No MBE, WBE, PBE, SBE, or NBE subcontractors will be used

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type (Please select one)						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group (Please select all that apply)						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
Number of Clark County Nevada Residents Employed:						
Corporate/Business Entity Name:		R&R/CRR Holdings, LLC				
(Include d.b.a., if applicable)		B&P Advertising				
Street Address:		900 South Pavilion Center Drive, Suite 170		Website: bpadlv.com		
City, State and Zip Code:		Las Vegas, NV 89144		POC Name:		
Telephone No:		702-967-2222		Email:		
Nevada Local Street Address:				Fax No: 702-967-2223		
(If different from above)				Website:		
City, State and Zip Code:				Local Fax No:		
Local Telephone No:				Local POC Name:		
				Email:		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Charles Johnston	Managing Partner/President	13.2%
Robert Catalano	Executive Creative Director	9.6%
Rodney Reber	Director of Account Services	7.2%

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes No

1. Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

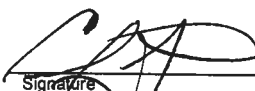
Yes No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

Yes No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

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I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.



 Signature
 President

 Title

Chuck Johnston

 Print Name
 11/28/22

 Date

**INSTRUCTIONS FOR COMPLETING THE
DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**

Purpose of the Form

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

General Instructions

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

Detailed Instructions

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

Business Entity Type – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

Non-Profit Organization (NPO) - Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

Business Designation Group – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

Business Name (include d.b.a., if applicable) – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

Corporate/Business Address, Business Telephone, Business Fax, and Email – Enter the street address, telephone and fax numbers, and email of the named business entity.

Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)

List of Owners/Officers – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

For All Contracts – (Not required for publicly-traded corporations)

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If YES, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

Signature and Print Name – Requires signature of an authorized representative and the date signed.

Disclosure of Relationship Form – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

DISCLOSURE OF RELATIONSHIP

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT

* UMC employee means an employee of University Medical Center of Southern Nevada

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For UMC Use Only:

If any Disclosure of Relationship is noted above, please complete the following:

Yes No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?

Yes No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Signature

Print Name
Authorized Department Representative

N/A

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Zunesis Inc. and Custom Storage, LLC contracts for the Compute & Storage Project.	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
<p>Recommendation:</p> <p>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the agreements with Zunesis Inc. and Customer Storage, LLC for UMC’s Compute & Storage project; authorize the Chief Executive Officer to exercise any extension options and execute future amendments within his yearly delegation or authority; or take action as deemed appropriate. (<i>For possible action</i>)</p>	

FISCAL IMPACT:

Fund Number: 5430.011, 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000999901, 3000854000	Funded Pgm/Grant: N/A
Description: This request is for hardware, software and professional services to replace the end of life compute and storage systems.	
CBE: 332.115.1 (h) Computer Software, (g) Computer Hardware	
Term: Until Project Completion or One (1) Year, whichever comes sooner.	
Amount: NTE \$1,748,244.34	
Zunesis: \$1,655,764.42	
Custom Storage, LLC: \$92,479.92	
Out Clause: Budget Act and Fiscal Fund Out	

BACKGROUND:

This request is to execute hardware, software and professional services agreements to replace the end of life compute and storage systems currently used by UMCSN. The project is funded through Capital Project #23-052. UMCSN will purchase the hardware and software through Zunesis, Inc. and the implementation services will be provided through Custom Storage, LLC which include migration of data from current UMCSN systems to the new systems.

UMC’s Chief Information Officer has reviewed and recommends approval of the agreements with Zunesis and cStor.

These agreements have been approved as to form by UMC’s Office of General Counsel.

Both Custom Storage, LLC & Zunesis, Inc. currently hold a Clark County business license.

Cleared for Agenda
December 7, 2022

Agenda Item #

9

We have prepared a quote for you



HPE - Cluster 1 - 2 x Large Compute Nodes

QUOTE #006679 V2

PREPARED FOR

University Medical Center



P: (720) 221-5200 E: tom.savage@zunesis.com W: <https://www.zunesis.com/>

Hardware

Item	Qty	Description	Price	Ext. Price
ROR09A	1	HPE ProStack NS CTO Add Base Array Trk	\$1.00	\$1.00
P19720-B21	2	HPE DL380 Gen10 8SFF NC CTO Svr	\$1,034.05	\$2,068.10
P19720-B21#ABA	2	HPE DL380 G10 CTO Mod-X 8SFF WO NIC	\$0.00	\$0.00
P23553-L21	2	Intel Xeon-G 5220R FIO Kit for DL380 G10	\$2,512.00	\$5,024.00
P23553-B21	2	Intel Xeon-G 5220R Kit for DL380 Gen10	\$2,545.84	\$5,091.68
P23553-B21#0D1	2	Factory integrated	\$0.00	\$0.00
P00930-B21	24	HPE 64GB 2Rx4 PC4-2933Y-R Smart Kit	\$906.95	\$21,766.80
P00930-B21#0D1	24	Factory Integrated	\$0.00	\$0.00
817718-B21	2	HPE Eth 10/25Gb 2p 631SFP28 Adptr	\$208.62	\$417.24
817718-B21#0D1	2	Factory Integrated	\$0.00	\$0.00
P12965-B21	2	HPE NS204i-p Gen10+ Boot Ctrlr	\$418.35	\$836.70
P12965-B21#0D1	2	Factory Integrated	\$0.00	\$0.00
817709-B21	2	HPE 10/25GbE 2p FLR-SFP28 BCM957414 Adp	\$208.64	\$417.28
817709-B21#0D1	2	Factory Integrated	\$0.00	\$0.00
865414-B21	4	HPE 800W FS Plat Ht Plg LH Pwr Sply Kit	\$98.49	\$393.96
865414-B21#0D1	4	Factory Integrated	\$0.00	\$0.00
BD505A	2	HPE iLO Adv 1-svr Lic 3yr Support	\$250.95	\$501.90
BD505A#0D1	2	Factory Integrated	\$0.00	\$0.00
733664-B21	2	HPE 2U CMA for Easy Install Rail Kit	\$20.68	\$41.36
733664-B21#0D1	2	Factory Integrated	\$0.00	\$0.00
864279-B21	2	HPE TPM 2.0 Gen10 Kit	\$22.43	\$44.86



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Hardware

Item	Qty	Description	Price	Ext. Price
864279-B21#0D1	2	Factory Integrated	\$0.00	\$0.00
867809-B21	2	HPE Gen10 2U Bezel Kit	\$51.34	\$102.68
867809-B21#0D1	2	Factory Integrated	\$0.00	\$0.00
867824-B21	2	HPE Gen10 Intrusion Detection Kit	\$31.05	\$62.10
867824-B21#0D1	2	Factory Integrated	\$0.00	\$0.00
875519-B21	2	HPE Bezel Lock Kit	\$41.45	\$82.90
875519-B21#0D1	2	Factory Integrated	\$0.00	\$0.00
733660-B21	2	HPE 2U SFF Easy Install Rail Kit	\$24.62	\$49.24
733660-B21#0D1	2	Factory Integrated	\$0.00	\$0.00
R8E93A	2	HPE NS dHCI w/ Add Cust ESXi 7.0 FIO SW	\$1.00	\$2.00
A0K02A	4	HPE 2.0m 10A C13-C14 Blk Jpr Cord	\$12.23	\$48.92
HU4A6A5	1	HPE 5Y Tech Care Essential SVC	\$0.00	\$0.00
HU4A6A5#WAH	2	HPE DL38x Gen10 Support	\$3,227.25	\$6,454.50
HU4A6A5#R2M	2	HPE iLO Advanced Non Blade Support	\$40.32	\$80.64
R0R10A	2	HPE NS dHCI Add DL3x0 Svr Trk	\$0.27	\$0.54
HP7E2A1	1	HPE Nimble Storage dHCI HW Install SVC	\$7,065.59	\$7,065.59
844477-B21	4	HPE 25Gb SFP28 to SFP28 3m DAC	\$73.68	\$294.72

Subtotal: **\$50,848.71**

Shipping

Item	Qty	Description	Price	Ext. Price
Please Note	1	Standard Ground Shipping is included as part of this solution	\$0.00	\$0.00



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HPE - Cluster 1 - 2 x Large Compute Nodes

Quote Information:

Quote #: 006679
Version: 2
Delivered: 11/17/2022
Expires: 12/30/2022

Prepared for:

University Medical Center
1800 W Charleston Blvd
Las Vegas, NV 89102
Rick Aker
richard.aker@umcsn.com
(702) 224-7102

Prepared by:

Zunesis
Tom Savage
(720) 880-5493
tom.savage@zunesis.com

Quote Summary

Description	Amount
Hardware	\$50,848.71
Total	\$50,848.71

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Appendix

BUDGET ACT AND FISCAL FUND OUT: In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under the Agreement between the parties shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. The Agreement shall terminate and UMC's obligations under it shall be extinguished at the end of any of UMC's fiscal years in which UMC's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under the Agreement. UMC agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to the Agreement. In the event this Section is invoked, the Agreement will expire on the 30th day of June of the then current fiscal year. Termination under this Section shall not relieve UMC of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

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We have prepared a quote for you



HPE - Cluster 1 - HF60 Expansion

QUOTE #006680 V2

PREPARED FOR

University Medical Center



P: (720) 221-5200 E: tom.savage@zunesis.com W: <https://www.zunesis.com/>

Hardware

Item	Qty	Description	Price	Ext. Price
Q8G47B	1	HPE NS HF40/60 ES3 126TB 9.6TB CTO Shelf	\$36,870.12	\$36,870.12
Q8J27A	2	HPE NS C13 to C14 FIO Power Cord	\$0.90	\$1.80
R0R42A	4	HPE 25Gb SFP28 SR 30m XCVR	\$444.02	\$1,776.08
QK733A	2	HPE Premier Flex LC/LC OM4 2f 2m Cbl	\$40.16	\$80.32
R3P98A	1	HPE NS 2x25GbE 2p SFP28 Adptr Fld Upgr	\$2,194.24	\$2,194.24
HA124A1	1	HPE Technical Installation Startup SVC	\$0.00	\$0.00
HA124A1#5MS	1	HPE Tier 1 Storage Array Upg Startup SVC	\$2,295.00	\$2,295.00
HU4A9A5	1	HPE 5Y Tech Care Essential Exch SVC	\$0.00	\$0.00
HU4A9A5#ZFU	1	HPE NS HF40/60 ES3 126TB Shelf Supp	\$11,941.98	\$11,941.98
HU4A9A5#ZJG	1	HPE NS 2x25GbE 2p SFP28 Adp Fld Upg Supp	\$1,231.52	\$1,231.52
			Subtotal:	\$56,391.06

Shipping

Item	Qty	Description	Price	Ext. Price
Please Note	1	Standard Ground Shipping is included as part of this solution	\$0.00	\$0.00



P: (720) 221-5200 E: tom.savage@zunesis.com W: <https://www.zunesis.com/>

HPE - Cluster 1 - HF60 Expansion

Quote Information:

Quote #: 006680
Version: 2
Delivered: 11/17/2022
Expires: 12/30/2022

Prepared for:

University Medical Center
1800 W Charleston Blvd
Las Vegas, NV 89102
Rick Aker
richard.aker@umcsn.com
(702) 224-7102

Prepared by:

Zunesis
Tom Savage
(720) 880-5493
tom.savage@zunesis.com

Quote Summary

Description	Amount
Hardware	\$56,391.06
Total	\$56,391.06

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We have prepared a quote for you



HPE - Cluster 1 - dHCI Alletra 46TB

QUOTE #006681 V2

PREPARED FOR

University Medical Center



P: (720) 221-5200 E: tom.savage@zunesis.com W: https://www.zunesis.com/

Hardware

Item	Qty	Description	Price	Ext. Price
R8E17A	1	HPE NS dHCI with Alletra 6000 CTO Trk	\$0.92	\$0.92
HA124A1	1	HPE Technical Installation Startup SVC	\$0.00	\$0.00
HA124A1#V0T	1	HPE Nimble Storage dHCI Expan Deploy SVC	\$14,388.38	\$14,388.38
R7L27A	1	HPE NS dHCI with Alletra 6030 CTO Array	\$19,526.44	\$19,526.44
R0R12A	2	HPE Alletra 6000 2x10/25GbE 2p FIO Adpr	\$1,603.90	\$3,207.80
R7D07A	4	HPE Alletra 6000 SFP28 100m FIO XCVR	\$762.31	\$3,049.24
R7S82A	1	HPE Alletra 6000 46TB 24x1.92TB FIO Bdl	\$53,367.24	\$53,367.24
R8E99A	1	HPE NS dHCI NOS PB for ESXi 7.0 FIO SW	\$0.25	\$0.25
R9D23A	4	HPE C13 - C14 2m WW PDU FIO Pwr Cord	\$9.04	\$36.16
R9X15A	1	HPE Alletra Tier 1 Storage Array Std Trk	\$0.96	\$0.96
R7G13A	1	HPE Alletra 6000/H 4x1600W FIO AC PS Kit	\$1,794.86	\$1,794.86
R7N52AAE	1	HPE Alletra Software Perpetual	\$0.00	\$0.00
R7N52AAE#CTH	1	HPE 5Y Alletra SW Support	\$59,640.00	\$59,640.00
HU4A6A5	1	HPE 5Y Tech Care Essential SVC	\$0.00	\$0.00
HU4A6A5#ZUN	2	HPE Alletra 6000 2x10/25GbE 2p Kit Supp	\$164.20	\$328.40
HU4A6A5#ZUF	1	HPE Alletra 6030 Base Array Supp	\$2,032.54	\$2,032.54
HU4A6A5#ZV4	1	HPE Alletra 6000 AF 46TB 1.92 Flash Supp	\$5,454.22	\$5,454.22
R0R42A	8	HPE 25Gb SFP28 SR 30m XCVR	\$444.02	\$3,552.16
QK733A	8	HPE Premier Flex LC/LC OM4 2f 2m Cbl	\$40.16	\$321.28
R0R41B	8	HPE 10GBASE-T SFP+ RJ45 30m 1pk XCVR	\$386.01	\$3,088.08

Subtotal: **\$169,788.93**



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Shipping

Item	Qty	Description	Price	Ext. Price
Please Note	1	Standard Ground Shipping is included as part of this solution	\$0.00	\$0.00



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HPE - Cluster 1 - dHCI Alletra 46TB

Quote Information:

Quote #: 006681
Version: 2
Delivered: 11/17/2022
Expires: 12/30/2022

Prepared for:

University Medical Center
1800 W Charleston Blvd
Las Vegas, NV 89102
Rick Aker
richard.aker@umcsn.com
(702) 224-7102

Prepared by:

Zunesis
Tom Savage
(720) 880-5493
tom.savage@zunesis.com

Quote Summary

Description	Amount
Hardware	\$169,788.93
Total	\$169,788.93

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We have prepared a quote for you



HPE - Cluster 2 - dHCI Alletra 46TB

QUOTE #006682 V2

PREPARED FOR

University Medical Center



P: (720) 221-5200 E: tom.savage@zunesis.com W: <https://www.zunesis.com/>

Hardware

Item	Qty	Description	Price	Ext. Price
R8E17A	1	HPE NS dHCI with Alletra 6000 CTO Trk	\$0.90	\$0.90
HA124A1	1	HPE Technical Installation Startup SVC	\$0.00	\$0.00
HA124A1#V0T	1	HPE Nimble Storage dHCI Expan Deploy SVC	\$14,388.38	\$14,388.38
R7L27A	1	HPE NS dHCI with Alletra 6030 CTO Array	\$19,526.44	\$19,526.44
R0R12A	2	HPE Alletra 6000 2x10/25GbE 2p FIO Adpr	\$1,603.90	\$3,207.80
R7D07A	4	HPE Alletra 6000 SFP28 100m FIO XCVR	\$762.31	\$3,049.24
R7S82A	1	HPE Alletra 6000 46TB 24x1.92TB FIO Bdl	\$53,367.22	\$53,367.22
R8E99A	1	HPE NS dHCI NOS PB for ESXi 7.0 FIO SW	\$0.25	\$0.25
R9D23A	4	HPE C13 - C14 2m WW PDU FIO Pwr Cord	\$9.04	\$36.16
R9X15A	1	HPE Alletra Tier 1 Storage Array Std Trk	\$0.96	\$0.96
R7G13A	1	HPE Alletra 6000/H 4x1600W FIO AC PS Kit	\$1,794.86	\$1,794.86
R7N52AAE	1	HPE Alletra Software Perpetual	\$0.00	\$0.00
R7N52AAE#CTH	1	HPE 5Y Alletra SW Support	\$59,640.00	\$59,640.00
HU4A6A5	1	HPE 5Y Tech Care Essential SVC	\$0.00	\$0.00
HU4A6A5#ZUN	2	HPE Alletra 6000 2x10/25GbE 2p Kit Supp	\$164.20	\$328.40
HU4A6A5#ZUF	1	HPE Alletra 6030 Base Array Supp	\$2,032.54	\$2,032.54
HU4A6A5#ZV4	1	HPE Alletra 6000 AF 46TB 1.92 Flash Supp	\$5,454.22	\$5,454.22
R0R42A	8	HPE 25Gb SFP28 SR 30m XCVR	\$444.02	\$3,552.16
QK733A	8	HPE Premier Flex LC/LC OM4 2f 2m Cbl	\$40.16	\$321.28
R0R41B	8	HPE 10GBASE-T SFP+ RJ45 30m 1pk XCVR	\$386.01	\$3,088.08

Subtotal: **\$169,788.89**



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Shipping

Item	Qty	Description	Price	Ext. Price
Please Note	1	Standard Ground Shipping is included as part of this solution	\$0.00	\$0.00



P: (720) 221-5200 E: tom.savage@zunesis.com W: <https://www.zunesis.com/>

HPE - Cluster 2 - dHCI Alletra 46TB

Quote Information:

Quote #: 006682
Version: 2
Delivered: 11/17/2022
Expires: 12/30/2022

Prepared for:

University Medical Center
1800 W Charleston Blvd
Las Vegas, NV 89102
Rick Aker
richard.aker@umcsn.com
(702) 224-7102

Prepared by:

Zunesis
Tom Savage
(720) 880-5493
tom.savage@zunesis.com

Quote Summary

Description	Amount
Hardware	\$169,788.89
Total	\$169,788.89

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We have prepared a quote for you



HPE - Cluster 2 - dHCI HF60 336TB

QUOTE #006683 V4

PREPARED FOR

University Medical Center



P: (720) 221-5200 E: tom.savage@zunesis.com W: <https://www.zunesis.com/>

Hardware

Item	Qty	Description	Price	Ext. Price
ROR08A	1	HPE ProStack Base Config Trk	\$0.88	\$0.88
P19720-B21	9	HPE DL380 Gen10 8SFF NC CTO Svr	\$1,081.82	\$9,736.38
P19720-B21#ABA	9	HPE DL380 G10 CTO Mod-X 8SFF WO NIC	\$0.00	\$0.00
P23553-L21	9	Intel Xeon-G 5220R FIO Kit for DL380 G10	\$2,628.04	\$23,652.36
P23553-B21	9	Intel Xeon-G 5220R Kit for DL380 Gen10	\$2,663.46	\$23,971.14
P23553-B21#0D1	9	Factory integrated	\$0.00	\$0.00
P00930-B21	108	HPE 64GB 2Rx4 PC4-2933Y-R Smart Kit	\$987.64	\$106,665.12
P00930-B21#0D1	108	Factory Integrated	\$0.00	\$0.00
P18420-B21	18	HPE 240GB SATA RI SFF SC MV SSD	\$165.81	\$2,984.58
P18420-B21#0D1	18	Factory Integrated	\$0.00	\$0.00
817718-B21	9	HPE Eth 10/25Gb 2p 631SFP28 Adptr	\$306.23	\$2,756.07
817718-B21#0D1	9	Factory Integrated	\$0.00	\$0.00
P12965-B21	9	HPE NS204i-p Gen10+ Boot Ctrlr	\$614.07	\$5,526.63
P12965-B21#0D1	9	Factory Integrated	\$0.00	\$0.00
817709-B21	9	HPE 10/25GbE 2p FLR-SFP28 BCM957414 Adp	\$306.22	\$2,755.98
817709-B21#0D1	9	Factory Integrated	\$0.00	\$0.00
865438-B21	18	HPE 800W FS Ti Ht Plg LH Pwr Sply Kit	\$204.14	\$3,674.52
865438-B21#0D1	18	Factory Integrated	\$0.00	\$0.00
BD505A	9	HPE iLO Adv 1-svr Lic 3yr Support	\$261.12	\$2,350.08
BD505A#0D1	9	Factory Integrated	\$0.00	\$0.00
733664-B21	9	HPE 2U CMA for Easy Install Rail Kit	\$30.34	\$273.06



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Hardware

Item	Qty	Description	Price	Ext. Price
733664-B21#0D1	9	Factory Integrated	\$0.00	\$0.00
733660-B21	9	HPE 2U SFF Easy Install Rail Kit	\$36.14	\$325.26
733660-B21#0D1	9	Factory Integrated	\$0.00	\$0.00
R8E93A	9	HPE NS dHCI w/ Add Cust ESXi 7.0 FIO SW	\$0.88	\$7.92
A0K02A	18	HPE 2.0m 10A C13-C14 Blk Jpr Cord	\$12.73	\$229.14
Q2F22A	2	HPE SN2410M 48SFP28 8QSFP28 P2C Swch	\$9,036.38	\$18,072.76
Q6M30A	4	HPE 10GbE SFP+ SR MM 300m XCVR	\$151.72	\$606.88
R0R41B	4	HPE 10GBASE-T SFP+ RJ45 30m 1pk XCVR	\$240.80	\$963.20
R0R42A	12	HPE 25Gb SFP28 SR 30m XCVR	\$276.99	\$3,323.88
845970-B21	4	HPE QSFP28 to SFP28 Adapter	\$159.95	\$639.80
JL271A	2	HPE X240 100G QSFP28 1m DAC Cable	\$534.07	\$1,068.14
844477-B21	36	HPE 25Gb SFP28 to SFP28 3m DAC	\$108.14	\$3,893.04
QK733A	8	HPE Premier Flex LC/LC OM4 2f 2m Cbl	\$25.05	\$200.40
QK735A	4	HPE Premier Flex LC/LC OM4 2f 15m Cbl	\$45.09	\$180.36
HU4A6A5	1	HPE 5Y Tech Care Essential SVC	\$0.00	\$0.00
HU4A6A5#WAH	9	HPE DL38x Gen10 Support	\$3,358.08	\$30,222.72
HU4A6A5#R2M	9	HPE iLO Advanced Non Blade Support	\$41.96	\$377.64
HU4A6A5#RCD	2	HPE SN2410M Storage Switch Support	\$5,362.82	\$10,725.64
HA124A1	1	HPE Technical Installation Startup SVC	\$0.00	\$0.00
HA124A1#5WX	1	HPE Nimble Storage dHCI Base Deploy SVC	\$10,089.73	\$10,089.73
HB983A1	7	HPE Installation Comm Svrs Hourly SVC	\$186.31	\$1,304.17
HF385A1	2	HPE Training Credit Servers/HybridIT SVC	\$1,057.84	\$2,115.68
R4S86A	1	HPE NS dHCI HF60 Adapt DC CTO Base Array	\$31,905.74	\$31,905.74
R3Q00A	2	HPE NS 2x25GbE 2p SFP28 FIO Adptr Kit	\$2,118.23	\$4,236.46



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Hardware

Item	Qty	Description	Price	Ext. Price
Q8B57B	1	HPE NS HF40/60 Hybrid 210TB FIO HDD Bndl	\$53,985.23	\$53,985.23
Q8B66B	1	HPE NS HF40/60 23.04TB FIO Cache Bndl	\$44,657.08	\$44,657.08
R0P84A	2	HPE NS IEC 60320 C14 to C19 FIO Pwr Cord	\$0.88	\$1.76
R3P91A	1	HPE Tier 1 Storage Array Standard Trk	\$0.24	\$0.24
R8E98A	1	HPE NS dHCI NOS PG for ESXi 7.0 FIO SW	\$0.24	\$0.24
R4T01A	1	HPE NS dHCI HF4/60 126TB 9.6TB CTO Shelf	\$80,692.93	\$80,692.93
Q8J27A	2	HPE NS C13 to C14 FIO Power Cord	\$0.88	\$1.76
HU4A6A5	1	HPE 5Y Tech Care Essential SVC	\$0.00	\$0.00
HU4A6A5#ZDW	2	HPE NS 2x25GbE 2p SFP28 FIO Adp Kit Supp	\$1,529.59	\$3,059.18
HU4A6A5#ZFC	1	HPE NS HF40/60 23.04TB Cache Bndl Supp	\$19,622.49	\$19,622.49
HU4A6A5#ZFK	1	HPE NS HF60 Hybrid Base Array Supp	\$29,457.96	\$29,457.96
HU4A6A5#ZFU	1	HPE NS HF40/60 ES3 126TB Shelf Supp	\$14,837.07	\$14,837.07
HU4A6A5#ZFW	1	HPE NS HF40/60 Hybr 210TB HDD Bndl Supp	\$25,576.23	\$25,576.23

Subtotal: **\$576,727.53**

Shipping

Item	Qty	Description	Price	Ext. Price
Please Note	1	Standard Ground Shipping is included as part of this solution	\$0.00	\$0.00



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HPE - Cluster 2 - dHCI HF60 336TB

Quote Information:

Quote #: 006683
Version: 4
Delivered: 11/17/2022
Expires: 12/30/2022

Prepared for:

University Medical Center
1800 W Charleston Blvd
Las Vegas, NV 89102
Rick Aker
richard.aker@umcsn.com
(702) 224-7102

Prepared by:

Zunesis
Tom Savage
(720) 880-5493
tom.savage@zunesis.com

Quote Summary

Description	Amount
Hardware	\$576,727.53
Total	\$576,727.53

Customer's order is governed solely by any applicable written agreement signed by Zunesis and Customer in which the parties intend to apply to this order, or if there is no such written agreement, by Zunesis' standard Terms and Conditions and by this reference are incorporated herein. Also, if there is no such written agreements, customer's reference to this Quote in its order is Customer's agreement that only Zunesis' Terms and Conditions apply to the order. Taxes. Shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.



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Appendix

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We have prepared a quote for you



HPE - SQL - dHCI 6030 92TB

QUOTE #006816 V2

PREPARED FOR

University Medical Center



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Hardware

Item	Qty	Description	Price	Ext. Price
R8E16A	1	HPE NS dHCI with Alletra 6000 Config Trk	\$1.03	\$1.03
P28948-B21	6	HPE DL360 Gen10+ 8SFF NC CTO Svr	\$1,914.19	\$11,485.14
P28948-B21#ABA	6	DL360 Gen10 Plus 8SFF CTO Server	\$0.00	\$0.00
P36934-B21	12	INT Xeon-G 6346 CPU for HPE	\$4,938.32	\$59,259.84
P36934-B21#0D1	12	Factory Integrated	\$0.00	\$0.00
P06035-B21	96	HPE 64GB 2Rx4 PC4-3200AA-R Smart Kit	\$1,463.25	\$140,472.00
P06035-B21#0D1	96	Factory Integrated	\$0.00	\$0.00
P26427-B21	6	HPE DL360 Gen10+ 8SFF SAS/SATA BC BP Kit	\$99.06	\$594.36
P26427-B21#0D1	6	Factory integrated	\$0.00	\$0.00
P12965-B21	6	HPE NS204i-p Gen10+ Boot Ctrlr	\$879.29	\$5,275.74
P12965-B21#0D1	6	Factory Integrated	\$0.00	\$0.00
P22702-B21	6	HPE 10/25GbE 2P SFP28 QL41232 Adptr	\$518.68	\$3,112.08
P22702-B21#0D1	6	Factory Integrated	\$0.00	\$0.00
P10118-B21	6	HPE 10/25GbE 2P SFP28 QL41232 OCP3 Adptr	\$518.68	\$3,112.08
P10118-B21#0D1	6	Factory Integrated	\$0.00	\$0.00
P26477-B21	6	HPE DL36x Gen10+ High Perf Fan Kit	\$287.62	\$1,725.72
P26477-B21#0D1	6	Factory integrated	\$0.00	\$0.00
P38995-B21	12	HPE 800W FS Plat Ht Plg LH Pwr Sply Kit	\$214.17	\$2,570.04
P38995-B21#0D1	12	HPE 800W II FS Plat HtPlg Pwr Supply Kit	\$0.00	\$0.00
BD505A	6	HPE iLO Adv 1-svr Lic 3yr Support	\$306.71	\$1,840.26



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Hardware

Item	Qty	Description	Price	Ext. Price
BD505A#0D1	6	Factory Integrated	\$0.00	\$0.00
P26449-B21	6	HPE DL360 Gen10+ SFF Internal Cbl Kit	\$70.30	\$421.80
P26449-B21#0D1	6	Factory integrated	\$0.00	\$0.00
867998-B21	6	HPE 1U Gen10 Bezel Kit	\$33.00	\$198.00
867998-B21#0D1	6	Factory Integrated	\$0.00	\$0.00
875519-B21	6	HPE Bezel Lock Kit	\$52.52	\$315.12
875519-B21#0D1	6	Factory Integrated	\$0.00	\$0.00
P13771-B21	6	HPE Gen10 Plus TPM BR Module Kit	\$39.24	\$235.44
P13771-B21#0D1	6	Factory Integrated	\$0.00	\$0.00
P14604-B21	6	HPE Gen10+ Intrusion Detection Kit	\$27.16	\$162.96
P14604-B21#0D1	6	Factory Integrated	\$0.00	\$0.00
P26479-B21	12	HPE DL360 Gen10+ High Perf Heat Sink Kit	\$98.27	\$1,179.24
P26479-B21#0D1	12	Factory integrated	\$0.00	\$0.00
P26485-B21	6	HPE DL300 G10+ 1U SFF Easy Inst Rail Kit	\$87.48	\$524.88
P26485-B21#0D1	6	Factory integrated	\$0.00	\$0.00
P26489-B21	6	HPE DL300 Gen10+ 1U CMA for Rail Kit	\$47.83	\$286.98
P26489-B21#0D1	6	Factory integrated	\$0.00	\$0.00
R8E93A	6	HPE NS dHCI w/ Add Cust ESXi 7.0 FIO SW	\$1.22	\$7.32
Q2F22A	2	HPE SN2410M 48SFP28 8QSFP28 P2C Swch	\$9,693.95	\$19,387.90
Q6M30A	8	HPE 10GbE SFP+ SR MM 300m XCVR	\$201.49	\$1,611.92
R0R42A	8	HPE 25Gb SFP28 SR 30m XCVR	\$367.86	\$2,942.88



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Hardware

Item	Qty	Description	Price	Ext. Price
845970-B21	4	HPE QSFP28 to SFP28 Adapter	\$191.40	\$765.60
JL271A	2	HPE X240 100G QSFP28 1m DAC Cable	\$627.30	\$1,254.60
844477-B21	24	HPE 25Gb SFP28 to SFP28 3m DAC	\$160.22	\$3,845.28
QK733A	8	HPE Premier Flex LC/LC OM4 2f 2m Cbl	\$33.27	\$266.16
QK735A	8	HPE Premier Flex LC/LC OM4 2f 15m Cbl	\$59.89	\$479.12
HA124A1	1	HPE Technical Installation Startup SVC	\$0.00	\$0.00
HA124A1#5WX	1	HPE Nimble Storage dHCI Base Deploy SVC	\$11,851.43	\$11,851.43
HB983A1	5	HPE Installation Comm Svrs Hourly SVC	\$218.84	\$1,094.20
HU4A6A5	1	HPE 5Y Tech Care Essential SVC	\$0.00	\$0.00
HU4A6A5#ZSA	6	HPE Proliant DL360 Gen10+ Support	\$3,291.83	\$19,750.98
HU4A6A5#R2M	6	HPE iLO Advanced Non Blade Support	\$49.29	\$295.74
HU4A6A5#RCD	2	HPE SN2410M Storage Switch Support	\$6,299.19	\$12,598.38
R7L27A	1	HPE NS dHCI with Alletra 6030 CTO Array	\$38,308.68	\$38,308.68
R0R12A	2	HPE Alletra 6000 2x10/25GbE 2p FIO Adpr	\$1,822.95	\$3,645.90
R7D07A	4	HPE Alletra 6000 SFP28 100m FIO XCVR	\$866.41	\$3,465.64
R7S82A	1	HPE Alletra 6000 46TB 24x1.92TB FIO Bdl	\$57,772.18	\$57,772.18
R9D23A	4	HPE C13 - C14 2m WW PDU FIO Pwr Cord	\$4.25	\$17.00
R9X15A	1	HPE Alletra Tier 1 Storage Array Std Trk	\$0.33	\$0.33
R7G13A	1	HPE Alletra 6000/H 4x1600W FIO AC PS Kit	\$2,039.98	\$2,039.98
R8E98A	1	HPE NS dHCI NOS PG for ESXi 7.0 FIO SW	\$0.33	\$0.33
R7N52AAE	1	HPE Alletra Software Perpetual	\$0.00	\$0.00
R7N52AAE#CTH	1	HPE 5Y Alletra SW Support	\$52,065.72	\$52,065.72
HU4A6A5	1	HPE 5Y Tech Care Essential SVC	\$0.00	\$0.00
HU4A6A5#ZUN	2	HPE Alletra 6000 2x10/25GbE 2p Kit Supp	\$187.65	\$375.30
HU4A6A5#ZUF	1	HPE Alletra 6030 Base Array Supp	\$2,322.90	\$2,322.90



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Hardware

Item	Qty	Description	Price	Ext. Price
HU4A6A5#ZV4	1	HPE Alletra 6000 AF 46TB 1.92 Flash Supp	\$6,233.40	\$6,233.40

Subtotal: **\$475,171.58**

Shipping

Item	Qty	Description	Price	Ext. Price
Please Note	1	Standard Ground Shipping is included as part of this solution	\$0.00	\$0.00



P: (720) 221-5200 E: tom.savage@zunesis.com W: <https://www.zunesis.com/>

HPE - SQL - dHCI 6030 92TB

Quote Information:

Quote #: 006816
Version: 2
Delivered: 11/17/2022
Expires: 12/30/2022

Prepared for:

University Medical Center
1800 W Charleston Blvd
Las Vegas, NV 89102
Rick Aker
richard.aker@umcsn.com
(702) 224-7102

Prepared by:

Zunesis
Tom Savage
(720) 880-5493
tom.savage@zunesis.com

Quote Summary

Description	Amount
Hardware	\$475,171.58
Total	\$475,171.58

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We have prepared a quote for you



HPE - DMZ - dHCI 6010 23TB

QUOTE #006817 V2

PREPARED FOR

University Medical Center



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Hardware

Item	Qty	Description	Price	Ext. Price
R8E16A	1	HPE NS dHCI with Alletra 6000 Config Trk	\$1.03	\$1.03
P19766-B21	3	HPE DL360 Gen10 8SFF NC CTO Svr	\$1,125.77	\$3,377.31
P19766-B21#ABA	3	HPE DL360 Gen10 8SFF ModX CTO	\$0.00	\$0.00
P24480-L21	3	Intel Xeon-G 5218R FIO Kit for DL360 G10	\$2,178.12	\$6,534.36
P24480-B21	3	Intel Xeon-G 5218R Kit for DL360 Gen10	\$2,220.12	\$6,660.36
P24480-B21#0D1	3	Factory integrated	\$0.00	\$0.00
P00924-B21	48	HPE 32GB 2Rx4 PC4-2933Y-R Smart Kit	\$477.59	\$22,924.32
P00924-B21#0D1	48	Factory Integrated	\$0.00	\$0.00
817718-B21	3	HPE Eth 10/25Gb 2p 631SFP28 Adptr	\$228.91	\$686.73
817718-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
P12965-B21	3	HPE NS204i-p Gen10+ Boot Ctrlr	\$459.03	\$1,377.09
P12965-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
817709-B21	3	HPE 10/25GbE 2p FLR-SFP28 BCM957414 Adp	\$228.91	\$686.73
817709-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
871244-B21	3	HPE DL360 Gen10 High Perf Fan Kit	\$229.15	\$687.45
871244-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
865438-B21	6	HPE 800W FS Ti Ht Plg LH Pwr Sply Kit	\$152.59	\$915.54
865438-B21#0D1	6	Factory Integrated	\$0.00	\$0.00
BD505A	3	HPE iLO Adv 1-svr Lic 3yr Support	\$257.64	\$772.92
BD505A#0D1	3	Factory Integrated	\$0.00	\$0.00
734811-B21	3	HPE 1U CMA for Easy Install Rail Kit	\$25.43	\$76.29



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Hardware

Item	Qty	Description	Price	Ext. Price
734811-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
864279-B21	3	HPE TPM 2.0 Gen10 Kit	\$24.61	\$73.83
864279-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
867984-B21	3	HPE DL360 Gen10 Intrusion Detection Kit	\$26.76	\$80.28
867984-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
867998-B21	3	HPE 1U Gen10 Bezel Kit	\$26.19	\$78.57
867998-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
875519-B21	3	HPE Bezel Lock Kit	\$41.95	\$125.85
875519-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
871246-B21	3	HPE DL360 Gen10 High Perf Heat Sink Kit	\$89.55	\$268.65
871246-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
874543-B21	3	HPE 1U Gen10 SFF Easy Install Rail Kit	\$29.80	\$89.40
874543-B21#0D1	3	Factory Integrated	\$0.00	\$0.00
R8E93A	3	HPE NS dHCI w/ Add Cust ESXi 7.0 FIO SW	\$1.03	\$3.09
A0K02A	6	HPE 2.0m 10A C13-C14 Blk Jpr Cord	\$12.56	\$75.36
R0P77A	2	HPE SN2010M 18SFP28 4QSFP28 P2C TAA Swch	\$6,218.07	\$12,436.14
JD089B	8	HPE X120 1G SFP RJ45 T Transceiver	\$285.35	\$2,282.80
Q6M30A	4	HPE 10GbE SFP+ SR MM 300m XCVR	\$88.69	\$354.76
R0R42A	4	HPE 25Gb SFP28 SR 30m XCVR	\$161.92	\$647.68
845970-B21	4	HPE QSFP28 to SFP28 Adapter	\$157.81	\$631.24
Q2F25A	1	HPE SN2100M Rack Installation Kit	\$568.27	\$568.27
JL271A	2	HPE X240 100G QSFP28 1m DAC Cable	\$526.95	\$1,053.90



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Hardware

Item	Qty	Description	Price	Ext. Price
844477-B21	12	HPE 25Gb SFP28 to SFP28 3m DAC	\$80.85	\$970.20
QK733A	4	HPE Premier Flex LC/LC OM4 2f 2m Cbl	\$14.64	\$58.56
QK735A	4	HPE Premier Flex LC/LC OM4 2f 15m Cbl	\$26.37	\$105.48
HA124A1	1	HPE Technical Installation Startup SVC	\$0.00	\$0.00
HA124A1#5WX	1	HPE Nimble Storage dHCI Base Deploy SVC	\$9,955.20	\$9,955.20
HB983A1	1	HPE Installation Comm Svrs Hourly SVC	\$183.83	\$183.83
HU4A6A5	1	HPE 5Y Tech Care Essential SVC	\$0.00	\$0.00
HU4A6A5#WAG	3	HPE DL360 Gen10 Support	\$2,522.04	\$7,566.12
HU4A6A5#R2M	3	HPE iLO Advanced Non Blade Support	\$41.40	\$124.20
HU4A6A5#W0P	2	HPE SN2010M 25GbE Switch Support	\$2,214.91	\$4,429.82
R7L26A	1	HPE NS dHCI with Alletra 6010 CTO Array	\$14,833.80	\$14,833.80
R0R12A	1	HPE Alletra 6000 2x10/25GbE 2p FIO Adpr	\$1,261.07	\$1,261.07
R7D07A	2	HPE Alletra 6000 SFP28 100m FIO XCVR	\$599.37	\$1,198.74
R7S81A	1	HPE Alletra 6000 23TB 12x1.92TB FIO Bdl	\$22,084.11	\$22,084.11
R9D23A	4	HPE C13 - C14 2m WW PDU FIO Pwr Cord	\$2.95	\$11.80
R9X15A	1	HPE Alletra Tier 1 Storage Array Std Trk	\$0.28	\$0.28
R7G12A	1	HPE Alletra 6000/H 4x800W FIO AC PS Kit	\$1,058.40	\$1,058.40
R8E98A	1	HPE NS dHCI NOS PG for ESXi 7.0 FIO SW	\$0.28	\$0.28
R7N52AAE	1	HPE Alletra Software Perpetual	\$0.00	\$0.00
R7N52AAE#CTH	1	HPE 5Y Alletra SW Support	\$25,704.00	\$25,704.00
HU4A6A5	1	HPE 5Y Tech Care Essential SVC	\$0.00	\$0.00
HU4A6A5#ZUN	1	HPE Alletra 6000 2x10/25GbE 2p Kit Supp	\$157.63	\$157.63
HU4A6A5#ZUE	1	HPE Alletra 6010 Base Array Supp	\$1,355.51	\$1,355.51
HU4A6A5#ZV3	1	HPE Alletra 6000 AF 23TB NVMe Bdl Supp	\$2,518.74	\$2,518.74

Subtotal: **\$157,047.72**



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Shipping

Item	Qty	Description	Price	Ext. Price
Please Note	1	Standard Ground Shipping is included as part of this solution	\$0.00	\$0.00



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HPE - DMZ - dHCI 6010 23TB

Quote Information:

Quote #: 006817
Version: 2
Delivered: 11/17/2022
Expires: 12/30/2022

Prepared for:

University Medical Center
1800 W Charleston Blvd
Las Vegas, NV 89102
Rick Aker
richard.aker@umcsn.com
(702) 224-7102

Prepared by:

Zunesis
Tom Savage
(720) 880-5493
tom.savage@zunesis.com

Quote Summary

Description	Amount
Hardware	\$157,047.72
Total	\$157,047.72

Customer's order is governed solely by any applicable written agreement signed by Zunesis and Customer in which the parties intend to apply to this order, or if there is no such written agreement, by Zunesis' standard Terms and Conditions and by this reference are incorporated herein. Also, if there is no such written agreements, customer's reference to this Quote in its order is Customer's agreement that only Zunesis' Terms and Conditions apply to the order. Taxes. Shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.



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Appendix

BUDGET ACT AND FISCAL FUND OUT: In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under the Agreement between the parties shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. The Agreement shall terminate and UMC's obligations under it shall be extinguished at the end of any of UMC's fiscal years in which UMC's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under the Agreement. UMC agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to the Agreement. In the event this Section is invoked, the Agreement will expire on the 30th day of June of the then current fiscal year. Termination under this Section shall not relieve UMC of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

PUBLIC RECORDS: Zunesis acknowledges that UMC is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such its records are public documents available to copying and inspection by the public. If UMC receives a demand for the disclosure of any information related to the Agreement which Zunesis has claimed to be confidential and proprietary, UMC will immediately notify Zunesis of such demand and Zunesis shall immediately notify UMC of its intention to seek injunctive relief in a Nevada court for protective order. Zunesis shall indemnify, defend and hold harmless UMC from any claims or actions, including all associated costs and attorney's fees, regarding or related to any demand for the disclosure of Zunesis documents in UMC's custody and control in which Zunesis claims to be confidential and proprietary.

NON-EXCLUDED HEALTHCARE PROVIDER: Zunesis represents and warrants to UMC that neither it nor any of its affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of goods or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates know or should know are excluded from participation in any federal health care program, to provide goods or services hereunder. Zunesis represents and warrants to UMC that no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred or is pending or threatened against such Zunesis or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide goods or services under the Agreement. (collectively "Exclusions / Adverse Actions").



We have prepared a quote for you

HPe DHCI Deployment

Quote # 006148
Version 2

Prepared for:

University Medical Center of Southern Nevada

Rick Aker
Richard.Aker@umcsn.com

Services

Product Details	Qty	Price	Ext. Price
Migration Services	320	\$214.29	\$68,572.80
Komprise Migration Software – Six (6) Months Rental Up To 65TB	1	\$12,850.00	\$12,850.00
Project Coordination	1	\$11,057.12	\$11,057.12
Includes cStor Project Coordination			
See cStor Work Order for Details and Deliverables			

Subtotal: **\$92,479.92**

HPe DHCI Deployment

Prepared by:

cStor Nevada
 Lee Weyers
 (702) 588-1131
 Lee.Weyers@cstor.com

Prepared for:

University Medical Center of Southern Nevada
 1800 West Charleston Blvd
 Las Vegas, NV 89102
 Rick Aker
 (702) 224-7102
 Richard.Aker@umcsn.com

Quote Information:

Quote #: 006148
 Terms: Net 30
 Version: 2
 Delivery Date: 11/15/2022
 Expiration Date: 12/31/2022

Quote Summary

Description	Amount
Services	\$92,479.92
Total:	\$92,479.92

Grand Total

Total Due Today	Amount
	\$92,479.92

This Quote #006148 (the "Agreement") is made and effective as of the date of last signature below (the "Effective Date"), by and between Custom Storage, LLC dba cStor, a Delaware limited liability company ("cStor"), and University Medical Center of Southern Nevada, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes ("Client"). cStor and Client are sometimes referred to herein individually as a ("Party") and collectively as the ("Parties").

cStor will provide the products and services for this Agreement in accordance with the terms and conditions contained in Exhibit A - Services Terms and Conditions and attached hereto.

Term. The Term will commence on the Effective Date and will continue in effect for one (1) year ("Initial Term").

BUDGET ACT AND FISCAL FUND OUT: In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under the Agreement between the Parties shall not exceed those monies appropriated and approved by Client for the then current fiscal year under the Local Government Budget Act. The Agreement shall terminate and Client's obligations under it shall be extinguished at the end of any of Client's fiscal years in which Client's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under the Agreement. Client agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to the Agreement. In the event this Section is invoked, the Agreement will expire on the 30th day of June of the then current fiscal year. Termination under this Section shall not relieve Client of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

PUBLIC RECORDS: cStor acknowledges that Client is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such its records are public documents available to copying and inspection by the public. If Client receives a demand for the disclosure of any information related to the Agreement which cStor has claimed to be confidential and proprietary, Client will immediately notify cStor of such demand and cStor shall immediately notify Client of its intention to seek injunctive relief in a Nevada court for protective order. cStor shall indemnify, defend and hold harmless Client from any claims or actions, including all associated costs and attorneys' fees, regarding or related to any demand for the disclosure of cStor documents in Client's custody and control in which cStor claims to be confidential and proprietary.


NON-EXCLUDED HEALTHCARE PROVIDER: cStor represents and warrants to Client that neither it nor any of its affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. § 1320a-7b (f), for the provision of goods or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates know or should know are excluded from participation in any federal health care program, to provide goods or services hereunder. cStor represents and warrants to Client that no final adverse action, as such term is defined under 42 U.S.C. § 1320a-7e (g), has occurred or is pending or threatened against such cStor or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide goods or services under the Agreement (collectively "Exclusions / Adverse Actions").

IMPORTANT – PLEASE READ CAREFULLY – By accepting this quote (through signing or providing a PO or other form of payment) you also accept and agree to be legally bound by all the provisions in the attached professional services work order.

All shipments of Products to Client will be FOB point of shipment. Insurance coverage, freight charges, transportation costs, and all other expenses applicable to shipment to Client's identified point of delivery will be the responsibility of Client. Risk of loss will pass to Client upon delivery of the Products to the common carrier (regardless of who pays such common carrier) or Client's representative at the point of shipment.

The prices set forth in this Quotes may not include freight, all taxes, duties, licenses, and tariffs, payment of which shall be Client's obligation. They may not have been included and will be added when the proper amounts are known.

We reserve the right to cancel orders arising from pricing or other errors.

 I accept the above conditions

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and effective as of the date of last signature.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA Custom Storage, LLC dba cStor

By: _____

By: _____

Name: Mason Van Houweling

Name: _____

Title: CEO

Title: _____

Date: _____

Date: _____



SERVICES WORK ORDER

NETAPP MIGRATION SERVICES

WO# 15047

Summary

University Medical Center of Southern Nevada (“Client”) has requested Custom Storage, LLC dba cStor (“cStor” or “Consultant”) to provide Professional Services in Client’s environment.as outlined below. As approved by Client, Consultant will hire a third-party provider, MetroSys, Inc. (“Contractor”) to deliver the Professional Services defined in this Work Order, however, Client’s approval shall in no way relieve cStor of responsibility for the professional and technical accuracy and adequacy of the work provided by Contractor under this Agreement. cStor shall be and remain liable for all damages to Client caused by negligent performance or non-performance of work under this Agreement by cStor’s subcontractors. Client and Consultant may individually be referred to as a “Party” and jointly as the “Parties.”

Service Scope

Consultant will assist Client in migrating from eight (8) NetApp storage high-availability pairs for their production to a new HP DHCI with Nimble storage back-end. Migration services requested include discovery, planning, pilot migrations for the data in scope. Migration methods will vary depending upon workload including P2V and Komprise. This Work Order is to provide a guideline of tasks that need to be performed. A pool of Time and Material hours have been quoted for this service to be used at Client’s discretion.

Technical Summary

- Perform discovery of the existing NetApp storage environment
- Classify data types & develop migration plans by type
- Assist Client with validating migration target is ready to receive data
- Perform the following pilot migrations:
 - a. Unstructured NAS Data (CIFS/NFS)
 - b. VMware Data
 - c. SAN LUNs (FCP)- P2V and app level migrations

Scope of Services

Systems and Data in Scope

Existing Systems							
Site	Array Name	Controller Type	Version	Used Capacity (TB)	Volumes/LUNS	Shares	Exports
Las Vegas	umcf3210a	NetApp FAS3210	8.2.3	2.51	4/0	5	5
	umcf3210b	NetApp FAS3210	8.2.3	26	5/0	6	3
Las Vegas	umcv3240a	NetApp V3240	8.2.3	1.63	13/14	3	14
	umcv3240a	NetApp V3240	8.2.3	.6	3/1	3	4
Las Vegas	UMCKIBMNC1	IBM N6240	8.2.3P1	19	95/113	3	91
	UMCKIBMNC2	IBM N6240	8.2.3P1	28	68/80	2	68
Las Vegas	UMCKIBMNC3	IBM N6240	8.2.3P1	32	7/0	4	7
	UMCKIBMNC4	IBM N6240	8.2.3P1	16	6/3	3	6
Total				130TB	201/211	29	198

Note: Data based on NetAppDocs report from 6/11/2022.

Data Classification	
Protocols	CIFS, NFS, FCP
Host Types	Windows 2012, Window 2012R2, Windows 2008 SQL Cluster, VMware ESX 5.5/7.03, LINUX
Applications	NAS, SQL, VMware

New Systems				
Site	Status	Controller Type	# of New Shelves	# of Swing Shelves
Las Vegas	New	HP DHCI with Nimble Storage	TBD	N/A

Description of Services

The following services will be performed by Contractor:

Discovery

1. Lead kickoff meeting with Client to review overall project and business requirements.
2. Distribute requirements for migration “jump host” for Client to deploy for housing discovery and migration tools.
3. Create and distribute Site Survey.
4. Discover/analyze data collection for systems in-scope.
5. Discover/analyze of existing 3rd party products related to legacy systems in-scope.
6. Review data collection with Client.

Plan & Design

Architecture

1. Lead kickoff meetings and design sessions with the Client to finalize one (1) design.
2. Determine software/hardware versioning leveraging the manufacturers compatibility lists.
3. Create and discuss schedule for software upgrades necessary for migration, if required.
4. Review the proposed solution with Client, including:
 - a. Implementation requirements
 - b. Proposed architecture
 - c. Overall design goals
 - d. Obtain signoff on design from Client prior to implementation

Migration Planning

5. Confirm pre-sales migration strategy is valid based on discovery data.
6. Assist Client developing a “migration workbook” to identify data migration move groups and scheduling.
7. Develop migration launch sequence for migrations that includes per-cutover, cutover, and post-cutover tasks for:
 - NAS - CIFS Migrations
 - NAS - NFS Migrations
 - SAN Hosts – P2V
8. Assist Client with developing a migration validation plan.
9. Assist Client with identifying migration pilots.
10. Develop a consolidation plan for vCenter.

Data Migration

The following table defines the number of migration cutover events included in this project. Additional cutover events may incur additional fees.

Migration Type	# of Cutovers	Workload	# of Migration Objects Per Cutover
Pilot 1	2	CIFS	Up to 1 Share
Pilot 2	2	FCP - Windows	Up to 3 LUNs
Pilot 3	2	FCP - LINUX	Up to 3 LUNs
Pilot 4	2	VMware	Up to 5 VMs

Migration Readiness:

1. Confirm connectivity to source and destination systems in-scope.
2. Confirm connectivity for migration tool(s) in-scope.
3. Install and configure migration tool(s) on jump host provided by Client.
4. Provision target volumes/LUNs for objects in-scope.
5. Perform migration pilot(s) as defined above which includes:
 - a. Configure pilot migration jobs/policies based upon migration groups defined in migration workbook.
 - b. Initiate baseline copies from the legacy production systems in-scope to the new systems in-scope based on the migration mappings and migration groups defined in the migration workbook.
 - c. Monitor baseline replications and set throttling (if applicable.)
 - d. Cutover storage migration groups per the migration schedule defined in the migration workbook.
 - e. Assist Client with basic functional testing inclusive of user/application access.
 - f. Update migration steps based on lessons learned.

Pilot Migration General Tasks:

6. Configure migration jobs/policies based upon migration groups defined in migration workbook.
7. Initiate baseline copies from the legacy production systems in-scope to the new systems in-scope based on the migration mappings and migration groups defined in the migration workbook.
8. Monitor baseline replications and set throttling (if applicable.)
9. Cutover storage migration groups per the migration schedule defined in the migration workbook.
10. Assist Client with basic functional testing inclusive of user/application access.
11. Update launch sequence as required.

Project Closure

Knowledge Transfer

1. Provide As-Built documentation of deployed environments
2. Conduct Client orientation and transfer of information not to exceed two (2) hours consisting of the following:
 - Review configuration of migration tools.
 - Provide an overview of migration administrative tasks and functions.
 - Client may choose to shadow the implementation and migration activities as a substitute for the formal knowledge transfer session(s).

NOTE: The objective of the knowledge transfer is to review Client specific product configurations and workflows and to provide enough information so that the Client Staff is operationally efficient with specific deliverables in-scope of this Work Order. Knowledge Transfer is not a replacement for formal system training and certification.

Deliverables

Contractor will produce the following deliverables, which will be reviewed and approved by designated Client points of contact:

- Migration Workbook
- Migration pilots as defined in scope

Project Closure:

3. Provide As-Built documentation of deployed environments.
4. Execute Certification of Completion.
5. Conduct project closure meeting.

Project Coordination

The following project coordination services will be provided by Contractor:

1. Provide up to twenty-four (24) hours of project coordination.
2. Setup and conduct project kick-off meeting.
3. Establish project calls as required.
4. Develop/maintain issues and risk log.
5. Develop/maintain project contact list.
6. Maintain project governance.
7. Assist Client with scheduling in-scope migrations.
8. Provide project resource coordination.

Project Change Control

If any changes are required to the scope of the Services and/or Deliverables after the Commencement Date, then any such changes will be handled via the change control process set out in this section.

1. The Parties will use a change request form as agreed between the Parties to document requested Changes (“Change Request”).
2. “Change” refers to any changes to the scope of the Services, Deliverables, Assumptions, Responsibilities, terms of acceptance, and or other sections of this Work Order. A Change may or may not have impact on costs and/or schedules as originally defined. No work will be undertaken by Contractor which has not been agreed in advance in accordance with the change control process outlined below. Until such time as a Change is agreed in accordance with the agreed change control procedure set out below, Contractor and/or Client shall, continue to deliver the Project, Deliverable or Service as if the Change Request had not been made.
3. At any time, Client or Contractor may request a Change. Neither Party shall unreasonably withhold or delay processing or agreeing a specific Change. The process to be followed is defined in this section.
4. The requester of a Change must submit the Change Request including at least the information set out below through their project manager, to the counterpart project manager. The minimum information required is:
 - a. A description of the proposed Change including any additional work to be performed and identification of any specific changes to Deliverables.

- b. The reason for the proposed Change
 - c. Any special conditions for acceptance of the Change.
5. Where Client submits a Change Request, Contractor will carry out a preliminary assessment of the Change Request and return a preliminary evaluation to the Client project manager. This preliminary evaluation will contain:
 - a. An assessment preliminary assessment of the impact of the requested Change
 - b. A statement as to whether the requested Change can be included in the current scope. The assessment will include an initial estimate of the time required and the grade of personnel to be involved. Should additional charges be payable due to scope change, this will need to be agreed with the Parties.
 - c. A preliminary estimate of the timetable to complete the Change process and the timetable to implement the Change.
6. If the Client project manager agrees to proceed with the preliminary assessment provided by Contractor, then Contractor will complete a full assessment of the Change request as follows:
 - a. A statement of the impact of the Change including identification of all impact components of the Services and any other impacts to associated elements.
 - b. An estimate of the timetable to implement the Change.
 - c. An estimate of the resultant changes.
 - d. A statement of how acceptance of the Change will take place, if this is separate or different from the provisions already made.
 - e. A statement of the validity period for the Change to be accepted and agreed.
7. The assessment of the Change Request will then be delivered to the Client project manager. If any additional resources are needed or if any amendments to the project scope are requested, Contractor will provide a Project Change Request ("PCR"), which will be submitted for approval. In addition, Contractor will prepare budget and/or schedule change request and forward for approval.

Out of Scope

The following items are outside the scope of Services and Deliverables provided through this Work Order:

1. All activities not explicitly defined in the above scope.
2. Data migration or protection services not clearly detailed within this Agreement.
3. All levels of support not specifically detailed within this Agreement.
4. Troubleshooting of bugs, defects, or performance issues for in-scope hardware,

- software and/or related systems, except where explicitly defined as in-scope.
5. Execution or validation of successful backups before/after migrations.
 6. Application testing, performance testing, data integrity validation or creation of application specific test plans.
 7. Data erasure and decommissioning of legacy arrays.
 8. Packing, shipping or transportation of equipment.
 9. Scheduling migrations activities with end-users.
 10. Migration of offline volumes and LUNs.
 11. Migration of LUNs with no active host connections.
 12. AIX LUN migrations.
 13. P2V of server clusters.
 14. Build of migration target VMs.
 15. Migration of NAS NFS data. (None was found in discovery)

Assumptions

Standard Personnel Assumptions

1. Contractor personnel have been successfully onboarded prior to the start of this engagement.
2. The Services shall be performed in a skilled and workmanlike manner. Contractor shall assign only those employees or subcontractors who have the requisite experience, knowledge, training, and capability to provide the Services hereunder. If at any time Client determines that an assigned individual can no longer contribute toward the successful completion of the Services, Client may request Contractor to immediately dismiss the individual from performing the Services and to supply a replacement with equal or better credentials within a reasonable time.
3. Any personnel designated for skills transfer will be available on the schedule agreed upon between Client and Contractor during the engagement.
4. Client agrees to:
 - a. Provide a Project Lead and a Technical Lead as a point of contact for Contractor during performance of the services. Changing of Client Project Leads or other key personnel may result in additional fees will follow the change order process.
 - b. Empower selected individuals to make decisions on behalf of Client and will ensure that a quorum of decision makers participate in the project and attend specific meetings where decisions making is required.
 - c. Provide Contractor with access to appropriate Client personnel (with the relevant skill and knowledge) and facilities of Client and shall notify Contractor personnel in writing of any special health and safety hazards of which Client is or has become aware which may exist or arise at Client site which may affect Contractor personnel and or the performance of Services and Deliverable listed herein.
 - d. Provides a safe working environment free of any form of harassment, violence, retaliation, and follow OSHA, CDC, and/or any other health standards to protect the safety, health, and well-being of Contractor personnel.
 - e. Supply Contractor with a professional workspace and/or network access to provide the Services.
 - f. Provide Contractor in writing with any restrictions or requirements regarding the Contractor consultant's use of personal equipment in advance of the

- commencement of the project.
- g. Respond to all information requests within a reasonable time, so as not to delay the project which may result in additional fees.
 - h. Grant access to building(s) and room(s) as necessary to complete the Services, (which may include use of escort) are suitable and safe work areas for Contractor personnel.
 - i. Complete prerequisites, responsibilities, and dependent tasks within the agreed upon delivery schedule.

Standard Technical Assumptions

1. Unless otherwise specified in this Work Order, it is Client's responsibility to ensure that complete backups of any data have been made prior to the commencement of Services and will be done periodically throughout the lifecycle of the Work Order. Contractor assumes no responsibility for lost data.
2. Software specifications are not included in this Work Order. Unless specifically addressed in this Work Order, it is assumed that all software required to complete the Services will be on location prior to the start of Services. Contractor may, at its discretion, provide any additional software not already in use.
3. Contractor personnel will have access to all software and original product documentation required to perform the Services specified in this Work Order.
4. Client will provide all hardware and/or software and licensing required to perform the Services, including ensuring that all wiring, hardware, and software required to perform the Services are in working order.
5. Client will supply Contractor personnel with the necessary administrative usernames and passwords, including root access, to all systems required to successfully complete the Services.
6. If requested by Contractor, Client will provide a Contractor resource remote access to Client's IT environment with access to in-scope devices from a secure remote location. When appropriate, Contractor will complete all Project work remotely (a) over desktop sharing sessions with Client resources. or (b) over a VPN connection with Contractor resources.
7. Contractor personnel will have unfettered access to systems in-scope and Internet to successfully complete the Services.
8. All in-scope systems are in good health with no current fault conditions.
9. All in-scope hardware and operation systems version combinations are supported by their respective manufacturers.
10. All in-scope systems must have an active and current maintenance and support contract.
11. Project delays resulting from Client's custom configured or specialized hardware, software needing modification by the manufacturer, or from unforeseen issues with the Client's infrastructure, hardware, backup/storage capabilities, third-party software, security settings, staff or vendors is the responsibility of the Client and may result in additional fees.
12. Upon finalization and acceptance of solution architecture, subsequent changes or remediation to solution may incur additional fees and the Change Request process will be initiated.
13. Changes or remediation of the implemented for the agreed upon solution architecture may incur additional fees and the Change Request process will be initiated.

14. Contractor personnel is responsible for all console activity for in-scope systems leveraging input devices such as mouse and keyboard to issues commands for project efficiency. At times, Contractor personnel may request Client to execute these tasks. If Client elects take on these tasks leveraging system input devices, time allotted for Knowledge Transfer will be used. If there are no remaining Knowledge Transfer hours, additional fees may be incurred, and the Change Request process will be followed.

Project Specific Assumptions

1. Services for planning and design work will be scheduled during normal business hours between 8:00 am and 5:00 pm local time.
2. Services in-scope may be scheduled outside of normal business hours.
3. Client agrees to:
 - a. Provide documentation that is accurate, complete, and up-to-date.
 - b. Provide application ownership, outage windows and cutover scheduling requirements for all in-scope systems and data sets.
 - c. Acknowledge that it is the Client's responsibility for establishing backup policies.
 - d. Acknowledge that it is the Client's responsibility for administration of network name management such as DNS, DFS, embedded/hard coded paths, login scripts, and support for legacy host names.
 - e. Ensure data center environmental requirements are in-place at identified site(s) for system(s) in preparation for systems in-scope to include but not limited to:
 - Network connectivity
 - Necessary network bandwidth
 - Cabling
 - External port availability
 - External switch configurations
 - Adequate cooling, power &PDU connections
 - Adequate floor and rack space
4. Client is responsible for decommissioning and data erasure for legacy systems in-scope.
5. The following data migration assumptions have been assumed:
 - a. File-level security will be copied as-is from the source to target systems – no ACL changes will be made during the migration
 - b. File sharing security such as exports/shares will be copied as-is from the source to target systems – no ACL changes will be made during the migration.
 - c. There will be no changes in data structure within a migration point.
 - d. There will be no consolidation of LUNs.
 - e. Source and target systems have adequate performance capacity to execute the migration activities within the designated migration schedules.
 - f. There will be a one-to-one mapping of source controllers to SVMs.
 - g. Data migration tool(s) to be leveraged for migrations will be as follows:
 - SAN Hosts: P2V Conversions
 - NAS Data: Komprise

NOTE: Selecting a different migration tool may impact project pricing and a Change Order would need to be processed.

Engagement Prerequisites

Following are the prerequisites that must be performed by Client to allow Contractor to successfully begin this engagement.

1. Contractor is provided with a completed and signed copy of this Work Order.

Location of Services

1. Professional Services will be performed remotely.

Travel

Travel Terms

1. Travel expenses are not included.
2. Additional travel expenses must be approved in advanced in writing.
3. Additional travel will be billed at passthrough rates.
4. Travel is defined as anything that requires an overnight stay or beyond 100-mile radius of the resource's home office.
5. Travel expenses shall be covered and based on Client's Travel & Expense Guidelines.
6. Travel time that required air travel is billable gate-to-gate.
7. Client will be billed for any travel with prior approval.

Covid-19 Pandemic Terms

1. Client understands and acknowledges that the ongoing global outbreak of the COVID-19 virus ("Coronavirus") may cause delays in, or the inability to perform, Contractor's obligations hereunder. Contractor is monitoring the Coronavirus situation closely, and our top priority is to protect the health and safety of our employees, clients, partners, and communities in which we operate. However, delays in performance and/or Contractor's inability to perform may be unavoidable. As such, notwithstanding anything to the contrary contained in this Work Order or any other agreement or document between the Parties (this provision will supersede the Master Agreement solely to the extent of the subject matter contained in such provision), Subcontractor will not be liable to Client for any alleged loss or damages resulting from Contractor's performance, inability to perform, or delay in performance of its obligations hereunder, including the provision of the Services and Deliverables, as a result of the Coronavirus. Contractor will (a) continue to use commercially reasonable efforts to perform its obligations hereunder to the extent practical, and (b) keep Client informed of any delays or adverse effects of the Coronavirus on Contractor's ability to perform. Client may cancel this Work Order due to delays caused by the Coronavirus if any such delay lasts for more than thirty (30) consecutive days. If Contractor is unable to perform its obligations hereunder due to the Coronavirus, Contractor may cancel this Work Order and be relieved of its obligations hereunder. In such case, Client will be responsible for paying any Fees owed for Services performed and Deliverables delivered prior to such cancellation.

Schedule

Services scheduled to begin and end as follows unless an extension is agreed upon by the Parties.

Description	Date
Project Start Date	12/01/2022
Project End Date	11/30/2023

Designated Contacts

Company	Name	Role	Phone	Email
MetroSys	Jess Van Ness	President & C.E.O.	310-595-4248	jess@metro-sys.com
MetroSys	Ryan Benigno	C.O.O.	909-294-0284	ryan@metro-sys.com
cStor	Travis Richards	Director of Consulting Services	480-760-2116	Travis.Richards@cstor.com
cStor	Lee Weyers	Account Manager	702-588-1131	Lee.weyers@cstor.com
cStor	Jeff Okeson	Solutions Architect	702-287-2195	Jeff.okeson@cstor.com

Fee Description and Payment

Before performance of any services, cStor requires an approved purchase order from the Client, acceptable to cStor. cStor may invoice upon receipt of the approved purchase order. Payments are nonrefundable with no right to refund or credit. If the Client requires additional services time, a new cStor sales quote and purchase order will be required.

Project Change Process

The Professional Services described in the Work Order are based upon cStor's understanding of Client's sites and desired environments as of the Work Order Start Date. Any substantive change to the Client's sites, the IT environment or any latent or unusual conditions that impact the scope, cost, manner, method, or schedule to perform including inaccurate, incorrect, or incomplete Client information will be subject to the Project Change Process. In addition, any additional requests that alter scope, tasks, deliverables, assumptions, or schedule will be subject to the Project Change Process. All information requested is subject to timely response by the Client to meet schedule objectives.

Additional Services

cStor can assist clients with every phase of the technology lifecycle.

- **Technology Innovation** – Provide best-in-class, proven technology solutions to help clients become champions of innovation
- **Architecture and Design** – Customize solutions to drive business transformation and success
- **Implementation** – Quickly achieve accurate and well-integrated solution implementation
- **Manage and Optimize** – Maximize solution ROI, value, and innovation for all client stakeholders
- **Lifecycle and Refresh** – Continue to drive value and innovation while keeping pace with current technologies



cStor can assist with any phase of the lifecycle – from planning a next-generation solution, providing an extra set of hands for a major deployment, or strategizing for optimizing an existing infrastructure. cStor’s comprehensive portfolio of related services includes consulting, design, implementation and support services. What’s more, cStor service personnel have the skills to help clients start it right and keep it right to ensure long-term success.

EXHIBIT A – Services Terms and Conditions

These Services Terms and Conditions (the “T&Cs”) apply to the purchase of professional services (the “Services”) for the delivery of consulting, installation, education, and training Services by Custom Storage, LLC dba cStor, a Delaware limited liability company and its subcontractors (“cStor”). The Services shall be described in a Work Order and signed by both the buyer (“Client”) and cStor prior to or upon receipt of a Purchase Order procuring Services. By ordering or otherwise proceeding with any Services related transaction with cStor, Client agrees to these T&Cs. The T&Cs and the Work Order together constitute the entire agreement between Client and cStor (the “Agreement”). Each Work Order may also specify, among other things, (i) the time for performance of the Services, (ii) the applicable fees and expenses to be paid to cStor for performance of the Services (the “Fees and Expenses”), and (iii) any non-standard or exception to cStor’s payment terms. In the event of any conflicts between the terms of a Work Order and these T&Cs, the provisions of such Work Order shall govern.

Scope of Services

- Services provided under these T&Cs will be limited to Services specifically described in the Work Order.
- cStor will provide personnel with the requisite qualifications, expertise and knowledge to perform the Services in a professional and timely manner.
- cStor shall have sole discretion over the identity of the personnel delivering the Services and is entitled to replace personnel with equivalently qualified personnel as needed.
- cStor reserves the right to change amend and alter the Services with equivalent or otherwise equal services without prior notice to Client.

Performance Conditions

- cStor will not be responsible for the loss or corruption of any Client data or for any system downtime.
- The cStor Work Order applies to services only. Any hardware and software requested or needed by the Client in relation to the professional services described in the cStor Work Order will be the sole responsibility of Client to procure and prepare for performance of the professional services and will be purchased under its own written agreement.
- Except as may be purchased under a separate cStor support or service agreement, cStor will not be responsible for any application or host system access that encompasses coding, scripting, application analysis, system performance, troubleshooting, or applications logins unless expressly described in the cStor Work Order.
- cStor may subcontract any or all portions of the Services provided that cStor shall impose on such subcontracted individuals or companies the same obligations as those under the Work Order.

Client Responsibilities

- Client acknowledges that cStor’s obligations and performance of the Services described in the Work Order are contingent upon Client complying with the responsibilities set forth below.
- Client will ensure that:
 - All appropriate data backups are performed.
 - For onsite services, security passes or other necessary documentation are provided to cStor representatives performing the Services permitting them to enter and exit Client’s premises with laptop personal computers and any other materials needed to perform the professional services for the duration of this engagement.

- For remote services, all necessary remote access and system connectivity and/or a Client resource is available with necessary system access to allow services to be completed via web meeting.
- If the performance of this engagement requires electronic/network transfer of data, Client will provision and enable any network components or services required to facilitate the data transfer.
- All environment and operational requirements are met prior to implementation including, but not limited to power, network connections, floor space, and cooling for the duration of this Service engagement.
- Client will provide cStor with documentation detailing physical and logical network topology as needed to perform the Services.
- Client will provide knowledgeable personnel as required by cStor to perform the Services.
- Client will provide timely, accurate, complete and up-to-date documentation and information required for the performance of the Services throughout the Service engagement.
- Client will participate in testing/validation as required by cStor.
- Client is responsible for all network connectivity, performance and configuration issues not included in the Services.
- Client is responsible for providing and scheduling any system maintenance window(s) as needed by cStor.
- Client represents and warrants that it has obtained all necessary approvals and consents from third parties required for cStor and its subcontractors to make performance of the Services, and hereby grants cStor all necessary licenses to perform the Services.

Service Engagement Duration and Scheduling

- All scheduling is dependent upon the availability of cStor resources.
- cStor shall make reasonable efforts to meet Client's requested time schedule, however, cStor's standard resource lead time is four (4) weeks from the later of the execution of the Work Order or Purchase Order.
- If Client delays, cancels, or reschedules Services less than ten (10) business days prior to scheduled dates, Client may incur a delay of up to four (4) weeks to reschedule. The risk of delay can progressively increase if additional resources are required. Furthermore, Client may incur additional consulting time and travel expenses for the canceled/rescheduled Services dates.
- Unless otherwise specified in the Work Order, the implementation schedule contemplates consecutive business days during normal business hours (8:00 a.m. to 6:00 p.m.) weekdays.
- Services not requiring presence at Client's facilities may be performed at cStor's facilities by mutual agreement between Client and cStor.
- As it pertains to pre-paid future services, cStor reserves the right, if through no fault of cStor the Client does not utilize Services within 18 months of purchase, to terminate said services without notice, refund, or liability to cStor.

Project Scope Exclusions /Changes

- Any additions or changes to the project scope described in the Work Order must be mutually agreed upon between Client and cStor in writing using a Change Request.
- The execution of the Change Request by both Parties will cause the Change Request to become part of and incorporated into the Work Order. Commencement of the performance of the requested addition or change is conditioned upon the mutual execution of the Change Request by the Parties, and cStor's receipt of an additional purchase order authorization to cover any possible and agreed upon incremental costs, if applicable.

Limitation of Liability

NOTWITHSTANDING ANY OTHER PROVISION OF THESE TERMS TO THE CONTRARY CONTAINED HEREIN OR IN THE APPLICABLE WORK ORDER, EACH PARTY'S MAXIMUM LIABILITY FOR DAMAGES TO THE OTHER PARTY IN CONNECTION WITH THE PERFORMANCE OF THE SERVICES HEREUNDER, WHETHER IN CONTRACT OR IN TORT (INCLUDING, WITHOUT LIMITATION, FOR BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY IN TORT, BY STATUTE OR OTHERWISE), WILL NOT EXCEED THE AGGREGATE AMOUNT OF SERVICES PAID BY CLIENT UNDER THE APPLICABLE WORK ORDER. IN NO EVENT, WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL OR PUNITIVE DAMAGES OF ANY KIND, OR FOR LOSS OF REVENUE, LOSS OF BUSINESS OR OTHER FINANCIAL LOSS, LOST OR CORRUPTED DATA PUNITIVE LOSS, DAMAGE OR EXPENSE ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF THE SERVICES UNDER THESE TERMS.

Indemnification

cStor shall indemnify, defend and hold harmless the Client, its officers, directors, managers, employees, principals (partners, shareholders or holders of an ownership interest, as the case may be) and agents, from and against any third party claims, demands, loss, damage or expense relating to bodily injury or death of any person or damage to real and/or tangible personal property directly caused by the negligence or willful misconduct of the indemnifying party, its personnel or agents in connection with the performance of the Services hereunder.

Entire Agreement

THE T&Cs AND THE WORK ORDER(S) CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND SUPERCEDE ANY AND ALL OTHER PRIOR OR CONTEMPORANEOUS ORAL OR WRITTEN AGREEMENTS OR UNDERSTANDINGS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER HEREOF. ANY CHANGES TO THE PROVISIONS STATED HEREIN IN ANY OTHER WRITING MUST BE MUTUALLY AGREED UPON AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF EACH PARTY.

Choice of Law

This Agreement shall be governed by and construed in accordance the laws of the State of Nevada without regard to principles of conflicts of laws.

No Assignment

This Agreement shall be binding upon the Parties and their respective successors and permitted assigns and may not be assigned by either Party without the written consent of the other Party which consent may be withheld in such Party's sole discretion.

**INSTRUCTIONS FOR COMPLETING THE
DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**

Purpose of the Form

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

General Instructions

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

Detailed Instructions

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

Business Entity Type – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

Non-Profit Organization (NPO) – Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

Business Designation Group – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

Business Name (include d.b.a., if applicable) – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

Corporate/Business Address, Business Telephone, Business Fax, and Email – Enter the street address, telephone and fax numbers, and email of the named business entity.

Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)

List of Owners/Officers – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

For All Contracts – (Not required for publicly-traded corporations)

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If YES, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

Signature and Print Name – Requires signature of an authorized representative and the date signed.

Disclosure of Relationship Form – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type (Please select one)						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group (Please select all that apply)						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
Number of Clark County Nevada Residents Employed: 3						
Corporate/Business Entity Name: Zunesis						
(Include d.b.a., if applicable)						
Street Address:		4B Inverness Ct E, Suite 100		Website: www.zunesis.com		
City, State and Zip Code:		Englewood, CO 80112		POC Name: Tom Savage		
				Email: tom.savage@zunesis.com		
Telephone No:		720-880-5493		Fax No:		
Nevada Local Street Address:		6671 Las Vegas Blvd South		Website: www.zunesis.com		
(If different from above)		Building D Suite 210				
City, State and Zip Code:		Las Vegas, NV 89119		Local Fax No:		
Local Telephone No:		702-330-1623		Local POC Name: Sara Wessells		
				Email: sara.wessells@zunesis.com		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

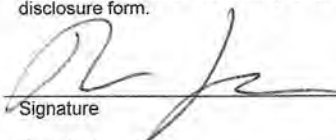
Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Seaside Equity Partners	Managers	95%

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes No

1. Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 - Yes No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 - Yes No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

	Thomas Savage
Signature	Print Name
President	11/18/2022
Title	Date

DISCLOSURE OF RELATIONSHIP

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT
N/A	N/A	N/A	N/A

* UMC employee means an employee of University Medical Center of Southern Nevada

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For UMC Use Only:

If any Disclosure of Relationship is noted above, please complete the following:

Yes No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?

Yes No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Signature

Print Name
Authorized Department Representative

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type (Please select one)						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group (Please select all that apply)						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input checked="" type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
Number of Clark County Nevada Residents Employed: 4						
Corporate/Business Entity Name: <u>Custom Storage Inc</u>						
(Include d.b.a., if applicable) <u>d/b/a Cstor</u>						
Street Address: <u>7975 N. Hayden Rd</u>			Website: <u>W.W.W.CSTOR.COM</u>			
<u>A105</u>			POC Name:			
City, State and Zip Code: <u>Scottsdale, AZ 85258</u>			Email:			
Telephone No: <u>480-760-2100</u>			Fax No: <u>480-760-2101</u>			
Nevada Local Street Address:			Website:			
(If different from above) <u>5504 FORT APACHE, STE 110</u>			<u>W.W.W.CSTOR.COM</u>			
City, State and Zip Code: <u>LAS VEGAS, NV 89148</u>			Local Fax No: <u>480-760-2101</u>			
Local Telephone No: <u>702-522-2595</u>			Local POC Name:			
			Email: <u>KEVIN.BELTRIN@CSTOR.COM</u>			

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
<u>Larry Gentry</u>	<u>CEO</u>	<u>44%</u>
<u>Steve Schmidt</u>	<u>CTO</u>	<u>44%</u>
<u>Bill Nowlin</u>	<u>Founder</u>	<u>11%</u>

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 - Yes No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 - Yes No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

<u>[Signature]</u> Signature	<u>DON LINEBURG</u> Print Name
<u>CEO</u> Title	<u>1/8/19</u> Date

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Records Management and Storage Services Purchaser-Specific Agreement with Iron Mountain Information Management, LLC (“Iron Mountain”).	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation: That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Records Management and Storage Services Agreement with Iron Mountain Information Management, LLC; authorize the Chief Executive Officer to exercise any extension options within his delegated authority and execute future amendments; or take action as deemed appropriate. (For possible action)	

FISCAL IMPACT:

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000XXXX0 (various)	Funded Pgm/Grant: N/A
Description: Records Management and Storage Services Purchaser-Specific Agreement	
CBE: 450.525 Membership of a hospital in a purchasing group	
Term: 5 years – December 1, 2022 – November 30, 2027	
Amount: NTE \$3,775,530.44	
Out Clause: Budget Act and Fiscal Fund Out	

BACKGROUND:

This request is for approval of the Records Management and Storage Services Purchaser-Specific Agreement with Iron Mountain Information Management to maintain all hard-copy records and/or media in accordance with the terms of the Agreement, UMC’s I-25 Policy, UMC’s record retention and destruction policies, and the Local Government Records Retention Schedules as amended from time to time.

The Agreement from Iron Mountain is pursuant to HPG contract HPG-6445. The request is in compliance with NRS 450.525 and NRS 450.530; attached is the bid summary sheet and a sworn statement from an HPG executive verifying that the pricing was obtained through a competitive bid process.

UMC’s Health Information Management Director has reviewed and recommends award approval of this contract.

The contract has been approved as to form by UMC’s Office of General Counsel.

Iron Mountain Information Management, LLC currently holds a Clark County business license.

Cleared for Agenda
December 7, 2022

Agenda Item #

10

RECORDS MANAGEMENT AND STORAGE SERVICES PURCHASER-SPECIFIC AGREEMENT

IRON MOUNTAIN INFORMATION MANAGEMENT, LLC

Address of Iron Mountain Branch/District Office:

FOR IRON MOUNTAIN PURPOSES ONLY

Account Number: NL369, NL420 & 44132.049674	NAICS Code:
GPO/Association Reporting ID: HPG	
GLN #:	HealthTrust GPOID #: H036381
Branch/District Cost Ctr. No.:	
Anticipated Cubic Footage:	
Pricing Tier:	

Agreement Effective Date: December 1, 2022

PURCHASER: University Medical Center of Southern Nevada

BILLING ADDRESS (If Different):

Street Address: 1800 W. Charleston Blvd

Street or Box No.:

City: Las Vegas **State:** NV **Zip + 4:** 89102-2386

City: **State:** **Zip + 4:**

Primary Contact and Title: Sabrina Holloway

Billing Contact:

Telephone: (702) 383-2231
E-mail: Sabrina.Holloway@umcsn.com

Fax:

Telephone:
E-mail:

Fax:

This Records Management Services Purchaser-Specific Agreement (this “Agreement”) is entered into between Iron Mountain Information Management, LLC (“Iron Mountain” or “IM”) and the undersigned Purchaser and incorporates the terms and conditions of the Purchasing Agreement executed between Iron Mountain and HealthTrust Purchasing Group, L.P. (“HealthTrust”) HPG-6445, dated January 1, 2021 (the "Purchasing Agreement”). All capitalized terms not defined in this Agreement shall have the meaning set forth in the Purchasing Agreement. By executing this Agreement, the Purchaser and Iron Mountain agree to the terms and conditions set forth below.

PURCHASER: University Medical Center of Southern Nevada	IRON MOUNTAIN
Individual Signing: [print name]	Individual Signing: [print name]
Signature:	Signature:
Title:	Title:
Signing Date:	Signing Date:

In order to keep Purchaser apprised of Iron Mountain’s service offerings, new regulations that may be of interest to Purchasers and similar information, Iron Mountain will add Purchaser’s representative to its informational mailing list, if an email address is provided above, to receive newsletters and communications through email or postal delivery. Purchaser may elect to unsubscribe any time after receiving the first newsletter or communication.

TERMS AND CONDITIONS

1. **Term.** The term of this Agreement shall commence on the date of Purchaser's signature or, if later, the Effective Date set forth on the first page of this Agreement. The initial term of this Agreement shall continue for five (5) years after commencement ("Initial Term") or unless this Agreement is otherwise terminated in accordance with the terms of the Purchasing Agreement. In the event Iron Mountain continues to hold Deposits (as hereinafter defined) after the expiration or termination of this Agreement or the Purchasing Agreement ("Holdover Period"), the terms of this Agreement shall continue to apply until all Deposits have been removed from IM's facility, except that, during the Holdover Period, IM may adjust rates upon thirty (30) days' written notice by a factor not to exceed more than five percent (5%) annually. This Agreement shall survive any prior termination or expiration of the Purchasing Agreement.
2. **Charges.** Rates and charges, and any increases thereto, shall be in accordance with the Purchasing Agreement and as specified in Exhibit A (Services with Prices) of the Purchasing Agreement. If at any time during the term of this Agreement Purchaser ceases to be a Participant of HealthTrust, this Agreement shall continue in full force and effect until the earlier to occur of (i) the expiration or termination of this Agreement in accordance with its terms; or (ii) until such time that Vendor and Purchaser enter into a separate, direct contractual relationship for the provision of the Services.
3. **Right to Rely on Instructions.** Purchaser warrants that it is the owner or legal custodian of the Deposits and has full authority to store the Deposits and direct their disposition in accordance with this Agreement. Authority granted to any person on standard authorization forms shall constitute Purchaser's representation that the identified persons have full authority to order any service, including disposal or removal of Deposits. Such orders may be given in person, by telephone or in writing (fax, email or hard copy). Purchaser releases IM from liability to the extent that any destruction of materials was done pursuant to Purchaser's authorization. Purchaser authorizes Iron Mountain to make Purchaser account and transactional information available to HealthTrust, and recognizes that such information will be presented to HealthTrust and may be included in periodic reports.
4. **Operational Procedures.** Iron Mountain will perform services pursuant to IM's reasonable operational requirements. Purchaser shall comply with IM's reasonable operational requirements as provided in writing to Purchaser, as modified from time to time and provided to Purchaser in writing, regarding file indexing, cartons, carton integrity, and delivery/pickup/account closing volumes, preparation for pickup, access and similar matters. In order to ensure prompt, accurate retrievals of files, IM requires that each file is individually indexed and entered into the IM database. Purchaser must either send IM electronic index data, perform its own data entry, or pay IM to perform manual data entry. Extraordinary volume requests (defined as 125% of the average volume over the immediately preceding three (3) month period) may involve additional costs, such as overtime, which Purchaser will pay at IM's overtime rates, provided Purchaser consents to such costs in advance.
5. **Compliance with Contracts, Laws and Regulations.** Purchaser shall be responsible for, and warrant compliance with, all contractual restrictions and all applicable laws, rules and regulations governing the confidentiality, retention and disposition of information contained in the Deposits. Iron Mountain shall be responsible for, and warrant compliance with, all contractual restrictions, including but not limited to the BAA, and all applicable laws, rules and regulations governing

the confidentiality, retention, disposition, and other legal and contractual obligations with respect to the information contained in the Deposits.

6. **Force Majeure.** Neither party shall be liable for delay or inability to perform caused by acts of war, terrorism, acts of government, epidemic, pandemic, or nature, including hurricanes, tornados, floods, and earthquakes (each or a combination deemed a “Force Majeure Event”), provided that the party relying upon this provision gives prompt written notice thereof explaining the nature and expected duration of such event and takes steps reasonably necessary to mitigate the effects of the Force Majeure Event. Notwithstanding the foregoing, if Vendor is unable to perform any of its obligations under this Agreement for a period of more than thirty (30) business days as a result of a Force Majeure Event, then Purchaser may terminate this Agreement upon written notice to the Vendor.
7. **Governmental Orders.** IM is authorized to comply with any subpoena or similar order related to the Deposits, at Purchaser’s expense, provided that IM notifies Purchaser promptly upon receipt thereof, unless such notice is prohibited by law. IM will cooperate with Purchaser’s efforts to quash or limit any subpoena at Purchaser’s expense.
8. **Confidentiality.** "Confidential Information" means any information (i) contained in the Deposits, (ii) concerning or relating to the property, business and affairs of the party disclosing such information that is furnished to the receiving party, and (iii) regarding this Agreement, its Schedules and IM’s processes and procedures; except for information that was previously known to the receiving party free of any obligation to keep it confidential, is subsequently made public by the disclosing party or is disclosed by a third party having a legal right to make such disclosure. Confidential Information shall be used only in the manner contemplated by this Agreement and shall not be intentionally disclosed to third parties without the disclosing party’s written consent. IM shall not obtain any rights of any sort in or to the Confidential Information of Purchaser contained in the Deposits. IM shall implement and maintain reasonable safeguards designed to protect Purchaser’s Confidential Information. IM further agrees to comply with its obligations under applicable state and federal privacy laws relating to personally identifiable information (“PII”), including protected health information (“PHI” and together with “PII” collectively referred to as “Personal Data”) as defined in the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act (“HITECH”), and regulations promulgated under these laws. Additional requirements governing the privacy and security of PHI are set forth in the BAA.
9. **Public Records.** Iron Mountain acknowledges that Purchaser is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such its records are public documents available to copying and inspection by the public. If Purchaser receives a demand for the disclosure of any information related to the Agreement which Iron Mountain has claimed to be confidential and proprietary, Purchaser will immediately notify Iron Mountain of such demand and Iron Mountain shall immediately notify Purchaser of its intention to seek injunctive relief in a Nevada court for protective order. Iron Mountain shall indemnify, defend and hold harmless Purchaser from any claims or actions, including all associated costs and attorney’s fees, regarding or related to any demand for the disclosure of Iron Mountain documents in Purchaser’s custody and control in which Iron Mountain claims to be confidential and proprietary. For the avoidance of any doubt, Iron Mountain hereby acknowledges that this Agreement will be publicly posted for approval by Purchaser’s governing body.

10. **Limitation of Liability – Value of Deposits.**

a. Purchaser declares, for the purposes of this Agreement, that (a) with respect to hard-copy (paper) records, microfilm and microfiche stored pursuant to this Agreement, the value of such stored items is \$3.50 per carton, linear foot of open-shelf files, container or other storage unit, and (b) with respect to round reel tape, audio tape, video tape, film, data tape, cartridges or cassettes or other non-paper media stored pursuant to this Agreement, the value of such stored items is equal to the cost of replacing the physical media. Notwithstanding the foregoing, data breaches shall be governed solely by the BAA between IM and HealthTrust. Purchaser acknowledges that it has declined to declare an excess valuation, for which an excess valuation fee would have been charged.

b. **LIMITATION OF LIABILITY.**

i. **Liability for Loss or Damage to Deposits.** IM shall not be liable for any loss or destruction of, or damage to, materials stored with IM pursuant to this Agreement (“Deposits”) except to the extent such loss, destruction or damage resulted from IM’s negligence. If liable, IM’s liability is limited to the value of each Deposit as described above. Notwithstanding the foregoing, liability for data breaches shall be governed solely by the BAA between IM and HealthTrust or IM and Purchaser, as the case may be. If Deposits are placed in the custody of a third-party carrier contracted by Purchaser or at Purchaser’s direction, for transportation, then such carrier shall be solely responsible for any loss or destruction to, or damage to, such Deposits while in the custody of the carrier, provided that IM shall be liable for any third party carrier if IM has made the shipping arrangements.

ii. **Liability for Non-Storage Services.** Except as otherwise set forth in the BAA and this Agreement, Iron Mountain shall not be liable for a release, loss or default arising from the provision of Services not related to the storage of Deposits unless the release, loss or default is due to Iron Mountain’s negligence. IM shall not be liable for the loss of contents of shredding bins unless and until the contents are in the custody and control of IM. Notwithstanding the foregoing, data breaches shall be governed solely by the BAA between IM and HealthTrust. Except as otherwise set forth in the BAA, Iron Mountain’s maximum liability with respect to Services not related to storage is the amount paid by Purchaser for a discrete project or, if the loss is related to service of an ongoing and continuing nature, the (i) the total amounts paid by Purchaser with respect to the Service(s) giving rise to the claim during the twelve (12) months preceding each event which gives rise to a claim; or (ii) the projected fees for the Service(s) giving rise to the claim to be provided to Purchaser during the initial twelve (12) months relating to each event if the claim arises within the first year of this Agreement.

iii. **General.** Notwithstanding the foregoing, Iron Mountain acknowledges that the exclusions and limitations of liability set forth in this Agreement shall not apply to damages incurred by Purchaser to the extent caused by Iron Mountain’s gross negligence, willful misconduct, or fraud. Further, except for undisputed amounts owed for Services, Purchaser’s maximum liability for all claims arising between Iron Mountain and Purchaser with respect to this Agreement shall not exceed

\$100,000 per event. Notwithstanding the foregoing, Purchaser acknowledges that the exclusions and limitations of liability set forth in this Agreement shall not apply to damages incurred by Iron Mountain to the extent caused by Purchaser's gross negligence, willful misconduct, or fraud.

- c. Liability of Iron Mountain under the BAA. IM's liability for the subject matter addressed in the BAA shall be governed by the BAA and shall not be limited or expanded by any terms in this Agreement or the Purchasing Agreement.
- d. Consequential Damages. Neither Iron Mountain nor Purchaser shall be liable to the other for the other's special, consequential, punitive, incidental or indirect damages, however caused, on any theory of liability, and whether or not they have been advised of the possibility of such damages, except:
 - i. as may arise from Iron Mountain's or Purchaser's gross negligence, willful misconduct, fraud, or violation of applicable law or regulation;
 - ii. as may arise from Iron Mountain's or Purchaser's breach of Section 10.0 of the Purchasing Agreement (Confidentiality) and Section 8 of this Agreement; provided that this Section 9(d)(ii) shall not apply to breaches relating to Deposits. Notwithstanding the foregoing, Iron Mountain's liability for any breaches of unsecured PHI, as those terms are defined by 45 C.F.R. § 164.402, and Individually Identifiable Information shall be governed solely by the BAA; or
 - iii. obligations pursuant to Sections 9.1 and 9.2 of the Purchasing Agreement (Vendor Indemnification; Comparative Fault).

- 11. **ITAR/EAR Compliance.** Purchaser represents that none of the Deposits stored by Iron Mountain pursuant to this Agreement require protection from access by foreign persons because they contain technical information regarding defense articles or defense services within the meaning of the International Traffic in Arms Regulations (22 CFR 120) or technical data within the meaning of the Export Administration Regulations (15 CFR 730-774). If any of Purchaser's Deposits do contain any such information, Purchaser shall notify Iron Mountain of the specific Deposits that contain such information and acknowledges that special storage and service rates shall apply thereto.
- 12. **Notice of Claims.** Claims by Purchaser must be presented in writing within a reasonable time, in no event longer than one hundred and eighty (180) days after delivery or return of the Deposits to Purchaser, or one hundred and eighty (180) days after Purchaser is notified of loss, damage or destruction to part of all of the Deposits.
- 13. **Notice of Loss.** In the event Deposits are lost, damaged or destroyed, Iron Mountain shall, upon confirmation of the event, promptly but no later than five (5) business days, report the matter in writing to Purchaser.
- 14. **Purchaser Default.** If Purchaser fails to pay IM's charges (other than disputed charges) within ninety (90) days after the date of an invoice, IM may suspend service. If Purchaser fails to pay IM's charges (other than disputed charges) for six (6) months or longer, IM may securely destroy Deposits, provided IM shall have provided ninety (90) days' written notice to Purchaser; Purchaser shall pay IM's standard price for such secure destruction. A final notice will be sent

to Purchaser ten (10) days prior to secure destruction of the Deposits. IM shall have other rights and remedies as may be provided by law.

15. **Payment Terms.** Payment terms are net, forty-five (45) days. Purchaser shall be liable for late charges totaling one percent (1%) per month of the undisputed outstanding balance, not to exceed \$10,000 annually. Iron Mountain shall perform annual review of the account should any payments be late beyond sixty (60) days.

16. **Termination.** Either party may terminate this Agreement upon written notice to the other party in the event that the other party shall have breached any of its material obligations hereunder and shall not have cured such default within thirty (30) days after written notice of such default, subject to the applicable fees set forth in the Purchasing Agreement. In the event of a change-in-control (defined below), Purchaser may terminate this Agreement without penalty and, other than the payment of any undisputed charges incurred for Services rendered by Iron Mountain, shall have no further obligations hereunder, provided that such Purchaser enters into a separate agreement with IM for the provision of services described herein immediately upon such termination. A “change-in-control” means a reorganization, merger, consolidation or other corporate transaction involving Purchaser (a “Transaction”), in each case with respect to which the owners of Purchaser immediately prior to such Transaction do not, immediately after the Transaction, own more than 50% of the combined voting power of Purchaser or any other entity resulting from such Transaction. Purchaser may terminate this Agreement in whole or in part at any time, without liability or penalty, with 90 days’ prior written notice.

Notwithstanding the foregoing, in accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by Purchaser for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Purchaser’s obligations under it shall be extinguished at the end of any of Purchaser’s fiscal years in which Purchaser’s governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement, provided that Purchaser gives Iron Mountain at least one hundred and twenty (120) days' prior written notice termination. Purchaser agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve Purchaser of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated or for items delivered for which Purchaser did not give notification of termination due to loss of appropriated funds.

Budget Act and Fiscal Fund Out. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under the Agreement between the parties shall not exceed those monies appropriated and approved by Purchaser for the then current fiscal year under the Local Government Budget Act. The Agreement shall terminate and Purchaser's obligations under it shall be extinguished at the end of any of Purchaser's fiscal years in which Purchaser’s governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under the Agreement. Purchaser agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to the Agreement. In the event this Section is invoked, the Agreement will expire on the 30th day of June of the then current fiscal year. Termination under this Section shall not relieve Purchaser of its obligations: (i) incurred through the 30th day of June of the fiscal year for which monies

were appropriated.

17. **Safe Materials and Premises.** Purchaser shall not store with IM or place in shredding bins any material that is highly flammable, may attract vermin or insects, perishable, medical waste, or is otherwise dangerous or unsafe to store or handle, or any material that is regulated by federal or state law or regulation relating to the environment or hazardous materials. Purchaser shall not store negotiable instruments, jewelry, check stock or other items that have intrinsic value. Purchaser warrants that it shall only place paper-based materials in the shredding bins. Purchaser shall reimburse IM for damage to equipment or injury to personnel resulting from Purchaser's breach of this warranty.
18. **Purchase Orders.** In the event that Purchaser issues a purchase order to IM covering the services provided under this Agreement, any terms and conditions set forth in the purchase order which are in addition to or establish conflicting terms and conditions to those set forth in this Agreement are expressly rejected by IM.
19. **Authorized Release of Information to HealthTrust.** Notwithstanding anything to contrary contained herein, Purchaser authorizes Iron Mountain to release information to HealthTrust regarding this Agreement and any previous Agreement between Purchaser and Iron Mountain, including a copy of Purchaser's recent invoice to satisfy any requirements Iron Mountain has under the Purchasing Agreement.
20. **Vendor Credentialing.** In accordance with the Purchasing Agreement, Vendor shall maintain compliance with credentialing standards and protocols reasonably required by Purchaser and shall adhere to Purchaser's reasonably communicated rules, standards, policies or procedures while on Purchaser's premises.
21. **Miscellaneous.**
 - a. IM may subcontract its obligations under this Agreement, in whole or in part, to an Affiliate. Iron Mountain shall remain primarily liable to the Purchaser for the full compliance by each Subcontractor and/or Affiliate of all duties and obligations that would otherwise apply to Vendor absent the use of such Subcontractor and/or Affiliate. Neither party may assign this Agreement, in whole or in part, except to an Affiliate, without the prior written consent of the other party. Any notice made pursuant to this Agreement may be given in writing at the addresses set out on the first page hereof until written notice of a change of address has been received. Notices to IM shall be sent to the attention of its General Manager. Notices to Purchaser shall be sent to the attention of Purchaser's Legal Department. The provisions of the Purchasing Agreement shall be deemed incorporated into this Agreement (and any amendments thereto), and this Agreement shall be subject to and governed by the terms and conditions of the Purchasing Agreement. This Agreement shall be governed by the laws of the state in which Purchaser's headquarters (or the state of such affiliate Purchaser's headquarters) is located without regard to its conflicts of laws principles.
 - b. **Non-Excluded Healthcare Provider.** Iron Mountain represents and warrants to Purchaser that neither it nor any of its affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of goods or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or

agent that such party or its affiliates know or should know are excluded from participation in any federal health care program, to provide goods or services hereunder. Iron Mountain represents and warrants to Purchaser that, to the best of Iron Mountain’s knowledge, no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred or is pending or threatened against such Iron Mountain or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide goods or services under the Agreement. (collectively “Exclusions / Adverse Actions”).

- c. It is understood that in the performance of the services herein provided for, Iron Mountain shall be, and is, an independent contractor, and is not an agent, representative or employee of Customer and shall furnish such services in its own manner and method except as required by this Agreement. Further, Iron Mountain has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by Iron Mountain in the performance of the services hereunder. Iron Mountain shall be solely responsible for, and shall indemnify, defend and hold Customer harmless from all matters relating to the payment of Iron Mountain employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and employee regulations of any nature whatsoever.
- d. Iron Mountain shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by Iron Mountain, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, Iron Mountain shall follow practices consistent with generally accepted professional and technical standards.. Iron Mountain expressly disclaims all other warranties, whether implied or statutory, including but not limited to, any warranty of merchantability or fitness for a particular purpose.
- e. Iron Mountain shall abide by Iron Mountain Code of Ethics and Business Conduct and Customer’s Vaccine Policy, as may be amended from time to time, and must register through Customer’s vendor management/credentialing system prior to arriving on-site at any of Customer’s facilities. Iron Mountain employees, agents, subcontractors and/or designees who do not abide by Customer’s policies may be barred from physical access to Customer’s premises.
- f. **Insurance..** Iron Mountain shall deliver to Customer certificate(s) of insurance (COI) evidencing such insurance coverage as listed below upon written request by Customer. During the term of this Agreement, Iron Mountain shall, at its sole cost and expense, procure and maintain, in full force and effect, the following insurance coverages, with an insurance carrier rated A- or better by A.M. Best as of the date hereof:

General Liability:	\$2,000,000 General aggregate \$1,000,000 Product aggregate \$1,000,000 per occurrence
Automobile Liability:	\$2,000,000 aggregate
Workers Compensation:	Statutory Limits
Employers’ Liability:	\$1,000,000 per accident \$1,000,000 per disease / \$1,000,000 limit
Errors & Omissions	\$1,000,000 per loss / \$3,000,000 aggregate

All certificates of insurance may name “Customer, its subsidiaries and affiliates” as an additional insured with respect to General Liability and Automobile Liability coverages only, and only to the extent of Iron Mountain’s liability under this Agreement. Should any of the above-described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

- g. **Amendments** No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.
- h. **Independent Contractor.** Iron Mountain acknowledges that it, Iron Mountain, and any subcontractors, agents or employees employed by it shall not, under any circumstances, be considered employees of the Customer, and that they shall not be entitled to any of the benefits or rights afforded employees of Customer, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. Customer will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of Iron Mountain or any of its officers, employees or other agents.
- i. **Immigration Reform and Control Act.** In accordance with the Immigration Reform and Control Act of 1986, Iron Mountain agrees that it will not employ unauthorized aliens in the performance of this Agreement.
- j. **Public Funds / Non-Discrimination.** Iron Mountain acknowledges that the Customer has an obligation to ensure that public funds are not used to subsidize private discrimination. Iron Mountain recognizes that if they or their subcontractors engaged to provide services hereunder are found guilty by an appropriate authority of refusing to hire or do business with an individual or entity due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, handicapping condition (including AIDS or AIDS related conditions), national origin, or any other class protected by law or regulation, Customer may declare Iron Mountain in breach of the Agreement, terminate the Agreement, and designate Iron Mountain as non-responsible.
- k. **Assignment.** Iron Mountain may subcontract its obligations under this Agreement, in whole or in part, to an affiliate; however, Iron Mountain shall be and remain liable for all damages to Purchaser caused by negligent performance or non-performance of work under this Agreement by Iron Mountain’s affiliate subject to Section 10(b). Neither party may assign this Agreement in whole or in part, except to an affiliate, without the prior written consent of the other party. An affiliate means any entity controlling, controlled by, under common control with, or having a common parent with IM or Customer.
- l. **Indemnity.** If it is permitted by law, each party (the “Indemnifying Party”) agrees to indemnify the other party (the “Indemnified Party”) with respect to any claim or demand for bodily injury (including death) or loss of or damage to tangible property (excluding Data), to the extent based upon the negligent acts or omissions of the Indemnifying Party, provided that the Indemnified Party provides the Indemnifying Party prompt written notice of any such claim or demand. The Indemnified Party shall grant the Indemnifying Party the option to control the defense and/or settlement of the claim or demand and, in the event the Indemnifying Party exercises such option to control the defense/settlement, then (i) the Indemnifying Party shall not settle any claim requiring any admission of fault on the part of the Indemnified Party without its prior written consent (not to be unreasonably withheld), (ii) the Indemnified Party shall have the right to participate, at its own expense, in the claim

or suit, and (iii) the Indemnified Party shall cooperate with the Indemnifying Party as may be reasonably requested. The Indemnifying Party's sole obligation hereunder, unless it assumes the obligation to defend, shall be to pay any judgment rendered, or settlement made, as a result of any such claim or demand. Purchaser explicitly retains all defenses to indemnification that may exist under Nevada law and any indemnification from Purchaser under this paragraph shall be subject to and limited by the provisions of Chapter 41 of the Nevada Revised Statutes, as applicable.

- m. **Law.** Nevada law shall govern the interpretation of this Agreement.
- n. **Covenant Against Contingent Fees.** Iron Mountain warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide permanent employees. For breach or violation of this warranty, Customer shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.
- o. **Gratuities.**
 - 1. Customer may, by written notice to Iron Mountain, terminate this Agreement if it is found after notice and hearing by Customer that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Iron Mountain or any agent or representative of Iron Mountain to any officer or employee of Customer with the intent of securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.
 - 2. In the event this Agreement is terminated as provided in paragraph 1 hereof, Customer shall be entitled to pursue the same remedies against Iron Mountain as it could pursue in the event of a breach of this Agreement by Iron Mountain.
- p. **Audits.** Upon not less than ten (10) business days' advance written notification by the Customer and no more frequently than once a year, Iron Mountain agrees that the Customer shall have the right, at its cost and expense, to inspect Iron Mountain's books and records which provide substantiation of the performance of services by Iron Mountain to Customer relating to charges which are set forth in invoices issued by Iron Mountain to Customer. Notwithstanding the above, if Customer's request for audit occurs during Iron Mountain's quarter or year end, or such other time during which Iron Mountain cannot reasonably accommodate such request, the parties shall mutually agree on an extension to the ten business days advance written notification. Nothing contained herein will allow Customer to review data pertaining to other Iron Mountain customers or proprietary information related to Iron Mountain's security programs. If Customer elects to have its authorized representative perform such inspection, the authorized representative, excluding any federal or state agency with regulatory authority, shall be required to enter into a confidentiality agreement in form and substance reasonably satisfactory to Iron Mountain. Iron Mountain reserves the right to refuse access to any person who is or represents a competitor of Iron Mountain. While Customer and/or its authorized representatives are on Iron Mountain premises, they must comply with the Iron Mountain safety and security policies.
- q. **Covenant.** Iron Mountain covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Iron Mountain further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

- r. **Confidential Treatment of Information.** Iron Mountain shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Agreement.
- s. **ADA Requirements,** All work performed or services rendered by Iron Mountain shall comply with the Americans with Disabilities Act standards adopted by Clark County. All facilities built prior to January 26, 1992 must comply with the Uniform Federal Accessibility Standards; and all facilities completed after January 26, 1992 must comply with the Americans with Disabilities Act Accessibility Guidelines.
- t. **Public Records.** Iron Mountain acknowledges that Customer is a public, county-owned Customer which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its records are public documents available for copying and inspection by the public. If Customer receives a demand for the disclosure of any information related to this Agreement that Iron Mountain has claimed to be confidential and proprietary, Customer will immediately notify Iron Mountain of such demand and Iron Mountain shall immediately notify Customer of its intention to seek injunctive relief in a Nevada court for protective order.
- u. **Clark County Business License / Registration.** Iron Mountain warrants that it is has a valid Clark County Business License and will maintain such licensure through the duration of this Agreement.
- v. **Prohibition Against Israel Boycott.** In accordance with Nevada Revised Statute 332.065, Iron Mountain certifies that it has not refused to deal or to conduct business with, abstained from dealing or conducting business with, terminated business or business activities with or performed any other action that is intended to limit commercial relations with Israel or a person or entity doing business in Israel or in territories controlled by Israel.

Approved as to Form and Legal Content:
Iron Mountain Legal Department



Shilpa Daiya, Senior Corporate Counsel
Date: December 1, 2022
Customer: UMC of Southern Nevada

IRON MOUNTAIN DATA MANAGEMENT



PRICING FOR CORE SERVICES

Standard Storage (SEE: https://www.ironmountain.com/support/how-it-works FOR SERVICE DEFINITIONS)						
Description	Year 1	Year 2	Year 3	Year 4	Year 5	Per
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Standard Services (SEE: https://www.ironmountain.com/support/how-it-works FOR SERVICE DEFINITIONS)						
Description	Year 1	Year 2	Year 3	Year 4	Year 5	Per
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Note: Additional media requests for a scheduled service must be placed on or before 7:00 PM the previous business day. All "add-on" requests received before 7:00 PM the previous business day will be delivered on the next scheduled service.

Premium Storage and Services (SEE: https://www.ironmountain.com/support/how-it-works FOR SERVICE DEFINITIONS)						
Description	Year 1	Year 2	Year 3	Year 4	Year 5	Per
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Premium Storage and Services (SEE: <https://www.ironmountain.com/support/how-it-works> FOR SERVICE DEFINITIONS)

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Per
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Other Program Fees (SEE: <https://www.ironmountain.com/support/how-it-works> FOR SERVICE DEFINITIONS)

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Per
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

***Note:** A Fuel Surcharge is applied monthly based upon changes in the price of diesel fuel as published by the US Department of Energy. This charge is calculated monthly and included as a percentage of transportation related service charges. The current monthly Fuel Surcharge information can be found at <https://www.ironmountain.com/support/how-it-works/resources/transportation/fuel-surcharge/us-fuel-surcharge>

Custom Storage and Services (SEE: <https://www.ironmountain.com/support/how-it-works> FOR SERVICE DEFINITIONS)

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Per
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Note: Additional Services beyond those listed in this Pricing Schedule are available. For service descriptions, please go to Additional Services at <https://www.ironmountain.com/support/how-it-works>.

Note: These costs are not inclusive of third party transportation which are the responsibility of the Customer or which are billed directly by the Carrier to the Customer.

Note: Third Party Transportation is priced per shipment.

ADDITIONAL DEAL TERMS



Deal Term	Details
Multi-year Pricing	The pricing offered in this Schedule A for each year of the agreement has been outlined above. Upon anniversary date Iron Mountain will automatically apply pricing for the new year as outlined above.

Approved as to Form and Pricing
Content: Iron Mountain Sales Support
and Price Desk

SA-99365
Approved Date: 4/29/2022

Miguel Silva

Created By: DHan
Created Date: 5/23/2022
Customer: University Medical Center



October 12th, 2022

Jesse Ramirez
Contracts Specialist
University Medical Center of Southern Nevada
1800 W. Charleston Blvd.
Las Vegas, NV 89102

Re: Request for competitive bidding information regarding Records & Media Storage.

This letter is provided in response to the University Medical Center of Southern Nevada's ("UMC") request for information about HealthTrust Purchasing Group, L.P.'s ("HealthTrust") competitive bidding process for Records & Media Storage. We are pleased to provide this information to UMC in your capacity as a Participant of HealthTrust, as defined in and subject to the Participation Agreement between HealthTrust and UMC, effective August 3, 2016.

HealthTrust's bid and award process is described in its Contracting Process Policy [HT.008] available on its public website (<http://healthtrustpg.com/about-healthtrust/healthcare-code-of-ethics/>). As described in the policy, HealthTrust operates a member-driven contracting process. Advisory Boards are engaged to determine the clinical, technical, operational, conversion, business and other criteria important for each specific bid category. The boards are comprised of representatives from HealthTrust's membership who have appropriate experience, credentials/licensures, and decision-making authority within their respective health systems for the board on which they serve.

HealthTrust's requirements for specific products and services are published on its Contract Schedule on its public website. HealthTrust's requirements for vendors are outlined in its Supplier Criteria Policy [HT.010]. A listing of the minimum Supplier Criteria is also published on HealthTrust's public website, as well as an on-line form for prospective vendor submission.

The Contracting Process Policy includes criteria for the selection of contract products and services and documents and the procedures followed by HealthTrust's contracting team to select vendors for consideration. HealthTrust's Advisory Boards may provide additional requirements or other criteria that would be incorporated into the RFP (request for proposals) process, where appropriate. Vendor proposals submitted in response to RFPs are analyzed using an extensive clinical/technical review as described above, as well as a financial/operational review.



The above-described process was followed with respect to the Records & Media Storage category. HealthTrust issued RFPs and received proposals from identified suppliers in the Records & Media Storage category. A contract was executed with Vital Records Control, National Record Centers and Iron Mountain in January of 2021. I hope this satisfies your request. Please contact me with any additional questions.

Sincerely,

Craig Dabbs

Account Director, Member Services

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type (Please select one)						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group (Please select all that apply) N/A						
<input type="checkbox"/> MBE Minority Business Enterprise	<input type="checkbox"/> WBE Women-Owned Business Enterprise	<input type="checkbox"/> SBE Small Business Enterprise	<input type="checkbox"/> PBE Physically Challenged Business Enterprise	<input type="checkbox"/> VET Veteran Owned Business	<input type="checkbox"/> DVET Disabled Veteran Owned Business	<input type="checkbox"/> ESB Emerging Small Business
Number of Clark County Nevada Residents Employed: 30						
Corporate/Business Entity Name:		Iron Mountain Information Management LLC				
(Include d.b.a., if applicable)						
Street Address:		One Federal Street		Website: www.ironmountain.com		
City, State and Zip Code:		Boston, MA 02110		POC Name: Andrea Wyatt Email: andrea.wyatt@ironmountain.com		
Telephone No:		714-408-8257		Fax No:		
Nevada Local Street Address: (if different from above)		4105 North Lamb Blvd		Website: www.ironmountain.com		
City, State and Zip Code:		Las Vegas, NV 89110		Local Fax No:		
Local Telephone No:		702-635-3203		Local POC Name: Bill Hoeft Email: William.hoeft@ironmountain.com		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
http://investors.ironmountain.com/company/for-investors/investors-overview/default.aspx		
http://www.ironmountain.com/about-us/leadership		

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

Bill Hoeft
 Signature
 DISTRICT MANAGER

BILL HOEFT
 Print Name
 5-24-18

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Agreement for Software Licensure and Hardware Products with Orthogrid Systems, Inc.	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation:	
That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Agreement for Software Licensure and Hardware Products with Orthogrid Systems Inc.; authorize the Chief Executive Officer to exercise any extension/renewal options; or take action as deemed appropriate. (For possible action)	

FISCAL IMPACT:

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000702100	Funded Pgm/Grant: N/A
Description: Software Licensure and Hardware Agreement	
CBE: NRS 332.115.1 (j) – Equipment containing hardware or software for computers & NRS 332.115.4 – Purchase of goods commonly used by a hospital	
Term: Three (3) years from date of last signature with option to extend for a 1-year period.	
Amount: Estimated Total Cost \$1,084,520.00	
Out Clause: Ninety (90) days written notice w/o cause	

BACKGROUND:

This request is for UMC to enter into new Agreement for Software Licensure and Hardware Products with Orthogrid Systems Inc. This is a purchase for software licenses that will live on hardware in the OR and Trauma. The technology will be used by the Orthopedic surgeons who perform surgeries. The term of this Agreement shall be from the date of last signature through 2025. The estimated total cost for the Three (3) year term is \$1,084,520.00. Either party is able to terminate for cause upon thirty (30) days’ prior written notice.

Staff also requests authority for the CEO to exercise extension options or execute amendments to this agreement if deemed beneficial to UMC.

UMC’s Director / Business Manager Surgical Services of the OR has reviewed and recommends approval of this Agreement.

This Agreement has been approved as to form by UMC’s Office of General Counsel.

Company currently holds a Clark County business license.

Cleared for Agenda
December 07, 2022

Agenda Item #

11

**UNIVERSITY MEDICAL CENTER
OF SOUTHERN NEVADA**

**AGREEMENT FOR
SOFTWARE LICENSURE AND HARDWARE PRODUCTS**

ORTHOGRID SYSTEMS
NAME OF FIRM
Edouard Saget, Co-CEO
DESIGNATED CONTACT, NAME AND TITLE (Please type or print)
3865 S. Wasatch Boulevard, Suite 301 Salt Lake City, UT 84109
ADDRESS OF FIRM INCLUDING CITY, STATE AND ZIP CODE
(801) 703-5866
(AREA CODE) AND TELEPHONE NUMBER
esaget@ORTHOGRID.com
E-MAIL ADDRESS

AGREEMENT FOR SOFTWARE LICENSURE AND HARDWARE PRODUCTS

This Agreement (the "Agreement") is made and entered into as of the last date of signature set forth below (the "Effective Date"), by and between UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes (hereinafter referred to as "HOSPITAL"), and ORTHOGRID SYSTEMS, INC., Utah corporation with offices located at 3865 S Wasatch Blvd., Ste 301 Salt Lake City, UT 84109 (hereinafter referred to as "ORTHOGRID"), for Software Licensure and Hardware Products (hereinafter referred to as "PROJECT"). HOSPITAL and ORTHOGRID may be individually referred to in this Agreement as a "Party," or collectively as the "Parties."

WITNESSETH:

WHEREAS, ORTHOGRID owns certain equipment, patent rights, and other intellectual property rights pertaining to the Products, and has the personnel and resources necessary to perform and complete the Scope of Work for the PROJECT within the required schedule and with a budget allowance not to exceed \$1,084,520.00 as further described in **Exhibit A**; and

WHEREAS, ORTHOGRID has the required licenses and/or authorizations pursuant to all federal, State of Nevada and local laws in order to conduct business relative to this Agreement.

NOW, THEREFORE, HOSPITAL and ORTHOGRID agree as follows:

SECTION I: TERM OF AGREEMENT

HOSPITAL agrees to retain ORTHOGRID for the period from Effective Date and continuing for a three-year term ("Initial Term"). At the end of the Initial Term, HOSPITAL has the option to extend this Agreement for a 1-year period (each an "Extension Term") upon written notice to ORTHOGRID at least thirty (30) calendar days prior to the end of the Initial Term. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term." ORTHOGRID reserves the right to change its prices/fees and License Types, on any renewal of this Agreement, upon thirty (30) calendar days' written notice to HOSPITAL; provided, however, that ORTHOGRID will not increase its prices by more than the increase in the Consumer Price Index — All Urban Consumers, U.S. City Average, Not Seasonally Adjusted ("CPI-U") during the prior one (1) year initial Term. During this period, ORTHOGRID agrees to provide services as required by HOSPITAL within the scope of this Agreement.

SECTION II: COMPENSATION AND TERMS OF PAYMENT

A. Terms of Payments

1. HOSPITAL agrees to pay ORTHOGRID for a fixed sum of not-to-exceed to \$1,084,520.00 (the "License Fee") for the performance of the Scope of Work for the PROJECT as defined in **Exhibit A**. It is expressly understood that the entire Scope of Work defined in **Exhibit A** must be completed by ORTHOGRID and it shall be ORTHOGRID's responsibility to ensure that the entire PROJECT is performed and completed for the said fee.
2. License Fee payment shall become due based on the following schedule: 50% to be deposited to ORTHOGRID upon the HOSPITAL's receipt of the undisputed invoice that has been reviewed and approved by HOSPITAL prior to ORTHOGRID starting the PROJECT, or shipping the Products followed by the remaining 50% deposited to ORTHOGRID upon the HOSPITAL's receipt of the undisputed invoice that has been reviewed and approved by HOSPITAL upon delivery of the Products.
3. HOSPITAL, at its discretion, may not approve or issue payment on invoices if ORTHOGRID fails to provide any of the following information required on each undisputed invoice:
 - a. The title of the PROJECT as stated in **Exhibit A**, Scope of Work, itemized description of products delivered, or services rendered and amount due, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
 - b. Expenses not defined in **Exhibit A**, Scope of Work, with written authorization or approval from HOSPITAL.

Other expenses will not be paid unless HOSPITAL has given prior written authorization.

c. HOSPITAL's representative shall notify ORTHOGRID in writing within fourteen (14) calendar days of any disputed amount included on the invoice. Upon mutual resolution of the disputed amount, ORTHOGRID will submit a new invoice for the agreed and undisputed amount, and payment shall be made in accordance with this paragraph A.2 above.

4. Any undisputed payment not made to ORTHOGRID when due in accordance to paragraph A.2 above shall bear interest at the lesser of one percent (1.0%) per month or the maximum rate allowed by applicable law, not-to-exceed \$500.00 annually, from the due date of such payment until the date actually paid. HOSPITAL shall subtract from any payment made to ORTHOGRID all damages, costs and expenses caused by ORTHOGRID's negligence, resulting from or arising out of errors or omissions in ORTHOGRID's work products, which have not been previously paid to ORTHOGRID.

5. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.

B. HOSPITAL's Fiscal Limitations

1. The content of this section shall apply to the entire Agreement and shall take precedence over any conflicting terms and conditions, and shall limit HOSPITAL's financial responsibility as indicated in Sections 2 and 3 below.

2. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by HOSPITAL for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and HOSPITAL's obligations under it shall be extinguished at the end of any of HOSPITAL's fiscal years in which HOSPITAL's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. HOSPITAL agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve HOSPITAL of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

3. HOSPITAL's total liability for all charges for services which may become due under this Agreement is limited to the total maximum expenditure(s) authorized in HOSPITAL's purchase order(s) to ORTHOGRID.

SECTION III: SCOPE OF WORK

Services to be performed by ORTHOGRID for the PROJECT shall consist of the work for the products described in the Scope of Work as set forth in **Exhibit A** of this Agreement, attached hereto. In the event of a conflict between the terms of this Agreement and the terms in the Scope of Work, the terms of this Agreement shall prevail.

SECTION IV: CHANGES TO SCOPE OF WORK

A. HOSPITAL may at any time, by written order, as agreed by ORTHOGRID, request changes and/or upgrade of products for the PROJECT set forth in **Exhibit A** of this Agreement. If such changes and/or upgrades cause an increase (e.g., hardware upgrades which are excluded from the fee) or decrease in ORTHOGRID's cost or time required for the Scope of Work under this Agreement, an equitable adjustment limited to an amount within current unencumbered budgeted appropriations for the PROJECT shall be made and this Agreement shall be modified in writing accordingly. Any claim of ORTHOGRID for the equitable adjustment under this clause must be submitted in writing within thirty (30) calendar days from the date of receipt by ORTHOGRID of the written order of change, unless HOSPITAL grants a further period of time before the date of final payment under this Agreement.

B. ORTHOGRID provides to HOSPITAL the quantity of Product(s) requested by HOSPITAL as described in **Exhibits A**. HOSPITAL agrees to ship back to ORTHOGRID all unused Product(s) as per the Product Return Policy as identified in **Exhibit D ("OrthoGrid's Product Return Policy")**.

C. No services for which additional compensation will be charged by ORTHOGRID shall be furnished without the written authorization

of HOSPITAL.

SECTION V: RESPONSIBILITY OF ORTHOGRID

- A. It is understood that in the performance of the Scope of Work for the PROJECT as defined in **Exhibit A**, ORTHOGRID shall be, and is, an independent company, and is not an agent, representative or employee of HOSPITAL and shall grant to HOSPITAL a non-transferable, non-sublicensable, non-exclusive, revocable, royalty-bearing license under ORTHOGRID's applicable ownership rights, patent rights, and intellectual property rights to use the software and hardware products (the "License Grant") for the sole purpose of this PROJECT in connection with any surgeries or other medical procedures performed at HOSPITAL's facilities. All quantity of products set forth in **Exhibit A** shall remain the property of ORTHOGRID during the Term of this Agreement and shall be returned to ORTHOGRID upon termination or expiration of this Agreement. HOSPITAL may at any time request additional products from ORTHOGRID and ORTHOGRID will ship additional products to the extent mutually agreed by the Parties.
- B. ORTHOGRID shall ensure delivery of the product for this PROJECT defined in **Exhibit A** to HOSPITAL by ORTHOGRID shall be made within two (2) to four (4) weeks after receipt of a purchase order (the "Delivery Date"), with the Delivery Date to be communicated to HOSPITAL upon receipt of HOSPITAL's purchase order.
- C. ORTHOGRID shall be fully responsible for performing all tasks necessary to install the products, including without limitation, uncrating, unpacking, removal of packing material, field assembly, interconnection, calibration, and testing to ensure that the products conform to the product specifications published by ORTHOGRID or manufacturer (if ORTHOGRID is not the manufacturer), datasheets, description of goods, package inserts and other materials provided by ORTHOGRID at the time of order placement or as mutually agreed by HOSPITAL and ORTHOGRID ("Specifications") and is completely ready to perform all procedures for which it is designed and marketed by ORTHOGRID. "Successfully Installed" means that ORTHOGRID and HOSPITAL have agreed in writing and in good faith that the installation of the products was successful. ORTHOGRID shall use its best efforts to have the products Successfully Installed within thirty (30) calendar days of the Delivery Date.
- D. If, during the term of this Agreement, ORTHOGRID develops any minor software updates to a product ("Updated Product"), including Operating System ("OS") updates required prior to end of OS support, then ORTHOGRID will provide the Updated Product to HOSPITAL at no additional charges. ORTHOGRID shall provide HOSPITAL with sufficient notice, training, and an amended Agreement (to the extent deemed necessary by ORTHOGRID or HOSPITAL) to be approved by the Parties prior to shipping any Updated Product.
- E. ORTHOGRID shall adhere to HOSPITAL'S Technology and Information Security Requirements identified in Exhibit E.
- F. At its discretion and upon HOSPITAL's request, ORTHOGRID may place additional product for back up purpose only (the "Back-up Product"), such as its HipGrid Drone product. HOSPITAL acknowledges and agrees the Back-up Product is solely placed on consignment to negate any disruption to care delivery as a result of an event causing downtime in the Product, and as such it shall not be considered a primary or secondary navigation tool so support single events or trends, including but not limited to increase volume (seasonal or not) or scheduling conflicts. HOSPITAL may request ORTHOGRID to consign more Product as per Section IV.b. HOSPITAL shall return the Back-up Product to ORTHOGRID, as per Exhibit D, within 15 days of the receipt date of the written notice to return Back-up Product inventory by ORTHOGRID.
- G. Except for the expressed License Grant for this PROJECT, ORTHOGRID reserves all rights, titles and interests in and to its patent rights and other intellectual property rights. No rights or licenses are granted under this Agreement, whether by implication, estoppel, or otherwise, except as expressly set forth herein.
- H. ORTHOGRID will ensure that any surgeon working at a HOSPITAL facility must successfully complete ORTHOGRID's Surgeon Training Program before using the products under the License granted herein. Surgeons who successfully complete ORTHOGRID's Surgeon Training Program, as determined by ORTHOGRID, are deemed "Prescribing Surgeons" and are authorized to use the Products defined in **Exhibit A**. ORTHOGRID shall promptly notify HOSPITAL when one of its surgeons completes the ORTHOGRID Surgeon Training Program, and HOSPITAL shall maintain a current list of Prescribing Surgeons (the "Prescribing Surgeon List"), which HOSPITAL shall make available to ORTHOGRID upon request.
- I. ORTHOGRID, as deemed necessary, shall appoint a Manager, upon written acceptance by HOSPITAL, who will manage the

performance of Scope of Work. All of the obligations and responsibilities set forth in this Agreement shall be performed by the Manager, or by ORTHOGRID's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of ORTHOGRID be unable to complete his or her responsibility for any reason, ORTHOGRID must obtain written approval from HOSPITAL prior to replacing him or her with another equally qualified person. If ORTHOGRID fails to make a required replacement within fifteen (15) days, HOSPITAL may terminate this Agreement for default.

- J. ORTHOGRID has, or will, retain such employees as it may need to perform the services required by this Agreement. Such employees shall not be employed by the HOSPITAL.
- K. ORTHOGRID agrees that its officers and employees will cooperate with HOSPITAL in the performance of services under this Agreement and will be available for consultation with HOSPITAL at such reasonable times with advance notice as to not conflict with their other responsibilities.
- L. ORTHOGRID will follow HOSPITAL's relevant compliance policies as followed by HOSPITAL's staff in regard to programming changes; testing; change control; and other similar activities, including its corporate compliance program, HOSPITAL's Policy I-66 (Contracted Non-Employees/Allied Health Non-Credentialed /Dependent Allied Health / Temporary Staff / Construction/Third Party Equipment), and HOSPITAL's Vaccine Policy as may be amended from time to time. HOSPITAL will provide a copy of said policy upon ORTHOGRID request. ORTHOGRID must register through HOSPITAL's vendor management/credentialing system prior to arriving onsite at any of HOSPITAL's facilities. Should the Project involve a continuous presence by ORTHOGRID's employees or agents onsite at HOSPITAL's facilities, ORTHOGRID may be required to complete HOSPITAL's onboarding process and abide by onboarding requirements of HOSPITAL's Human Resources Department. ORTHOGRID's employees, agents, subcontractors and/or designees who do not abide by HOSPITAL's policies may be barred from physical access to HOSPITAL's premises
- M. ORTHOGRID shall be responsible for professional quality, technical accuracy, timely completion, and coordination of all services furnished by ORTHOGRID, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified Scope of Work, ORTHOGRID shall follow practices consistent with generally accepted professional and technical standards. ORTHOGRID further agree that during its term and following completion of its responsibilities, or such period as may be indicated in the specification, ORTHOGRID will replace or repair any product it provides or installs because of defects in workmanship or materials, except to the extent the failure results from negligence of HOSPITAL. ORTHOGRID expressly disclaims all other warranties, whether implied or statutory, including but not limited to, any warranty of merchantability or fitness for a particular purpose.
- N. It shall be the duty of ORTHOGRID to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. If applicable, ORTHOGRID will not produce a work product which violates or infringes on any copyright or patent rights. ORTHOGRID shall, without additional compensation, correct or revise any errors or omissions in its products set forth in **Exhibit A**:
 - 1. Permitted or required approval by HOSPITAL of any products or services furnished by ORTHOGRID shall not in any way relieve ORTHOGRID of responsibility for the professional and technical accuracy and adequacy of its work or functionality.
 - 2. HOSPITAL's review, approval, acceptance, or payment for any of ORTHOGRID's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and ORTHOGRID shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to HOSPITAL caused by ORTHOGRID's performance or failures to perform under this Agreement.
- O. All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by ORTHOGRID for HOSPITAL relating to the Scope of Work to be performed hereunder and not otherwise used or useful in connection with services previously rendered, in any, or services to be rendered, by ORTHOGRID to parties other than HOSPITAL shall become the property of HOSPITAL and shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever comes first. ORTHOGRID shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by HOSPITAL. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement.

- P. All products, equipment, patent rights, and other intellectual property rights, and specifications remain the property of ORTHOGRID. A copy of all materials, information and documents, whether finished, unfinished, or draft, developed, prepared, completed, or acquired by ORTHOGRID during the performance of services for which it has been compensated under this Agreement, shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever occurs first. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement. ORTHOGRID shall furnish Hospital's representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.
- Q. The rights and remedies of HOSPITAL provided for under this section are in addition to any other rights and remedies provided by law or under other sections of this Agreement.

SECTION VI: SUBCONTRACTS

- A. Scope of Work specified by this Agreement shall not be subcontracted by ORTHOGRID, without prior written approval of HOSPITAL.
- B. Approval by HOSPITAL of ORTHOGRID's request to subcontract, or acceptance of, or payment for, subcontracted work by HOSPITAL shall not in any way relieve ORTHOGRID of responsibility for the professional and technical accuracy and adequacy of the work. ORTHOGRID shall be and remain liable for all damages to HOSPITAL caused by negligent performance or nonperformance of work under this Agreement by ORTHOGRID's subcontractor or its subsubcontractor.
- C. The compensation due under Section II shall not be affected by HOSPITAL's approval of ORTHOGRID's request to subcontract.

SECTION VII: RESPONSIBILITY OF HOSPITAL

- A. HOSPITAL agrees that its officers and employees will cooperate with ORTHOGRID in the performance of services under this Agreement and will be available for consultation with ORTHOGRID at such reasonable times with advance notice as to not conflict with their other responsibilities.
- B. The services performed by ORTHOGRID under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative James Wagner, OR, telephone number (702) 383-2512 or his designee. HOSPITAL's representative may delegate any or all of his responsibilities under this Agreement to appropriate staff members, and shall so inform ORTHOGRID by written notice before the effective date of each such delegation.
- C. The review comments of HOSPITAL's representative may be reported in writing as needed to ORTHOGRID. It is understood that HOSPITAL's representative's review comments do not relieve ORTHOGRID from the responsibility for the professional and technical accuracy of the Scope of Work delivered under this Agreement.
- D. HOSPITAL shall assist ORTHOGRID in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Agreement.
- E. ORTHOGRID will not be responsible for accuracy of information or data supplied by HOSPITAL or other sources to the extent such information or data would be relied upon by a reasonably prudent ORTHOGRID.
- F. HOSPITAL agrees that products set forth in **Exhibit A** will only be used at those HOSPITAL facilities (the "Locations") identified in **Exhibit B**. At any time during the term of this Agreement, the HOSPITAL may add additional Locations with the prior written consent of ORTHOGRID.
- G. HOSPITAL is responsible for all freight charges for the products, excluding those products marked as "Shipping Included" listed in **Exhibit A**. ORTHOGRID agrees to pay shipping charges for standard ground freight for the shipment of Shipping Included Products to HOSPITAL and HOSPITAL will pay the full cost of any expedited orders or shipping by methods other than ground freight. If HOSPITAL requests overnight or expedited delivery (e.g., air freight, express delivery, etc.) for any product, or shipping by any method other than ground, then ORTHOGRID will: (a) ship the products and prepay all shipping costs; and (b) charge HOSPITAL for the full costs of such shipping and any special handling.
- H. HOSPITAL shall have until the products have been Successfully Installed in which to inspect the products and to either accept such products or reject such products due to nonconformity to the Specifications or due to product damage or defect. "Acceptance" of products by HOSPITAL shall occur when ORTHOGRID and the HOSPITAL, in good faith, mutually agree in writing that the Products are: (a) operating according to Specifications; and (b) have been Successfully Installed and completely ready for clinical use. In

addition, HOSPITAL shall have the option, at its own expense, to test the Products to confirm the safety, reliability, and performance of the Products and to perform corollary or parallel testing to verify the accuracy of the Products' performance. In the event that HOSPITAL, after such inspection, rejects the Products due to nonconformity to the Specifications or due to broken or damaged Products or packaging, HOSPITAL shall have the right to return the damaged or non-conforming Products in accordance with the terms and conditions of ORTHOGRID's Product Return Policy related to Product Defect and ORTHOGRID shall refund the portion of any prior license payments corresponding to such defective Product within fifteen (15) days of receipt of notification from HOSPITAL that it rejects or does not accept the Product.

- I. HOSPITAL shall be responsible for documenting and tracking any and all products delivered to HOSPITAL as well as assuring that such products remain at HOSPITAL's approved Location(s) at all times after the products are delivered to HOSPITAL.
- J. HOSPITAL is self-insured as allowed by Chapter 41 of the Nevada Revised Statutes. HOSPITAL shall provide ORTHOGRID with evidence of such insurance upon request.
- K. HOSPITAL shall maintain the Product in good order and condition while in HOSPITAL's possession. HOSPITAL shall bear all risk of loss, damage, destruction, theft, and condemnation to or of the Product from any cause whatsoever other than caused by a Product Defect ("Loss") while the Product is in HOSPITAL's possession. In the event of any Loss of the Product, while the Product is in HOSPITAL's possession, HOSPITAL shall immediately notify ORTHOGRID by providing a Declaration of Loss statement explaining HOSPITAL's findings relating to the Loss, including but not limited to the cause, any correction and preventive action and the steps for recovery of all lost Product. HOSPITAL will reimburse ORTHOGRID for the repair or replacement cost of the Product Loss at ORTHOGRID's then-current prices. HOSPITAL may provide a written request to ORTHOGRID for repair services on any damaged Product. Upon receiving such repair request, ORTHOGRID will assess the damage and determine whether the damage is repairable or whether a replacement is required, at its sole discretion. If replacement Product is required, ORTHOGRID shall provide a replacement for Product damaged during the term of this Agreement at additional cost to HOSPITAL, including shipping charges, except for the Product listed as "One-Time Replacement" listed in **Exhibit A**. ORTHOGRID shall ship an equivalent replacement Product to HOSPITAL, at HOSPITAL's cost, including shipping charges.
- L. HOSPITAL shall permit and facilitate ORTHOGRID, at mutually agreed upon times and places, access to ORTHOGRID's inventory, either locally or through the agreed upon remote VPN Access as identified in Exhibit E, to review HOSPITAL's usage (including the number of surgeries and other medical procedures covered by such License). ORTHOGRID shall neither request nor be permitted access to any protected health information without first executing HOSPITAL's standard Business Associate Agreement.

SECTION IX: TERMINATION

A. Termination

1. Termination for Cause

Either Party may terminate this Agreement upon the material breach by the other Party of any provision of this Agreement. The terminating Party shall first give the breaching Party with written notice of the alleged breach and a reasonable period of at least thirty (30) days in which to cure the alleged breach. If the breach is not cured within the cure period, the terminating party may terminate this Agreement upon written notice to the breaching Party.

2. Termination by HOSPITAL for Convenience

Except in the event of a prepaid License, HOSPITAL may terminate the License and this Agreement with or without cause at any time after the Initial Term upon 90 days' prior written notice to ORTHOGRID or via email at support@orthogrid.com.

3. Effect of Termination

Upon termination of this Agreement for any reason, neither Party shall be released from any obligation arising under this Agreement prior to its termination, including without limitation, HOSPITAL's obligation to pay License Fee for all periods of time prior to the effective date of such termination.

4. The rights and remedies of HOSPITAL and ORTHOGRID provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.

5. Neither party shall be considered in default in the performance of its obligations hereunder, nor any of them, to the extent

The performance of this Agreement by ORTHOGRID is subject to review by HOSPITAL to ensure Agreement compliance. ORTHOGRID agrees to provide HOSPITAL any and all information requested that relates to the performance of this Agreement. All requests for information will be in writing to ORTHOGRID. Time is of the essence during the audit process. Failure to provide the information requested within the timeline provided in the written information request may be considered a material breach of Agreement and be cause for suspension and/or termination of the Agreement. The parties hereto further agree that except as otherwise required by law, any audit and inspection rights include only the rights to verify amounts invoiced by ORTHOGRID and to verify the nature of the services being invoiced, but does not include the right to review personal information of ORTHOGRID's employees, or proprietary information of ORTHOGRID, including but not limited to ORTHOGRID's underlying cost, markup or overhead rates.

E. Clark County Business License / Registration

ORTHOGRID warrants that it is has a valid Clark County Business License and will maintain such licensure through the duration of this Agreement.

F. Complete Agreement

This Agreement, together with all exhibits, appendices or other attachments, which are incorporated herein by reference, is the sole and entire agreement between the parties relating to the subject matter hereof. This Agreement supersedes all prior understandings, representations, agreements and documentation relating to such subject matter. In the event of a conflict between the provisions of the main body of the Agreement and any attached exhibits, appendices or other materials, the Agreement shall take precedence.

G. Confidential Treatment of Information

For purposes of this Agreement, a Party receiving Confidential Information shall be referred to as the "Recipient," the Party disclosing such information as the "Discloser," and a Party's affiliates and the employees, officers, directors, attorneys, accountants, consultants, and advisors of such Party and of its affiliates as such Party's "Representatives." A person or entity shall be deemed to be an affiliate of another person or entity controlling, controlled by or under common control with such Party. The disclosure and use of any Confidential Information to Recipient and/or its Representatives has been and will be solely for the purpose of enabling Recipient to perform its duties under this Agreement (the "Purpose"). Recipient agrees that it will keep the Confidential Information strictly confidential and will not, without the prior written consent of the Discloser, disclose Confidential Information to any other person, or use in any manner whatsoever, in whole or in part, directly or indirectly in violation of this Agreement; except that Recipient may disclose to its Representatives such portion of the Confidential Information as may be necessary or appropriate to the Purpose but only to such persons who have a need to know the information in connection with the Purpose and who expressly agree to: (a) maintain the Confidential Information in strict confidence; and (b) use Confidential Information only for the Purpose. Recipient shall return or destroy all documents, copies, notes, or other materials containing any portion of the Confidential Information upon request of the Discloser. In the event Recipient, or anyone to whom Recipient transmits the Confidential Information, or any of it, pursuant to this Agreement, becomes compelled by applicable law or any applicable governmental authority or regulatory body (by oral questions, interrogatories, request, demand, or similar process) to disclose any of the Confidential Information, Recipient will provide the Discloser with prompt written notice thereof and the Discloser may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement as to such information. In the event, such protective order or other remedy is not obtained, or the Discloser waives compliance with the provisions of this Agreement, Recipient will furnish only that portion of the Confidential Information, which is on the advice of Recipient's counsel, legally required to be disclosed.

H. Counterparts

This Agreement may be executed in one or more counterparts. Each counterpart will be an original, and all such counterparts will constitute a single instrument.

I. Covenant

ORTHOGRID covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. ORTHOGRID further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be

employed.

J. Covenant Against Contingent Fees

ORTHOGRID warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide permanent employees. For breach or violation of this warranty, HOSPITAL shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

K. Exclusion

ORTHOGRID represents and warrants that neither it, nor any of its employees or other contracted staff (collectively referred to in this paragraph as “employees”) has been or is about to be excluded from participation in any Federal Health Care Program (as defined herein). ORTHOGRID agrees to notify HOSPITAL within five (5) business days of ORTHOGRID’s receipt of notice of intent to exclude or actual notice of exclusion from any such program. The listing of ORTHOGRID or any of its employees on the Office of Inspector General’s exclusion list (OIG website), the General Services Administration’s Lists of Parties Excluded from Federal Procurement and Non-procurement Programs (GSA website) for excluded individuals or entities, any state Medicaid exclusion list, or the Office of Foreign Assets Control’s (OFAC’s) blocked list shall constitute “exclusion” for purposes of this paragraph. In the event that ORTHOGRID or any of its employees is excluded from any Federal Health Care Program or placed on the OFAC’s blocked list, it shall be a material breach and this Agreement shall immediately terminate without penalty to HOSPITAL. For the purpose of this paragraph, the term “Federal Health Care Program” means the Medicare program, the Medicaid program, TRICARE, any health care program of the Department of Veterans Affairs, the Maternal and Child Health Services Block Grant program, any state social services block grant program, any state children’s health insurance program, or any similar program.

L. Governing Law / Venue

Nevada law shall govern the interpretation of this Agreement. Venue shall be any court of competent jurisdiction in Las Vegas, Nevada.

M. Gratuities

1. HOSPITAL may, by written notice to ORTHOGRID, terminate this Agreement if it is found after notice and hearing by HOSPITAL that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by ORTHOGRID or any agent or representative of ORTHOGRID to any officer or employee of HOSPITAL with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.
2. In the event this Agreement is terminated as provided in paragraph 1 hereof, HOSPITAL shall be entitled:
 - a. to pursue the same remedies against ORTHOGRID as it could pursue in the event of a breach of this Agreement by ORTHOGRID; and
 - b. as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by HOSPITAL) which shall be not less than three (3) nor more than ten (10) times the costs incurred by ORTHOGRID in providing any such gratuities to any such officer or employee.
3. The rights and remedies of HOSPITAL provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

N. Immigration Reform and Control Act

In accordance with the Immigration Reform and Control Act of 1986, ORTHOGRID agrees that it will not employ unauthorized aliens in the performance of this Agreement.

O. Indemnity

ORTHOGRID does hereby agree to defend, indemnify, and hold harmless HOSPITAL and the employees, officers and agents of HOSPITAL from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys’ fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of ORTHOGRID or the employees

or agents of ORTHOGRID in the performance of this Agreement as a result of (i) any failure of Products detailed in **Exhibit A** to comply with the applicable Product warranty, as set forth in paragraph P, below, or Product Specifications; or (ii) any infringement by the Products of any third-party intellectual property rights. Notwithstanding the foregoing, ORTHOGRID shall have no liability for any Liabilities relating to Products that are (a) modified, changed, or altered by anyone other than ORTHOGRID; (b) not used in accordance with all applicable regulatory, state, and federal standards, and the Specifications; or (c) subjected to accident, misuse, neglect, unauthorized repair, tampering, refurbishing, improper storage, or to testing by anyone other than ORTHOGRID. ORTHOGRID shall not be obligated to indemnify or hold harmless any HOSPITAL Indemnified Party to the extent such Liabilities arise from a HOSPITAL Indemnified Party's misconduct or negligence.

P. Limit of Liability

In no event shall either party be liable to the other for lost opportunity, revenue, data, use or profits, costs of procurement of substitute goods or services, interruption in service, or for any indirect, incidental special or consequential damages incurred by either party, whether in an action in contract, tort, breach of warranty or other cause of action or theory of liability, arising out of or related to this agreement, irrespective of whether the other party has been advised of the possibility of such damages. In addition, except for the parties' indemnification obligations hereunder, in no event shall either party's total cumulative liability to the other in connection with this agreement, whether in contract or tort or otherwise, exceed the total amounts paid (or that are payable) to ORTHOGRID by HOSPITAL under this agreement in the twelve (12) months prior to such liability arising. Limits of liability shall not apply to breaches of confidentiality, indemnification, or Insurance.

Q. Independent Contractor

ORTHOGRID acknowledges that it, ORTHOGRID, and any subcontractors, agents or employees employed by it shall not, under any circumstances, be considered employees of the HOSPITAL, and that they shall not be entitled to any of the benefits or rights afforded employees of HOSPITAL, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. HOSPITAL will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of ORTHOGRID or any of its officers, employees or other agents.

R. Prohibition Against Israel Boycott:

In accordance with Nevada Revised Statute 332.065, ORTHOGRID certifies that it is not refused to deal or to conduct business with, abstained from dealing or conducting business with, terminating business or business activities with or performing any other action that is intended to limit commercial relations with Israel or a person or entity doing business in Israel or in territories controlled by Israel.

S. Public Funds / Non-Discrimination

ORTHOGRID acknowledges that the HOSPITAL has an obligation to ensure that public funds are not used to subsidize private discrimination. ORTHOGRID recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or ORTHOGRID due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, handicapping condition (including AIDS or AIDS related conditions), national origin, or any other class protected by law or regulation, HOSPITAL may declare ORTHOGRID in breach of the Agreement, terminate the Agreement, and designate ORTHOGRID as non-responsible.

T. Public Records

ORTHOGRID acknowledges that HOSPITAL is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its records are public documents available for copying and inspection by the public. If HOSPITAL receives a demand for the disclosure of any information related to this Agreement that ORTHOGRID has claimed to be confidential and proprietary, HOSPITAL will immediately notify ORTHOGRID of such demand and ORTHOGRID shall immediately notify HOSPITAL of its intention to seek injunctive relief in a Nevada court for protective order. ORTHOGRID shall indemnify and defend HOSPITAL from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of ORTHOGRID document in HOSPITAL's custody and control in

which ORTHOGRID claims to be confidential and proprietary.

U. Publicity

Neither HOSPITAL nor ORTHOGRID shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this Agreement without the prior written consent of the other party.

V. Survival of Terms.

Unless otherwise stated, all of HOSPITAL and ORTHOGRID's respective obligations, representations and warranties under this Agreement which are not, by the expressed terms of this Agreement, fully to be performed while this Agreement is in effect shall survive the termination of this Agreement.

W. Waiver; Severability

No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented. If any provision of this Agreement is held invalid, void or unenforceable under any applicable statute or rule of law, it shall to that extent be deemed omitted, and the balance of this Agreement shall be enforceable in accordance with its remaining terms.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and effective as of the Effective Date.

HOSPITAL:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

By: _____ DATE
MASON VAN HOUWELING
Chief Executive Officer

ORTHOGRID:

ORTHOGRID SYSTEMS, INC.

By: _____ DATE
EDOUARD SAGET
CO-CEO

Exhibit A
Software Licensure and Hardware Products (the “PROJECT”)

See Quote 042720221743UMC02



Exhibit B TLA - Quote# 042720221743UMC02

Account Name:

University Medical Center Las Vegas

Date 4/27/22

Contact name:

Tony Marinello, COO

Email:

Tony.marinello@umcsn.com

Valid Until

12/25/22

Account Needs Analysis			
Facility	Product Type	Licenses Requested (ea.)	Surgeon (s)
UMC	OrthoGrid Hip	3	Hansen, Kubiak, Nelson, Elliott, DeVries
	OrthoGrid Hip Preservation	3	Kubiak, Howenstein
	OrthoGrid Trauma	3	Kubiak, Nelson, Elliott, Howenstein, DeVries, Wulff, Sylvain, Wentz, Kam

Product Name	Part Number	Annual License Fee (List Price)	Quantity	Total (List Price)	Applicable Discounts	Discounted Annual License Fees	Shipping Included	One time Replacement Yes/No
Software Products - Digital devices - *Software as a Service (SaaS) application license structure*								
Software - Orthopedic Applications								
OrthoGrid Hip 3.0	1015-915-504	\$ 97,500.00	0	\$ -		\$ -	No	N/A
OrthoGrid Hip Preservation 2.3.2.11	4015-915-501	\$ 97,500.00	0	\$ -		\$ -	No	N/A
OrthoGrid Trauma 1.0	2010-915-502	\$ 97,500.00	0	\$ -		\$ -	No	N/A
OrthoGrid All inclusive Software License	1015-915-508	\$ 167,000.00	3	\$ 501,000.00		\$ 501,000.00	No	N/A
OrthoGrid Software Annual Servicing Package (Remote access, software updates, assist with PACS configuration, and troubleshooting)	100023	\$ 10,000.00	3	\$ 30,000.00		\$ 30,000.00	No	N/A
Hardware for Software (provided on a consignment basis w/ active license term)								
Hardware Tower	1020-916-100	Incl. with each Primary App	3				No	N/A
Calibration Array 12"	1020-915-124	Incl. w each Tower	1				No	N/A
Calibration Array 9"	1020-915-123	Incl. w each Tower	3				No	N/A
OrthoGrid Hardware Annual Service Charge (Annual hardware inspection, cleaning, and service)	100024	\$ 5,000.00	3	\$ 15,000.00		\$ 15,000.00	No	N/A
Additional Replacement Hardware for Software (not included)								
DVI to DVI 25FT	1020-915-147	\$ 135.00	1				No	Yes
Lodalink 12" BNC-DVI 75 ohm cable	1020-915-179	\$ 135.00	1				No	Yes
DP to DVI Adapter	1020-915-140	\$ 135.00	1				No	Yes

Total Annual License Fee - List Price		\$	546,000.00
Application Discounts*		40%	\$ 218,400.00
Discounted Annual License Fee		\$	327,600.00
Term			3
3-year Term License Fee		\$	982,800.00
Multi-Year Upfront Pre-Pay Discount		10%	\$ 98,280.00
3-year Term Pre-paid Total License Fee		\$	884,520.00

First - in - the - World Advanced Technology Partner Exclusivity Package includes:			
Exclusivity for 6 months			
Exclusivity License for Hip AI - 6 months	2010-915-523	\$	150,000.00
Exclusivity License for Trauma Augmented Reality - 6 months	2010-915-524	\$	50,000.00
Total One-Time Exclusivity Package		\$	200,000.00

Total 3-year Term Pre-paid License Fee and Advanced Technology Exclusivity Package \$ 1,084,520.00

Terms & Conditions:

Pre-Paid Term of 3 years will lock price for 3 years.
 Unless pre-paid for multi-year or otherwise specified in Additional Considerations, Annual License Fees are subjected to annual price increased no greater than 5% per annum upon renewal
 Federal, State, and/or local taxes may apply and would be added to the invoice unless otherwise indicated by customer.
 All Software updates and upgrades included. Hardware updates are included.
 Payment Terms: Due Upon invoice
 Account is responsible for all fees associated with shipment of consigned hardware

*Applicable Discounts	Discount Rate	Offered
Existing Account Discount	10%	1
Single Vendor Teaching Facility All Inclusive Discount	30%	1
Multi-year Upfront Pre-Pay (Optional)	10%	1

Company Name:	OrthoGrid Systems, Inc.
Phone Number:	801-703-5866
Address:	3865 S. Wasatch Boulevard, Suite 301
City, State, Zip:	Salt Lake City, UT 84109
Website:	www.orthogrid.com

ALL INFORMATION IS CONFIDENTIAL AND PROPRIETARY OF ORTHOGRID SYSTEMS

EXHIBIT B

Locations

Name of Facility	Address
UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA	1800 W. Charleston Blvd. Las Vegas, NV 89102

Exhibit D

(“OrthoGrid’s Product Return Policy”)

Return Merchandise Authorization (“RMA”) Number:

HOSPITAL shall obtain an RMA number for each Product prior to returning the Product(s) to ORTHOGRID. To request an RMA number in the United States, please contact the Customer Service Department with return information including invoice number, invoice date, purchase order number, and the reason for return. Additional information may be required.

Product Returned under Warranty or Recall:

Product(s) that fail to satisfy the Section 8 Warranty or that are under recall may be returned at any time at ORTHOGRID’s expense and will be replaced by ORTHOGRID at no additional charge to HOSPITAL.

Return of Damaged Product(s):

Product(s) that are damaged by the HOSPITAL or as a result of a Loss may be returned at any time at HOSPITAL’s expense. ORTHOGRID shall ship any replacement Product at HOSPITAL’s expense.

Freight for Returned Product(s):

All Product(s) returned to ORTHOGRID should be packaged to prevent damage in shipping and insured against damage or loss. ORTHOGRID assumes no liability for damage to Product(s) shipped to ORTHOGRID. HOSPITAL is responsible for all freight charges and Product damage incurred during shipment to ORTHOGRID, except for Product(s) shipped due to ORTHOGRID’s processing error, Product(s) returned under Warranty or recall, or updated Product(s).

Contact Information:

Customer Service Department: 801-703-5866 or support@orthogrid.com

This Product Return Policy is subject to change by ORTHOGRID upon prior notice to HOSPITAL.

Exhibit E

Technology and Information Security Requirements

1. Client

- 1.1. Vendor software must be compatible with Microsoft Windows 10 or higher.
- 1.2. Application packages must be deployable using Microsoft SCCM.
- 1.3. Client software must use DNS for hostname resolution and be capable of finding server resources in either forward or reverse-lookup.
- 1.4. Client applications must not require local administrator access on the workstation computer.
- 1.5. Applications must operate without disabling or reducing security settings.
- 1.6. Cloud or browser-based applications will run in standard browsers with standard configurations.
- 1.7. No part of vendor software will use deprecated dependencies such as Flash or old versions of Java.

2. Configuration Management

- 2.1. Vendor must provide the following:
 - 2.1.1. technical specifications for all hardware and/or software included with their solution.
 - 2.1.2. network and system connectivity diagrams, if applicable.
 - 2.1.3. data flow diagrams, if applicable.
 - 2.1.4. regulatory compliance certifications and/or attestations, as applicable.

3. Data Backups

- 3.1. All vendor systems must support installation of an agent to facilitate data backup and restoration.
- 3.2. Hosted/cloud data must be encrypted and maintain current data backups.

4. Data Management

- 4.1. Applications storing, processing or transmitting regulated data (PHI, PII, payment card, etc.) must utilize test data for development and testing/training purposes.
- 4.2. Production data is reserved for production use only.
- 4.3. Data transfers containing regulated information (PHI, PII, payment card, etc.) from UMC to a non-UMC site must be approved by the UMC CIO and UMC Privacy Officer.
- 4.4. Payment card information is not allowed on the UMC network.
- 4.5. PCI compliance is required for any exposure to Payment Card Data (PCD).
- 4.6. If vendor will use or otherwise have access to UMC sensitive, regulated or confidential information, additional security and regulatory requirements may be imposed.

- 4.7. Hosted/cloud data should be compliant with all applicable privacy and security regulations.
 - 4.8. Ownership of data and metadata that are part of SaaS (software as a service) or part of any hosted/cloud applications shall be with UMC, and the data shall be provided to UMC in a fully usable format.
 - 4.9. Data exchange/transfers between systems both within and outside the UMC network must comply with UMC approved standards and protocols.
5. Databases
- 5.1. Databases must be developed on a supported version of Microsoft SQL. Any version slated for End of Support within (1) calendar year of execution of the agreement in question will not be accepted.
 - 5.2. SQL Databases must be capable of running in an active/passive clustered environment. If not feasible, vendor must provide licensing for a dedicated database instance.
 - 5.3. Vendor must include recommendations for support, integrity maintenance, backup schemes, space considerations, etc. for any databases they provide.
 - 5.4. For hosted/cloud databases, administration and management access, tools, and training will be provided to UMC authorized users by the vendor.
 - 5.5. Conversion or migration of data must be coordinated with UMC IT, the UMC business stakeholder(s) and the vendor PRIOR TO execution of the agreement in question.
6. Development
- 6.1. If direct interfacing is required, the vendor system must use Health Level Seven (HL7) standard interfaces.
 - 6.2. Deployment of any solution/application that is hosted on a UMC web site must be developed in Microsoft .Net Framework 4.5 or higher running on IIS Web Server.
 - 6.3. Deployment of any solution/application that is hosted on the UMC Intranet must be developed in Microsoft .Net Framework 4.5 or higher running on IIS 10 or higher Web Server.
7. Email
- 7.1. SMTP servers other than UMCSN SMTP servers are prohibited.
 - 7.2. Outbound email must be authenticated through Microsoft Active Directory.
 - 7.3. Email must not be the system of record for any application or process.
8. Network
- 8.1. Solutions must support a routed, segmented IP v4 network.
 - 8.2. IPv6 is not supported and must not be enabled.
 - 8.3. Use of a VLAN, firewall and/or other measures may be employed to isolate vendor solutions that do not comply with industry standard security and network requirements.

- 8.4. Wireless devices will meet the following requirements:
 - 8.4.1. WPA2 PSK AES encryption scheme with minimum 128-bit passkey.
 - 8.4.2. function effectively with a minimum 70 db RSSI with a 0 to 25 db signal to noise level.
 - 8.4.3. function effectively on channels 802.11.G.N channels 1, 6 or 11.
 - 8.5. Systems must be compatible with SNMP version 3.
 - 8.6. For Windows-based operating systems, WMI must be installed and enabled.
 - 8.7. Vendor must provide minimum and maximum data transmission rates and quantities.
9. Remote Access
- 9.1. Only remote access solutions directly managed by UMC IT are authorized to be used by vendors to remotely connect to the UMC computing environment and systems, regardless if the system is owned by the vendor.
 - 9.2. Control of remote access into the UMC computing environment is at the sole discretion of UMC IT.
 - 9.3. Remote access can be revoked or suspended at any time without notice.
10. Security
- 10.1. All applications and systems must be Microsoft Active Directory-integrated using standard LDAP configurations.
 - 10.2. All applications must be compliant with UMC's password policy for all account types (user, service account, support, etc.).
 - 10.3. Passwords must be encrypted and cannot be stored in plain text or reversible encryption/encoding within the application.
 - 10.4. Vendors will not share passwords or access to accounts, and will not create additional accounts.
 - 10.5. Service Accounts must be domain accounts.
 - 10.6. Service accounts are non-interactive and will not be used to manually log in to a workstation or server.
 - 10.7. Vendor will not have access to service account passwords.
 - 10.8. Vendor must shut down all non-secure or unused services/ports.
 - 10.9. Any web-based feature or function must fully run in SSL mode, with valid public or domain certificates, and must not rely on deprecated encryption or protocols.
 - 10.10. Web-enabled applications must be compliant with Internet Explorer 11 or higher, or Microsoft Edge. Applications should not require ActiveX components or other ad-hoc components not supplied during initial install.
 - 10.11. Solutions connected to the UMC network must be members of the UMC domain and able to accept UMC Microsoft Active Directory Group Policies.
 - 10.12. Vendor systems must be compatible with UMC's end point solution. Documented file exceptions must be provided by vendor.
 - 10.13. Audit logs must be generated and be able to be imported into a standard SIEM.
 - 10.14. User access logging must be provided to support user audit trail.

10.15. The use of default passwords are strictly prohibited.

11. Systems and Operations

- 11.1. VMWare is the standard hypervisor.
- 11.2. Virtualized server systems are preferred. The guest operating system will run on a VMWare ESX 6.7 Hyper-converged environment.
- 11.3. Vendor-provided solutions must be developed on current and supported industry standard operating systems.
- 11.4. UMC IT will manage all installed computer hardware unless otherwise documented and contractually agreed to by UMC and the vendor.
- 11.5. UMC IT will manage operating systems software, including operating system updates, asset management agents, backup agents, and anti-virus protection installed on all UMC devices unless otherwise documented and contractually agreed to by UMC and the vendor.
- 11.6. Vendor software must not interfere or invalidate any operational function of UMC software or agents
- 11.7. Upgrades, enhancements, feature changes, or maintenance to vendor systems or software will be performed in coordination with UMC IT.
- 11.8. Turn-key solutions that provide hardware and software must use industry standard hardware platforms and include appropriate Intelligent Platform Management Interfaces (IPMI) for side-band management, and ILO/DRAC that is to be kept current for security and features.
- 11.9. Hardware supplied by the vendor will be rack mountable, server class, with redundant power supplies and storage.
- 11.10. UMC will have full administrative rights with respective Administrator, Local Administrator and Root accounts.
- 11.11. For Fiber Channel SAN-attached storage, the application must be capable of running on RAID-DP.
- 11.12. Local storage configuration should be capable of RAID 5, other configurations will be considered on a case-by-case basis.
- 11.13. Virtual machine configurations will have at least 50 GB OS partition; application/data/binaries must reside on separate partition(s).
- 11.14. Vendor is responsible for remaining up-to-date with operating systems, database engines, hardware, interfaced systems, etc.
- 11.15. UNIX/Linux-based application will not be installed into the system volume group/root file system.
- 11.16. Vendor must accommodate and support both standard and emergency operating system and application patching.
- 11.17. UNIX/Linux-based systems must use SUDO or SU accounts.

**INSTRUCTIONS FOR COMPLETING THE
DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**

Purpose of the Form

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board (“GB”) in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

General Instructions

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

Detailed Instructions

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

Business Entity Type – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting ‘Other’, provide a description of the legal entity.

Non-Profit Organization (NPO) - Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

Business Designation Group – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB) . This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

Business Name (include d.b.a., if applicable) – Enter the legal name of the business entity and enter the “Doing Business As” (d.b.a.) name, if applicable.

Corporate/Business Address, Business Telephone, Business Fax, and Email – Enter the street address, telephone and fax numbers, and email of the named business entity.

Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)

List of Owners/Officers – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

For All Contracts – (Not required for publicly-traded corporations)

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If **YES**, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

Signature and Print Name – Requires signature of an authorized representative and the date signed.

Disclosure of Relationship Form – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type (Please select one)						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group (Please select all that apply)						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
Number of Clark County Nevada Residents Employed:						
Corporate/Business Entity Name:		OrthoGrid Systems Holdings, LLC.				
(Include d.b.a., if applicable)		OrthoGrid Systems, Inc.				
Street Address:		3865 S. Wasatch Blvd, Suite 301		Website: http://www.OrthoGrid.com		
City, State and Zip Code:		Salt Lake City, UT 84109		POC Name: Edouard Saget		
				Email: support@orthogrid.com		
Telephone No:		801-703-5688		Fax No: 866-438-8024		
Nevada Local Street Address: (If different from above)		N/A		Website: N/A		
City, State and Zip Code:		N/A		Local Fax No: N/A		
Local Telephone No:		N/A		Local POC Name: N/A		
				Email: N/A		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.


Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Rodney Burns - Burns Family Trust	Board Member	26%
BaldEgg - Richard Boddington Co-Member	Co-CEO	18%
BaldEgg - Edouard Saget Co Member	Co-CEO	18%
Cynergy Trust – Kubiak Family	Board Member	12%

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes No

1. Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

 Signature	Edouard Saget Print Name
Co-CEO	7 th October 2022
Title	Date

DISCLOSURE OF RELATIONSHIP

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT
N/A			

* UMC employee means an employee of University Medical Center of Southern Nevada

“Consanguinity” is a relationship by blood. “Affinity” is a relationship by marriage.

“To the second degree of consanguinity” applies to the candidate’s first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For UMC Use Only:

If any Disclosure of Relationship is noted above, please complete the following:

Yes No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?

Yes No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Signature

Print Name
Authorized Department Representative

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: <p style="text-align: center;">Vizient Data Connector Services Statement of Work with Vizient, Inc.</p>	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation: That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Vizient Data Connector Services Statement of Work with Vizient Inc.; authorize the Chief Executive Officer to exercise any extension options/Order Forms within his delegation of authority; or take action as deemed appropriate. (<i>For possible action</i>)	

FISCAL IMPACT:

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000853000	Funded Pgm/Grant: N/A
Description: Clinical Data Base upgrade with Data Analytics	
Bid/RFP/CBE: NRS 332.115(1)(h) Computer Software	
Term: Amendment 1 1/1/2023 – 12/31/2025	
Amount: Amendment 1 – additional NTE \$123,636; potential aggregate is \$1,541,733	
Out Clause: Budget Act and Fiscal Fund Out	

BACKGROUND:

Since January of 2018, UMCSN has had an agreement for quality management software products with Vizient, Inc., for the processing of CMS-required Core Measure data. To report Core Measures successfully, health care providers must adhere to strict CMS requirements to measure healthcare quality. This Vizient product provides for Clinical Data Base, Resource Manager, Core Measures Reporting, and Get with the Guidelines Data Analytics subscriptions that will allow UMC to analyze clinical utilization data and expedite data collection to fulfill reporting requirements.

This request is for approval of a new Data Connector Services solution with Vizient for a three-year term for a not to exceed total of \$123,636, the terms of which will be pursuant to the terms and conditions set forth in the Master Services Agreement dated January 1, 2021 between Vizient and UMC. This Statement of Work will add the Vizient Data Connector service, which is Epic-compatible, and allows UMCSN data access to data repositories for operational analytics and self-service queries. The term for this SOW will run from January 1, 2023 through December 31, 2025.

Cleared for Agenda
December 7, 2022

Agenda Item #

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In accordance with NRS 332.115.1 (h), the competitive bidding process is not required for computer software.

UMC's Quality & Patient Safety & Regulatory Officer and Chief Information Officer have reviewed and recommends approval of this SOW. The SOW has been approved as to form by UMC's Office of General Counsel.



Vizient Data Connector Services Statement of Work

Vizient, Inc., a Delaware corporation, ("**Vizient**") will provide the services detailed in this **Vizient Data Connector Services Statement of Work** ("**SOW**") to **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statute ("**Member**"), for the Service Fees indicated hereunder. This SOW is made pursuant to the terms and conditions set forth in the **Master Services Agreement** between the Parties dated January 1, 2021, including any amendments or addendums thereto (collectively, the "**Master Agreement**"). As such, all capitalized terms used herein and not otherwise defined in this SOW will have the meanings ascribed to such terms in the Master Agreement. **This SOW is effective as of December 1, 2022** (the "**Effective Date**"). Vizient and Member are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

1. **Services**.

1.1 Services Description. Vizient, in partnership with Epic Systems Corporation ("**Epic**"), has developed an application, the Vizient Data Connector, to automate data submission to Vizient, speed time to Vizient analytics, and improve the quality of data Member sends to Vizient, with the ultimate goal of reducing resources necessary to send data between Member and Vizient (collectively, the "**Services**").

Member will request installation of the Vizient Data Connector ("**VDC**") through the Epic App Orchard website. As part of the VDC installation process, Member's Epic system will create data access to a limited set of data through the Caboodle data repository. This data access is limited only to database views made available through the Caboodle system, called Epic Kit. Vizient has read-only access to the views and cannot write or delete data from the Caboodle views. Vizient will not have direct access to Caboodle or any other part of Member's Epic system.

Vizient will provide an implementation plan to Member outlining details of the VDC implementation process. Vizient will provide project management, data analysts, technical experts, and other support staff to ensure successful implementation of the VDC. Vizient will provide data quality feedback on the data extracted directly from the Epic Kit data source. Vizient will also closely monitor querying and data transmission performance to ensure appropriate use of computing and networking resources. Finally, Vizient will provide relevant data security and privacy information to Member's security team or other stakeholders, in order to demonstrate that Vizient meets your organizational standards for data privacy and security.

1.2 Member Data. Member acknowledges Services rely solely on timely access to complete, accurate, and relevant Member data, including clinical data, operational data, and spend-related data (including, but not limited to, purchase orders, item master information, vendor master information, receipts, invoices and utilization data) (collectively, "**Member Data**") and Member will keep all required Member Data current and available for extraction on a mutually agreed upon frequency. Vizient has the right to use Member Data submitted in connection with any other Vizient services to which Member subscribes. Member's failure to provide access to Member Data may limit Vizient's ability to provide all or part of the Services. Vizient reserves the right to terminate this SOW immediately if Member fails to comply with this section.

A. Data submitted to the Clinical Data Base pursuant to this SOW is subject to the existing agreement or statement of work for Clinical Data Base Services ("**CDB SOW**") and the Business Associate Agreement ("**BAA**") between Vizient and Member. Participation in the Services requires Member's participation in a Vizient product, such as the Clinical Data Base. Member must also use Epic software as an electronic medical record.

B. Member acknowledges and agrees the Member Data may include, without limitation, Unprocessed Data and Adjusted Data. “Unprocessed Data” means the unprocessed data that Member has submitted to Vizient pursuant to this SOW. “Adjusted Data” means Unprocessed Data that has been audited and adjusted in accordance with Vizient’s proprietary auditing and adjustment methodologies (as appropriate). Member will at all times be the sole and exclusive owner of the Unprocessed Data. Vizient will at all times be the sole and exclusive owners of any materials created using Unprocessed Data and/or Adjusted Data, including, but not limited to, software, aggregated databases, data specifications, reports, analytics, results of data interoperability reviews, reports, and Adjusted Data, and as such Vizient has the right to use the foregoing in any way, including, without limitation, the right to analyze, publish, and share reports and findings, while maintaining the confidentiality of Member’s PHI in accordance with HIPAA, the BAA, the CDB SOW, and this SOW. Upon transfer of Unprocessed Data into the CDB, the terms of the CDB SOW control as to ownership and use.

1.3 **Liability**. EXCEPT FOR LIABILITY ARISING OUT OF A PARTY’S INDEMNIFICATION OR CONFIDENTIALITY OBLIGATIONS SET FORTH IN THE CDB SOW, BAA, OR THIS SOW, OR LIABILITY ARISING OUT OF A PARTY’S GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH THIS SOW, EVEN IF ADVISED OF THE POSSIBILITY THEREOF. EXCEPT AS OTHERWISE SET FORTH HEREIN, VIZIENT MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SERVICES PROVIDED IN CONNECTION WITH THIS SOW. VIZIENT DISCLAIMS ALL LIABILITY AND, FURTHER, MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SERVICES OR ANY OTHER MATTER UNDER THIS SOW.

1.4 **Protected Health Information**. Services include the use of Protected Health Information (“PHI”) and thus, any PHI disclosed hereunder, will be subject to the Parties’ Business Associate Agreement (“BAA”) dated November 16, 2015.

1.5 **Member Duties**. Vizient’s ability to perform Services within the Term is based on Member’s cooperation and timely performance of the following Member duties:

A. **Vizient Access**. Member will provide Vizient personnel access to Member’s network, personnel, equipment, or software necessary for Vizient to provide Services.

B. **Services Coordinator**. Member will designate an employee to: i) coordinate Services and ensure compliance across Member’s organization; ii) provide complete and accurate Member Data to Vizient in a timely manner; and iii) obtain any internal approvals needed for Vizient to perform Services (“Services Coordinator”).

2. **Term and Termination**.

2.1 **Term**. The term of this SOW will commence on the Effective Date and continue for **36 months** (“Initial Term”).

2.2 **Termination for Convenience**. This SOW may not be terminated for convenience. If the Master Agreement expires or is terminated for convenience prior to the expiration of this SOW, the applicable terms and conditions of the Master Agreement survive for the limited purpose of governing this SOW for its remaining Term. Notwithstanding the foregoing, if Member terminates all Vizient services that use the VDC to submit data to Vizient, this SOW will be automatically terminated.

2.3 **Termination for Cause**. The Parties may terminate this SOW for material breach in accordance with the terms of the Master Agreement.

3. **Service Fees and Invoicing**.

3.1 Service Fees. Vizient will provide the Services described herein to Member for an annual service fee as set forth in the table below (“Service Fees”). In the event of a Renewal Term, Vizient will increase Service Fees by 3% on each anniversary of the Effective Date.

	12/1/22 – 11/30/23	12/1/23 – 11/30/24	12/1/24 – 11/30/25
Annual Service Fee	\$40,000	\$41,200	\$42,436

3.2 Reimbursable Expenses. Member acknowledges and agrees Services-related expenses for on-site services and support (e.g. additional training, member presentations, and data acquisition for added facilities) such as travel, meals, lodging, and other administrative costs, such as postage, copying, and overnight mailing, (“Reimbursable Expenses”) are in addition to Service Fees.

3.3 Invoicing and Payment. Commencing on the Effective Date, Vizient will invoice Service Fees in equal quarterly installments. Commencing on the Effective Date, Vizient will invoice pre-approved Reimbursable Expenses, as incurred, on a monthly basis. Member will pay invoiced balances directly to Vizient within 30 days of the invoice date.

Invoices will be addressed to:

Name/Title/Dept.:	Attn: Accounts Payable
Address:	University Medical Center of Southern Nevada
	1800 W. Charleston Blvd.
	Las Vegas, NV 89102
Member Contact Information	
Name/Title:	Patricia K Scott
Phone:	702-207-8257
Email:	Patricia.Scott@umcsn.com

If Member requires specific information (i.e. purchase order number) to be included in each invoice, Member will select the appropriate box below and provide the required information **at the time Member executes this SOW**, and annually (or as required) thereafter:

- Purchase Order Number _____
- Contract Identification Number _____
- Other Information _____

[Signatures on next page]

IN WITNESS WHEREOF, the Parties have caused this SOW to be executed by their duly authorized representatives as of the Effective Date.

Vizient, Inc.

University Medical Center of Southern Nevada

By: _____

By: _____

Printed Name: _____

Printed Name: Mason Van Houweling

Title: _____

Title: Chief Executive Officer

Date: _____

Date: _____

Please sign, scan, and email to executedagreements@vizientinc.com. Vizient will provide a fully executed electronic copy to Member.

Exhibit A
Epic App Orchard Required Terms and Conditions

Vizient is providing an application for use in Member's host environment that has been developed pursuant to a license between Vizient and Epic, Inc. (the "Vizient App"), which requires certain terms and conditions be incorporated into the SOW. This Exhibit is attached to and made a part of the SOW between Vizient and Member.

1. Parties to the SOW.

Member acknowledges that the SOW is between Vizient and the Member only, and it is not an agreement with Epic. Vizient, not Epic, is solely responsible for the SOW, the Vizient App, and the content contained therein. The SOW does not require the Member to breach or be in conflict with the license agreement in place with Member for its use of Epic Software or the license agreement for any third-party software or content that is sublicensed by Epic to the Member (including any operating environment software) or for any other software or content used in any Member system.

2. Maintenance, Support, and App Contact.

Vizient is solely responsible for any maintenance and support with respect to the Vizient App. Vizient and Member acknowledge that Epic is not under an obligation to provide any maintenance or support services related to the Vizient App. Member acknowledges that, if Epic chooses to provide any maintenance or support services connected to the Vizient App, Epic may charge its then current fees for such maintenance and support to Member.

For any questions or Claims about the support of the Vizient App, please contact VizientDataConnector@vizientinc.com.

3. Warranties.

Vizient is solely responsible for any and all warranties, whether express or implied, for the Vizient App that have been provided in the SOW. Epic will have no obligations in connection with any warranty for the Vizient App. All Claims related thereto will be the sole responsibility of Vizient. Without limiting Epic's other remedies, the failure to comport with any warranty provided in the SOW, including these terms, between Vizient and a Member, may result in Epic removing some or all of the Vizient App(s) from the App Orchard, in Epic's sole discretion.

4. Claims Related to Vizient App.

"Claim" means all claims, demands, and actions, and all liabilities, damages, and expenses arising out of or relating thereto, including without limitation settlement costs and attorney's fees. Vizient and Member acknowledge that Vizient, not Epic, is responsible for all Claims of the Member or any third party arising out of or relating to the Vizient App, including but not limited to: Claims alleging product liability, errors in the Vizient App (including but not limited to corruption of data), breach of PHI, hacking, or cyberattack which used or involved the Vizient App in any way; Claims that the Vizient App failed to conform to any applicable legal or regulatory requirement; Claims involving any violations of consumer protection laws; Claims that the Vizient App interfered with or could interfere with the safety or security of the Epic Software or the Vizient App otherwise endangered patient safety or security; Claims that the Vizient App caused service interruptions; Claims that the Vizient App provided any misleading or inaccurate information to a user; Claims that the Vizient App caused performance degradation, Claims that the Vizient App was used as a vector for the introduction of viruses or malware into the Epic Software, a user device, or otherwise; and Claims that the Vizient App introduced or otherwise caused a security vulnerability in the Epic Software or a Member's network. These terms do not limit Vizient liability to the Member beyond what is permitted by law. Vizient and Member agree that if a third party claims that the Vizient App, or Member's use of the Vizient App, infringes that third party's intellectual property rights, then Vizient, not Epic, will be solely responsible for the Claim.

5. Third-Party Beneficiary.

Epic and Epic's owned entities (that is, an entity that (a) directly or indirectly owns or controls more than fifty percent of Epic, or (b) is more than fifty percent owned or controlled, directly or indirectly, by Epic) are third-party

beneficiaries of the terms and conditions of the SOW, to the extent it pertains to the Vizient App, and upon the Member's execution of the SOW, Epic and any Epic owned entity will have the right to enforce the SOW against Vizient or the Member as a third-party beneficiary of the SOW (but only to the extent the SOW pertains to the Vizient App).

6. Disclosures.

Once data has been collected through the Vizient App, it is retained in the Vizient Clinical Data Base (“CDB”) pursuant to the terms and conditions of the CDB SOW, with the understanding that it is not feasible to return data from the CDB once it is placed into the aggregated databases, and Member expressly consents to retention and use of the data as provided by the CDB SOW and the BAA. The Vizient App provides access to specific data as required to populate the CDB and does not allow access or potential access to third-party content or data in a Member's system (including, but not limited to, clinical code sets, content, images, patient instructions, video, or any other information owned or licensed by a third party).

7. Audit.

Member may, if necessary, verify compliance with the requirements set forth in this Exhibit A and Vizient will reasonably cooperate with such audit, with the audit to be limited to the scope provided in this Exhibit A. In addition, once the data provided by Member hereunder is housed in the CDB, the CDB and the BAA govern, and unless the CDB SOW or the BAA provide for audit rights, then no such audit rights in that aggregated database will be allowed. The audit will be at the expense of Member, unless material non-compliance is discovered as a result of the audit, in which case Vizient agrees to pay for the costs of such audit.

8. Indemnification.

Notwithstanding any terms in the SOW to the contrary, Vizient hereby indemnifies Member for any third-party Claims that the sale/transfer of the Vizient App or Member's use of the Vizient App infringes (or causes, induces, or otherwise leads to a Member infringing) any third-party intellectual property or proprietary right, including, but not limited to, any Claim alleging that the Vizient App infringes (or causes, induces, or otherwise leads to a Member infringing) the rights of any owner of any clinical code set, content, image, patient instruction, video, or any other third-party information.

**INSTRUCTIONS FOR COMPLETING THE
DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**

Purpose of the Form

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

General Instructions

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

Detailed Instructions

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

Business Entity Type – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting "Other", provide a description of the legal entity.

Non-Profit Organization (NPO) – Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

Business Designation Group – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

Business Name (include d.b.a., if applicable) – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

Corporate/Business Address, Business Telephone, Business Fax, and Email – Enter the street address, telephone and fax numbers, and email of the named business entity.

Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)

List of Owners/Officers – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

For All Contracts – (Not required for publicly-traded corporations)

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If YES, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

Signature and Print Name – Requires signature of an authorized representative and the date signed.

Disclosure of Relationship Form – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type (Please select one)						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group (Please select all that apply)						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
Number of Clark County Nevada Residents Employed: 3						
Corporate/Business Entity Name: Vizient, Inc.						
(Include d.b.a., if applicable)						
Street Address:		290 E. John Carpenter Freeway		Website: www.vizientinc.com		
City, State and Zip Code:		Irving, Texas 75062		POC Name:		
				Email: brian.hayungs@vizientinc.com		
Telephone No:		972-830-0000		Fax No:		
Nevada Local Street Address: (If different from above)				Website:		
City, State and Zip Code:				Local Fax No:		
Local Telephone No:				Local POC Name:		
				Email:		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

 Yes No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)? To the best of Vizient's knowledge,

 Yes No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

Signature Brian Hayungs
 Title VICE PRESIDENT

Print Name Brian Hayungs
 Date 1/8/2018

DISCLOSURE OF RELATIONSHIP

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT
N/A			

* UMC employee means an employee of University Medical Center of Southern Nevada

“Consanguinity” is a relationship by blood. “Affinity” is a relationship by marriage.

“To the second degree of consanguinity” applies to the candidate’s first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For UMC Use Only:

If any Disclosure of Relationship is noted above, please complete the following:

Yes No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?

Yes No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Signature

Print Name
Authorized Department Representative

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: <p style="text-align: center;">Agreement for Autoclave Sterilizer & Boiler Project with Clark Welding and Fabricating</p>	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation: <p>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Construction Service Agreement with Clark Welding & Fabricating for replacement and installation of UMC’s Autoclave Sterilizer & Boiler; authorize the Chief Executive Officer to exercise any amendments/extension options; or take action as deemed appropriate. (For possible action)</p>	

FISCAL IMPACT:

Fund Number: 5420.000
 Fund Center: 3000853000
 Description: Autoclave Sterilizer & Boiler
 Bid/RFP/CBE: RFP 2021-07
 Term: One (1) year from date of Purchase Order
 Amount: \$1,471,046.70
 Out Clause: 15 days w/o cause

Fund Name: UMC Operating Fund
 Funded Pgm/Grant: N/A

BACKGROUND:

On May 29, 2022, UMC advertised the RFP opportunity 2022-07 Autoclave Sterilizer & Boiler Project in the Las Vegas Review Journal. On June 30, 2022 no proposals were received. Pursuant to NRS 332.148, “when a governing body or its authorized representative has advertised for or requested responses in letting a contract and no responsible responses are received, the governing body or its authorized representative may let the contract without a competitive solicitation.”

UMC seeks approval of this agreement with Clark Welding & Fabricating (“CWF”) which will allow CWF to supply labor and materials to install an autoclave sterilizer and boiler: equipment used to treat, process and dispose of biohazardous waste. Autoclave sterilizers are an economic alternative to incineration. This agreement with CWF includes a 3-year service agreement and all permits for installation and operation, at a total cost to UMC of \$1,471,046.70.

UMC’s Director of Environmental Services has reviewed and recommends approval of this Agreement.

Cleared for Agenda
December 7, 2022

Agenda Item #

13

This Agreement has been approved as to form by UMC's Office of General Counsel.

CWF currently holds a Clark County business license.

**UNIVERSITY MEDICAL CENTER
OF SOUTHERN NEVADA**

**AGREEMENT FOR
Autoclave Sterilizer & Boiler**

CLARK WELDING & FABRICATING "CWF"
NAME OF FIRM
Austin Clark, Owner
DESIGNATED CONTACT, NAME AND TITLE (Please type or print)
3019 Sheridan St Las Vegas, NV 89102
ADDRESS OF FIRM INCLUDING CITY, STATE AND ZIP CODE
702-678-5111
(AREA CODE) AND TELEPHONE NUMBER
austin@clarkwf.com jenn@clarkwf.com
E-MAIL ADDRESS

AGREEMENT FOR AUTOCLAVE STERILIZER & BOILER PROJECT

This Agreement (the "Agreement") is made and entered into as of the last date of signature set forth below (the "Effective Date"), by and between UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes (hereinafter referred to as "HOSPITAL"), and Clark Welding and Fabricating . (hereinafter referred to as "COMPANY"), for HOSPITAL'S Autoclave Sterilizer & Boiler project (hereinafter referred to as "PROJECT").

WITNESSETH:

WHEREAS, COMPANY has the personnel and resources necessary to accomplish the PROJECT within the required schedule and with a budget allowance not to exceed \$1,471,046.70 as further described herein; and

WHEREAS, COMPANY has the required licenses and/or authorizations pursuant to all federal, State of Nevada and local laws in order to conduct business relative to this Agreement.

NOW, THEREFORE, HOSPITAL and COMPANY agree as follows:

SECTION I: TERM OF AGREEMENT

HOSPITAL agrees to retain COMPANY for the period from Effective Date through the sooner of one (1) year from the date Purchase Order is issued by HOSPITAL for PROJECT or PROJECT completion ("Term"). During this period, COMPANY agrees to provide services as required by HOSPITAL within the scope of this Agreement. HOSPITAL reserves the right to extend the Agreement for up to an additional three (3) months for its convenience.

SECTION II: COMPENSATION AND TERMS OF PAYMENT

A. Terms of Payments

1. HOSPITAL agrees to pay COMPANY for the performance of services described in the Scope of Work (**Exhibit A**) for the fixed not-to-exceed fee of \$1,471,046.70. It is expressly understood that the entire Scope of Work defined in **Exhibit A** must be completed by COMPANY and it shall be COMPANY's responsibility to ensure that hours and tasks are properly budgeted so the entire PROJECT is completed for the said fee.
2. 50% Deposit will be due prior to ordering of material, 25% due prior to shipment, and final 25% due net 30, upon completion.
3. Payment of invoices will be made within thirty (30) calendar days after receipt of an accurate invoice that has been reviewed and approved by HOSPITAL.
4. HOSPITAL, at its discretion, may not approve or issue payment on invoices if COMPANY fails to provide the following information required on each invoice:
 - a. The title of the PROJECT as stated in **Exhibit A**, Scope of Work, itemized description of products delivered or services rendered and amount due, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
 - b. Expenses not defined in the Total Bid Amount in **Exhibit A**, Scope of Work will not be paid without prior written authorization by HOSPITAL.
 - c. HOSPITAL's representative shall notify COMPANY in writing within fourteen (14) calendar days of any disputed amount included on the invoice. COMPANY must submit a new invoice for the undisputed amount which will be paid in accordance with this paragraph A.2 above. Upon mutual resolution of the disputed amount, COMPANY will submit a new invoice for the agreed amount and payment will be made in accordance with this paragraph A.2 above.
5. No penalty will be imposed on HOSPITAL if HOSPITAL fails to pay COMPANY within ninety (90) calendar days after receipt of a properly documented invoice, and HOSPITAL will receive no discount for payment within that period.
6. HOSPITAL shall subtract from any payment made to COMPANY all damages, costs and expenses caused by COMPANY's negligence, resulting from or arising out of errors or omissions in COMPANY's work products, which have

not been previously paid to COMPANY.

7. HOSPITAL shall not provide payment on any invoice COMPANY submits after six (6) months from the date COMPANY performs services, provides deliverables, and/or meets milestones, as agreed upon in **Exhibit A**, Scope of Work.
8. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.

B. HOSPITAL's Fiscal Limitations

1. The content of this section shall apply to the entire Agreement and shall take precedence over any conflicting terms and conditions, and shall limit HOSPITAL's financial responsibility as indicated in Sections 2 and 3 below.
2. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by HOSPITAL for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and HOSPITAL's obligations under it shall be extinguished at the end of any of HOSPITAL's fiscal years in which HOSPITAL's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. HOSPITAL agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve HOSPITAL of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.
3. HOSPITAL's total liability for all charges for services which may become due under this Agreement is limited to the total maximum expenditure(s) authorized in HOSPITAL's purchase order(s) to COMPANY.

SECTION III: SCOPE OF WORK

Services to be performed by COMPANY for the PROJECT shall consist of the work described in the Scope of Work as set forth in **Exhibit A** of this Agreement, attached hereto. In the event of a conflict between the terms of this Agreement and the terms in the Scope of Work, the terms of this Agreement shall prevail.

SECTION IV: CHANGES TO SCOPE OF WORK

- A. HOSPITAL may at any time, by written order, make changes within the general scope of this Agreement and in the services or work to be performed. If such changes cause an increase or decrease in COMPANY's cost or time required for performance of any services under this Agreement, an equitable adjustment limited to an amount within current unencumbered budgeted appropriations for the PROJECT shall be made and this Agreement shall be modified in writing accordingly. Any claim of COMPANY for the adjustment under this clause must be submitted in writing within thirty (30) calendar days from the date of receipt by COMPANY of notification of change unless HOSPITAL grants a further period of time before the date of final payment under this Agreement.
- B. No services for which an additional compensation will be charged by COMPANY shall be furnished without the written authorization of HOSPITAL.

SECTION V: RESPONSIBILITY OF COMPANY

- A. It is understood that in the performance of the services herein provided for, COMPANY shall be, and is, an independent contractor, and is not an agent, representative or employee of HOSPITAL and shall furnish such services in its own manner and method except as required by this Agreement. Further, COMPANY has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by COMPANY in the performance of the services hereunder. COMPANY shall be solely responsible for, and shall indemnify, defend and hold HOSPITAL harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and regulations of any nature whatsoever.
- B. COMPANY shall appoint a Manager, upon written acceptance by HOSPITAL, who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Manager, or by COMPANY's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of COMPANY be unable to complete his or her responsibility for any reason, COMPANY must obtain written approval by HOSPITAL prior to replacing him or her with another equally

- qualified person. If COMPANY fails to make a required replacement within fifteen (15) days, HOSPITAL may terminate this Agreement for default.
- C. COMPANY has, or will, retain such employees as it may need to perform the services required by this Agreement. Such employees shall not be employed by the HOSPITAL.
- D. COMPANY agrees that its officers and employees will cooperate with HOSPITAL in the performance of services under this Agreement and will be available for consultation with HOSPITAL at such reasonable times with advance notice as to not conflict with their other responsibilities.
- E. COMPANY will follow HOSPITAL's relevant compliance policies as followed by HOSPITAL's staff in regard to programming changes; testing; change control; and other similar activities, including its corporate compliance program, HOSPITAL's Policy I-66 (Contracted Non-Employees/Allied Health Non-Credentialed /Dependent Allied Health / Temporary Staff / Construction/Third Party Equipment), and HOSPITAL's Vaccine Policy as may be amended from time to time. HOSPITAL will provide a copy of said policy upon COMPANY request. COMPANY must register through HOSPITAL's vendor management/credentialing system prior to arriving onsite at any of HOSPITAL's facilities. COMPANY's employees, agents, subcontractors and/or designees who do not abide by HOSPITAL's policies may be barred from physical access to HOSPITAL's premises.
- F. COMPANY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by COMPANY, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, COMPANY shall follow practices consistent with generally accepted professional and technical standards. COMPANY further agree that for a period of one year following completion of its work, or such longer period as may be indicated in the specification, COMPANY will replace or repair any product it provides or installs because of defects in workmanship or materials, except to the extent the failure results from negligence of HOSPITAL. COMPANY expressly disclaims all other warranties, whether implied or statutory, including but not limited to, any warranty of merchantability or fitness for a particular purpose.
- G. It shall be the duty of COMPANY to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. If applicable, COMPANY will not produce a work product which violates or infringes on any copyright or patent rights. COMPANY shall, without additional compensation, correct or revise any errors or omissions in its work products:
1. Permitted or required approval by HOSPITAL of any products or services furnished by COMPANY shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of its work.
 2. HOSPITAL's review, approval, acceptance, or payment for any of COMPANY's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and COMPANY shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to HOSPITAL caused by COMPANY's performance or failures to perform under this Agreement.
- H. All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by COMPANY for HOSPITAL relating to the services to be performed hereunder and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by COMPANY to parties other than HOSPITAL shall become the property of HOSPITAL and shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever comes first. COMPANY shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by HOSPITAL. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement.
- I. Drawings and specifications remain the property of COMPANY. Copies of the drawings and specifications retained by HOSPITAL may be utilized only for its use and for occupying the PROJECT for which they were prepared, and not for the construction of any other project. A copy of all materials, information and documents, whether finished, unfinished, or draft, developed, prepared, completed, or acquired by COMPANY during the performance of services for which it has been compensated under this Agreement, shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever occurs first. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement. COMPANY shall furnish Hospital's representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.

J. COMPANY shall be bound by and comply with all federal, state and local laws with regard to minimum wages, overtime work, hiring and discrimination, including NRS 338.020 through 338.090. COMPANY shall ensure that all employees on the PROJECT are paid in accordance with the CURRENT PREVAILING WAGE RATES AS APPROVED BY THE STATE LABOR COMMISSIONER, whenever the actual value of the contract totals \$100,000 or more. It is COMPANY's responsibility to identify and use the correct prevailing wage rates, including any addenda, as well as all the forms needed to comply, as specified on the State of Nevada Labor Commissioner's web site: www.Labor.NV.Gov, or by calling (702) 486-2650. Per NAC 338.040, after a contract has been awarded, the prevailing rates of wages in effect at the time of the opening of bids remains in effect for the duration of the project. Please note that if a change order causes a contract to exceed \$100,000, HOSPITAL will audit the entire contract period.

1. In accordance with NRS 338.013.3, COMPANY shall report to the Labor Commissioner and HOSPITAL the name and address of each subcontractor performing work on the project within 10 days after the subcontractor commences work on the project and the identifying (PWP) number for the public work.
2. In accordance with NRS 338.060 and 338.070, COMPANY shall forfeit as a penalty to HOSPITAL, amounts specified in NRS 338.060, for each calendar day or portion thereof that each worker employed on HOSPITAL's project is paid less than the designated rate for any work done under the contract by COMPANY or any subcontractor under it. If COMPANY or any subcontractor on the project fails to submit certified payroll reports to HOSPITAL within **15 calendar days** after the end of the month, COMPANY shall forfeit as a penalty to HOSPITAL, amounts specified in NRS 338.060, for each calendar day or portion thereof for each worker employed on the project during the reporting period. The Labor Commissioner shall establish a sliding scale based on the size of COMPANY's business to determine the amount per worker per day to be imposed. Any employee of COMPANY or subcontractor, or agent or representative thereof, performing work on the project, who neglects to comply with the prevailing wage, is guilty of a misdemeanor. If a penalty is imposed, in addition to any penalties allowed by NRS 338.060, COMPANY or shall reimburse HOSPITAL for all costs associated with wage complaint investigations for the project, including but not limited to, actual staff time, materials used, and attorneys' fees.
3. In accordance with NRS 338.070 (5) (a) (b) and NRS 338.070 (6), COMPANY and each of its subcontractors shall keep or cause to be kept:
 - a) An accurate record showing for each worker employed by COMPANY and each of its subcontractors;
 - The name of the worker;
 - The occupation of the worker;
 - The gender of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information;
 - The ethnicity of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information;
 - If the worker has a driver's license or identification card, an indication of the state or other jurisdiction that issued the license or card; and
 - The actual per diem, wages, and benefits paid to the worker.
 - b) An additional accurate record showing for each worker employed by COMPANY and each of its subcontractors who has a driver's license or identification card;
 - The name of the worker;
 - The driver's license or identification card number of the worker; and
 - The state or other jurisdiction that issued the license or card.

The records maintained pursuant to the requirements indicated above must be open at all reasonable hours to inspection by HOSPITAL. COMPANY and each of its subcontractors shall ensure that a copy of each record for each calendar month, together with a cumulative summary of the percentage of workers that hold a valid driver's license or identification card issued by the State of Nevada, is received by HOSPITAL no later than 15 days after the end of the month. The copy of the record maintained pursuant to this section must be open to public inspection, as provided in NRS 239.010. The copy of the record maintained pursuant to paragraph three (3) of this section is **confidential and not open to public inspection**. COMPANY and each of its subcontractors, or agent or representative thereof, doing work on the Project who neglects to comply with the terms of this provision is guilty of a misdemeanor.

A copy of the records of work performed on the Project by COMPANY and each of its subcontractors shall be submitted to HOSPITAL at the following address:

University Medical Center of Southern Nevada
Plant Operations Department
Attn: Construction Manager
1800 West Charleston Blvd.
Las Vegas, Nevada 89102

Attached as **Exhibit D** are sample forms that may be used to document the above required information.

4. Prime Contractor shall comply with the requirements of NRS 338.020 and post on the site of the public work in a place generally visible place to the workers, the Nevada Prevailing Wage Rates and all addenda.
5. **Certified Payroll Reports:** Pursuant to NRS 338.070, on any public work contract awarded for more than \$100,000, COMPANY and its subcontractors are required to keep an accurate record showing the name, the occupation and the actual per diem wages and benefits paid to each worker employed by it in connection with the public work. COMPANY and every lower-tier subcontractor will be required to submit certified payrolls and other labor compliance documentation at the discretion of and in the manner specified by HOSPITAL. This requirement will be 'flowed down' to every lower-tier subcontractor and supplier/vendor required to provide labor compliance documentation. COMPANY and each subcontractor are required to submit a copy of the record for each calendar month to HOSPITAL no later than **15 calendar days** after the end of the month for the purposes of public inspection. COMPANY shall be responsible for coordinating the submittal of all the certified payroll reports for the Project, including its reports and the reports of all the subcontractors who are performing work on the Project. COMPANY shall not withhold from a subcontractor the sums necessary to cover any penalties withheld from COMPANY by the public body because COMPANY failed to submit certified payroll reports within **15 calendar days** after the end of the month if the its subcontractor provided certified payroll reports to COMPANY within **10 calendar days** after the end of the month or the date agreed upon by COMPANY and subcontractor. COMPANY shall submit copies of its certified payroll and the certified payroll of each of the subcontractors performing work on the Project, utilizing LCPTracker or COMPANY shall submit paper copies if notified. Certified Payroll Reports will be available for public viewing. HOSPITAL's Manager of Facility Maintenance may be contacted at (702) 383-2301 to view the reports. For Certified Payroll Submissions pertaining to this project please note contact information below:

Name: Tamera Hone
Email: tamera.hone@umcsn.com
Phone: 702-610-6197

- K. USE OF APPRENTICES (Applicable to all projects advertised and awarded after January 1, 2020). COMPANY represents that it and its subcontractors will comply with SB 207 (2019), NRS 338.01165 in regards to the hiring of apprentices from a valid Apprenticeship Program (recognized by the State Apprenticeship Council) for the applicable type of public work (as defined in NRS 338.010). A Prime/Bidder and/or Subcontractor engaged in a Vertical Construction who employs a worker pursuant to NRS 338.040 shall use one or more apprentices for at least 10 percent of total hours of labor in each apprenticed craft or type of work to be performed which more than three workers are employed on a public work. A Prime/BIDDER and/or Subcontractor engaged in a Horizontal Construction who employs a worker pursuant to NRS 338.040 shall use one or more apprentices for at least 3 percent of total hours of labor in each apprenticed craft or type of work to be performed which more than three workers are employed on a public work.
 1. A Request for Waiver (for cause) can be submitted if:
 - a) No Apprentices are available from an apprenticeship program with Clark County as recognized by the State Apprenticeship Council; or
 - b) A request for Apprentices was denied, or not acted upon with five (5) business days of submission; or
 - c) The project requires the performance of uniquely complex or hazardous work.

Any or all of these forms will be required for any additional subcontractors added during the course of construction.

SECTION VI: SUBCONTRACTS

A. Services specified by this Agreement shall not be subcontracted by COMPANY, without prior written approval of HOSPITAL. Approval by HOSPITAL of COMPANY's request to subcontract, or acceptance of, or payment for, subcontracted work by HOSPITAL shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of the work. COMPANY shall be and remain liable for all damages to HOSPITAL caused by negligent performance or non-performance of work under this Agreement by COMPANY's subcontractor or its sub-subcontractor.

The compensation due under Section II shall not be affected by HOSPITAL's approval of COMPANY's request to subcontract.

SECTION VII: RESPONSIBILITY OF HOSPITAL

A. HOSPITAL agrees that its officers and employees will cooperate with COMPANY in the performance of services under this Agreement and will be available for consultation with COMPANY at such reasonable times with advance notice as to not conflict with their other responsibilities.

The services performed by COMPANY under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative, Portia Ealy, Director EVS, telephone number (702) 765-7930 or her designee. HOSPITAL's representative may delegate any or all of her responsibilities under this Agreement to appropriate staff members, and shall so inform COMPANY by written notice before the effective date of each such delegation.

The review comments of HOSPITAL's representative may be reported in writing as needed to COMPANY. It is understood that HOSPITAL's representative's review comments do not relieve COMPANY from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.

HOSPITAL shall assist COMPANY in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Agreement.

COMPANY will not be responsible for accuracy of information or data supplied by HOSPITAL or other sources to the extent such information or data would be relied upon by a reasonably prudent COMPANY.

SECTION VIII: TIME SCHEDULE

A. Time is of the essence of this Agreement.

If COMPANY's performance of services is delayed or if COMPANY's sequence of tasks is changed, COMPANY shall notify HOSPITAL's representative in writing of the reasons for the delay and prepare a revised schedule for performance of services. The revised schedule is subject to HOSPITAL's written approval.

In the event that COMPANY fails to complete the PROJECT within the time specified in the Agreement, or with such additional time(s) as may be granted in writing by HOSPITAL or fails to prosecute the work, or any separable part thereof, with such diligence as will insure its completion within the time specified in the Agreement or any extensions thereof, COMPANY shall pay to HOSPITAL as liquidated damages the sum of **\$25.00** for each calendar day of delay until such reasonable time as may be required for final completion of the work, together with any increased costs incurred by HOSPITAL in completing the work.

SECTION IX: SUSPENSION AND TERMINATION

A. Suspension

HOSPITAL may suspend performance by COMPANY under this Agreement for such period of time as HOSPITAL, at its sole discretion, may prescribe by providing written notice to COMPANY at least five (5) working days prior to the date on which HOSPITAL wishes to suspend. Upon such suspension, HOSPITAL shall pay COMPANY its compensation, based on the percentage of the PROJECT completed and earned until the effective date of suspension, less all previous payments. COMPANY shall not perform further work under this Agreement after the effective date of suspension until receipt of written notice from HOSPITAL to resume performance. In the event HOSPITAL suspends performance by COMPANY for any cause other than the error or omission of the COMPANY, for an aggregate period in excess of thirty (30) days, COMPANY shall be entitled to an equitable adjustment of the compensation payable to COMPANY under this Agreement to reimburse COMPANY for additional costs occasioned as a result of such suspension of performance by HOSPITAL based on appropriated funds and approval by HOSPITAL.

Termination

1. Termination for Cause

This Agreement may be terminated in whole or in part by either party in the event of substantial failure or default of the other party to fulfill its obligations under this Agreement through no fault of the terminating party; but only after the other party is given:

- a. not less than ten (10) calendar days written notice of intent to terminate; and
- b. an opportunity for consultation with the terminating party prior to termination.

2. Termination for Convenience

- a. This Agreement may be terminated in whole or in part by HOSPITAL for its convenience; but only after COMPANY is given not less than fifteen (15) calendar days written notice of intent to terminate; and
- b. If termination is for HOSPITAL's convenience, HOSPITAL shall pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.

3. Effect of Termination

- a. If termination for substantial failure or default is effected by HOSPITAL, HOSPITAL will pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but:
 - i. No amount shall be allowed for anticipated profit on performed or unperformed services or other work; and
 - ii. Any payment due to COMPANY at the time of termination may be adjusted to the extent of any additional costs occasioned to HOSPITAL by reason of COMPANY's default.
- b. Upon receipt or delivery by COMPANY of a termination notice, COMPANY shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to HOSPITAL's representative, copies of all deliverables as provided in Section V, paragraph H.
- c. If after termination for failure of COMPANY to fulfill contractual obligations it is determined that COMPANY has not so failed, the termination shall be deemed to have been effected for the convenience of HOSPITAL.
- d. Upon termination, HOSPITAL may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event COMPANY shall cease conducting business, HOSPITAL shall have the right to make an unsolicited offer of employment to any employees of COMPANY assigned to the performance of this Agreement.

4. The rights and remedies of HOSPITAL and COMPANY provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.

5. Neither party shall be considered in default in the performance of its obligations hereunder, nor any of them, to the extent that performance of such obligations, nor any of them, is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such party. Delays arising from the actions or inactions of one or more of COMPANY's principals, officers, employees, agents, subcontractors, vendors or suppliers are expressly recognized to be within COMPANY's control.

SECTION X: INSURANCE

COMPANY shall obtain and maintain the insurance coverage required in **Exhibit B** incorporated herein by this reference. COMPANY shall comply with the terms and conditions set forth in **Exhibit B** and shall include the cost of the insurance coverage in their prices.

Covenant

COMPANY covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. COMPANY further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

Covenant Against Contingent Fees

COMPANY warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide permanent employees. For breach or violation of this warranty, HOSPITAL shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

Exclusion

COMPANY represents and warrants that neither it, nor any of its employees or other contracted staff (collectively referred to in this paragraph as "employees") has been or is about to be excluded from participation in any Federal Health Care Program (as defined herein). COMPANY agrees to notify HOSPITAL within five (5) business days of COMPANY's receipt of notice of intent to exclude or actual notice of exclusion from any such program. The listing of COMPANY or any of its employees on the Office of Inspector General's exclusion list (OIG website), the General Services Administration's Lists of Parties Excluded from Federal Procurement and Non-procurement Programs (GSA website) for excluded individuals or entities, any state Medicaid exclusion list, or the Office of Foreign Assets Control's (OFAC's) blocked list shall constitute "exclusion" for purposes of this paragraph. In the event that COMPANY or any of its employees is excluded from any Federal Health Care Program or placed on the OFAC's blocked list, it shall be a material breach and this Agreement shall immediately terminate without penalty to HOSPITAL. For the purpose of this paragraph, the term "Federal Health Care Program" means the Medicare program, the Medicaid program, TRICARE, any health care program of the Department of Veterans Affairs, the Maternal and Child Health Services Block Grant program, any state social services block grant program, any state children's health insurance program, or any similar program.

Governing Law / Venue

Nevada law shall govern the interpretation of this Agreement. Venue shall be any court of competent jurisdiction in Las Vegas, Nevada.

Gratuities

6. HOSPITAL may, by written notice to COMPANY, terminate this Agreement if it is found after notice and hearing by HOSPITAL that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by COMPANY or any agent or representative of COMPANY to any officer or employee of HOSPITAL with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.
7. In the event this Agreement is terminated as provided in paragraph 1 hereof, HOSPITAL shall be entitled:
 - a. to pursue the same remedies against COMPANY as it could pursue in the event of a breach of this Agreement by COMPANY; and
 - b. as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by HOSPITAL) which shall be not less than three (3) nor more than ten (10) times the costs incurred by COMPANY in providing any such gratuities to any such officer or employee.
8. The rights and remedies of HOSPITAL provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

Immigration Reform and Control Act

In accordance with the Immigration Reform and Control Act of 1986, COMPANY agrees that it will not employ unauthorized aliens in the performance of this Agreement.

Indemnity

COMPANY does hereby agree to defend, indemnify, and hold harmless HOSPITAL and the employees, officers and agents of HOSPITAL from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of COMPANY or the employees or agents of COMPANY in the performance of this Agreement.

Independent Contractor

COMPANY acknowledges that it, COMPANY, and any subcontractors, agents or employees employed by it shall not, under any circumstances, be considered employees of the HOSPITAL, and that they shall not be entitled to any of the benefits or rights afforded employees of HOSPITAL, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. HOSPITAL will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of COMPANY or any of its officers, employees or other agents.

Prohibition Against Israel Boycott:

In accordance with Nevada Revised Statute 332.065, COMPANY certifies that it is not refused to deal or to conduct business with, abstained from dealing or conducting business with, terminating business or business activities with or performing any other action that is intended to limit commercial relations with Israel or a person or entity doing business in Israel or in territories controlled by Israel.

Public Funds / Non-Discrimination

COMPANY acknowledges that the HOSPITAL has an obligation to ensure that public funds are not used to subsidize private discrimination. COMPANY recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, handicapping condition (including AIDS or AIDS related conditions), national origin, or any other class protected by law or regulation, HOSPITAL may declare COMPANY in breach of the Agreement, terminate the Agreement, and designate COMPANY as non-responsible.

Public Records

COMPANY acknowledges that HOSPITAL is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its records are public documents available for copying and inspection by the public. If HOSPITAL receives a demand for the disclosure of any information related to this Agreement that COMPANY has claimed to be confidential and proprietary, HOSPITAL will immediately notify COMPANY of such demand and COMPANY shall immediately notify HOSPITAL of its intention to seek injunctive relief in a Nevada court for protective order. COMPANY shall indemnify and defend HOSPITAL from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of COMPANY document in HOSPITAL's custody and control in which COMPANY claims to be confidential and proprietary.

Publicity

Neither HOSPITAL nor COMPANY shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this Agreement without the prior written consent of the other party.

Subcontractor Information

COMPANY shall provide a list of the Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Physically-Challenged Business Enterprise (PBE), Small Business Enterprise (SBE), and Nevada Business Enterprise (NBE) subcontractors for this Agreement utilizing the attached format **Exhibit C**. The information provided in **Exhibit C** by COMPANY is for the HOSPITAL's information only.

Survival of Terms.

Unless otherwise stated, all of HOSPITAL and COMPANY's respective obligations, representations and warranties under this Agreement which are not, by the expressed terms of this Agreement, fully to be performed while this Agreement is in effect shall survive the termination of this Agreement.

Waiver; Severability

No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented. If any provision of this Agreement is held invalid, void or unenforceable under any applicable statute or rule of law, it shall to that extent be deemed omitted, and the balance of this Agreement shall be enforceable in accordance with its remaining terms.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and effective as of the date of last signature.

HOSPITAL:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

By: _____ DATE _____
MASON VAN HOUWELING
Chief Executive Officer

COMPANY:

COMPANY NAME

By:  DATE 11/21/2022
Jennifer Clark
CFO TITLE DATE

**EXHIBIT A
Autoclave Sterilizer & Boiler
SCOPE OF WORK**

Description of Work to be Completed:

CWF to supply labor, materials to install **(1) Marathon TC220T HD/HF w/40 Yard Receiving Container** for cardboard (1) **Additional 40 Yard Receiving Container (stored off site)** in truck loading dock next to the autoclave area. CWF to supply (1) **cart dumper to dump carts into compactor, (1) Cart Dumper II (transport carts into autoclave cart, (1) AS515 Carbon Steel/Gravity Displacement - Autoclave Includes: Touch Screen Controller and Six Carts Total, (1) Self-Contained Compactor and (1) Additional Self-Contained Compactor (no power pack) (stored off site)**. CWF to demo existing platform and set and anchor new equipment and perform start up on boiler and autoclave. CWF to supply permit for boiler and autoclave install and operating permit. **(1) Hurst 60hp steam boiler vertical VIX series steam boiler, with 100gal duplex feedwater tank, with (1) blowdown separator w/ aftercooler.** Burner will be sub 30 ppm NOx. CWF to demo existing boiler, and equipment. The steel platform and ramp will be demoed and hauled off. Boiler and autoclave will be installed and started up by CWF. CWF to supply electrical sub for all power needed. CWF to install steam line to hot water valve to supply hot water to new cart washing station. Cart washing station will have a hot water supply to a pressure washer that is on a stand and will connect to a cart washer that will shoot water into bin with a spray nozzle, CWF to supply valves and piping and hardware. CWF to tie into existing drains for equipment. CWF to fab and install taller gate on entrance to boiler and fab and install siding and double gate to shield cardboard compactor from the parking lot view. Gates to be powder coated to customer picked color. The work will be completed during standard operating hours. This price includes a 3-year service contract that will cover the Boiler and autoclave and greasing the tippers and autoclave. CWF to arrive once a month, CWF to supply log book for the boiler, document all findings and notify and quote any repairs needed price includes Contract to cover boiler monthly maintenance check plus (1) annual service per year and 2 tune ups per year this price includes materials to perform annual service upon approval of this quote CWF to send service contract agreement .Terms: 50% on order 25% prior to shipment, 25% net 30 upon completion. **Freight is included in price.** (**Estimated freight is \$23,500.00 this is an estimated price subject to change and is included in price.) Price does not include temporary boiler or temporary waste removal while project is in process or source testing or engineering. **

Services to be Completed:

Boiler

Autoclave Project

Parts, labor, and fees	Quantity	Unit Price	Total
Labor	1		
Materials, Steel, Powder Coat/Paint	1		
Crane	1		
Insulation	1		
Service Contract- 3 Year for Boiler, Autoclave, & 2 Tippers	1		
Freight	1		
Boiler and Feedwater Tank Blowdown Separator	1		
Autoclave, 2 Tippers, 2 Compactors, & 2 Extra Bins	1		
Cart Wash System	1		
Subs – Concrete, Electrical	1		
Trucks, Permitting, Misc, Haul Off, Equipment	1		
Consumables & Hardware	1		
	GRAND TOTAL		\$1,471,046.70

EXHIBIT B
Autoclave Sterilizer & Boiler
INSURANCE REQUIREMENTS

TO ENSURE COMPLIANCE WITH THE AGREEMENT DOCUMENT, COMPANY SHOULD FORWARD THE FOLLOWING INSURANCE CLAUSE AND SAMPLE INSURANCE FORM TO THEIR INSURANCE AGENT PRIOR TO PROPOSAL SUBMITTAL.

- A. **Format/Time:** COMPANY shall provide HOSPITAL with Certificates of Insurance, per the sample format (page B-3), for coverage as listed below, and endorsements affecting coverage required by this Agreement within **ten (10) business days** after the award by HOSPITAL. All policy certificates and endorsements shall be signed by a person authorized by that insurer and who is licensed by the State of Nevada in accordance with NRS 680A.300. All required aggregate limits shall be disclosed and amounts entered on the Certificate of Insurance, and shall be maintained for the duration of the Agreement and any renewal periods.
- B. **Best Key Rating:** HOSPITAL requires insurance carriers to maintain during the Agreement term, a Best Key Rating of A.VII or higher, which shall be fully disclosed and entered on the Certificate of Insurance.
- C. **HOSPITAL Coverage:** HOSPITAL, its officers and employees must be expressly covered as additional insured's except on Workers' Compensation. COMPANY's insurance shall be primary as respects HOSPITAL, its officers and employees.
- D. **Endorsement/Cancellation:** COMPANY's general liability and automobile liability insurance policy shall be endorsed to recognize specifically COMPANY's contractual obligation of additional insured to HOSPITAL and must note that HOSPITAL will be given thirty (30) calendar days advance notice by certified mail "return receipt requested" of any policy changes, cancellations, or any erosion of insurance limits. Either a copy of the additional insured endorsement, or a copy of the policy language that gives HOSPITAL automatic additional insured status must be attached to any certificate of insurance.
- E. **Deductibles:** All deductibles and self-insured retentions shall be fully disclosed in the Certificates of Insurance and may not exceed \$25,000.
- F. **Aggregate Limits:** If aggregate limits are imposed on bodily injury and property damage, then the amount of such limits must not be less than \$2,000,000.
- G. **Commercial General Liability:** Subject to Paragraph 6 of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury (including death), personal injury and property damages. Commercial general liability coverage shall be on a "per occurrence" basis only, not "claims made," and be provided either on a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad Form CGL endorsement) insurance form. Policies must contain a primary and non-contributory clause and must contain a waiver of subrogation endorsement.
- H. **Automobile Liability:** Subject to Paragraph 6 of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage to include, but not be limited to, coverage against all insurance claims for injuries to persons or damages to property which may arise from services rendered by COMPANY and **any auto** used for the performance of services under this Agreement.
- I. **Professional Liability:** COMPANY shall maintain limits of no less than \$1,000,000 aggregate. If the professional liability insurance provided is on a Claims Made Form, then the insurance coverage required must continue for a period of two (2) years beyond the completion or termination of this Agreement. Any retroactive date must coincide with or predate the beginning of this and may not be advanced without the consent of HOSPITAL.
- J. **Workers' Compensation:** COMPANY shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D, inclusive, provided, however, a COMPANY that is a Sole Proprietor shall be required to submit an affidavit (Attachment 1) indicating that COMPANY has elected not to be included in the terms, conditions and provisions of Chapters 616A-616D, inclusive, and is otherwise in compliance with those terms, conditions and provisions.
- K. **Failure To Maintain Coverage:** If COMPANY fails to maintain any of the insurance coverage required herein, HOSPITAL may withhold payment, order COMPANY to stop the work, declare COMPANY in breach, suspend or terminate the Agreement, assess liquidated damages as defined herein, or may purchase replacement insurance or pay premiums due on existing policies. HOSPITAL may collect any replacement insurance costs or premium payments made from COMPANY or deduct the amount paid from any sums due COMPANY under this Agreement.
- L. **Additional Insurance:** COMPANY is encouraged to purchase any such additional insurance as it deems necessary.
- M. **Damages:** COMPANY is required to remedy all injuries to persons and damage or loss to any property of HOSPITAL, caused in whole or in part by COMPANY, its subcontractors or anyone employed, directed or supervised by COMPANY.
- N. **Cost:** COMPANY shall pay all associated costs for the specified insurance. The cost shall be included in the price(s).
- O. **Insurance Submittal Address:** All Insurance Certificates requested shall be sent to University Medical Center, Attention: Contracts Management. See the Notice Clause in the Agreement for the appropriate mailing address.
- P. **Insurance Form Instructions:** The following information must be filled in by COMPANY's Insurance Company representative:

1. Insurance Broker's name, complete address, phone and fax numbers.
2. COMPANY's name, complete address, phone and fax numbers.
3. Insurance Company's Best Key Rating
4. Commercial General Liability (Per Occurrence)
 - (A) Policy Number
 - (B) Policy Effective Date
 - (C) Policy Expiration Date
 - (D) Each Occurrence (\$1,000,000)
 - (E) Damage to Rented Premises (\$50,000)
 - (F) Medical Expenses (\$5,000)
 - (G) Personal & Advertising Injury (\$1,000,000)
 - (H) General Aggregate (\$2,000,000)
 - (I) Products - Completed Operations Aggregate (\$2,000,000)
5. Automobile Liability (Any Auto)
 - (J) Policy Number
 - (K) Policy Effective Date
 - (L) Policy Expiration Date
 - (M) Combined Single Limit (\$1,000,000)
6. Worker's Compensation: The COMPANY shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D
7. Professional Liability
 - (N) Policy Number
 - (O) Policy Effective Date
 - (P) Policy Expiration Date
 - (Q) Aggregate (\$1,000,000)
8. Description: Autoclave Sterilizer & Boiler (must be identified on the initial insurance form and each renewal form).
9. Certificate Holder:

University Medical Center of Southern Nevada
 c/o Contracts Management
 1800 W. Charleston Blvd.
 Las Vegas, Nevada 89102
10. Appointed Agent Signature to include license number and issuing state.
11. Notwithstanding any other provision to the contrary herein, the parties hereto agree that (1) all coverage provided by COMPANY hereunder shall be on a per policy basis; (2) COMPANY shall provide evidence of all such coverages upon request; (3) COMPANY agrees to provide HOSPITAL with a written notice of cancellation in accordance with COMPANY'S insurance policies; (4) all references herein to any ISO, Acord or other insurance form shall be read as to include "or equivalent, at the discretion of COMPANY"; and (5) COMPANY reserves the right to meet Excess/Umbrella Liability coverage requirements by increasing its Commercial General Liability, Business Automobile Liability and Employer's Liability Insurance limits.

POLICY NUMBER: _____

COMMERCIAL GENERAL AND AUTOMOBILE LIABILITY

CBE NUMBER AND CONTRACT NAME: Autoclave Sterilizer & Boiler

THIS ENDORSEMENT CHANGED THE POLICY. PLEASE READ IT CAREFULLY
ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY AND AUTOMOBILE LIABILITY COVERAGE PART.

SCHEDULE

Name of Person or Organization:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
C/O CONTRACTS MANAGEMENT
1800 W. CHARLESTON BLVD.
LAS VEGAS, NV 89102

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule as an insured but only with respect to liability arising out of your operations or premises owned by or rented to you.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, ITS OFFICERS, EMPLOYEES AND VOLUNTEERS ARE INSUREDS WITH RESPECT TO LIABILITY ARISING OUT OF THE ACTIVITIES BY OR ON BEHALF OF THE NAMED INSURED IN CONNECTION WITH THIS PROJECT.

ATTACHMENT 1 (OPTIONAL)

AFFIDAVIT

(ONLY REQUIRED FOR A SOLE PROPRIETOR)

I, _____, on behalf of my company, _____, being duly sworn,
(Name of Sole Proprietor) (Legal Name of Company)

depose and declare:

1. I am a Sole Proprietor;
2. I will not use the services of any employees in the performance of this Agreement, identified as Autoclave Sterilizer & Boiler ;
3. I have elected to not be included in the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive; and
4. I am otherwise in compliance with the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive.

I release University Medical Center of Southern Nevada from all liability associated with claims made against me and my Company, in the performance of this Agreement, that relate to compliance with NRS Chapters 616A-616D, inclusive.

Signed this _____ day of _____, _____.

Signature _____

State of Nevada)
)ss.
County of Clark)

Signed and sworn to (or affirmed) before me on this _____ day of _____, 20____,

by _____ (name of person making statement).

Notary Signature

STAMP AND SEAL

EXHIBIT C
SUBCONTRACTOR INFORMATION

DEFINITIONS:

MINORITY OWNED BUSINESS ENTERPRISE (MBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.

WOMEN OWNED BUSINESS ENTERPRISE (WBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.

PHYSICALLY-CHALLENGED BUSINESS ENTERPRISE (PBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.

SMALL BUSINESS ENTERPRISE (SBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function, is **not** owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.

NEVADA BUSINESS ENTERPRISE (NBE): Any Nevada business which has the resources necessary to sufficiently perform identified County projects, and is owned or controlled by individuals that are not designated as socially or economically disadvantaged.

VETERAN OWNED ENTERPRISE (VET): A Nevada business at least 51% owned/controlled by a veteran.

DISABLED VETERAN OWNED ENTERPRISE (DVET): A Nevada business at least 51% owned/controlled by a disabled veteran.

It is our intent to utilize the following MBE, WBE, PBE, SBE, and NBE subcontractors in association with this Agreement:

1. Subcontractor Name: Centennial Concrete
Contact Person: Scott Shaw Telephone Number: 702-
Description of Work: All concrete work.
Estimated Percentage of Total Dollars: 5%
Business Type: MBE WBE PBE SBE NBE

2. Subcontractor Name: Tiewire Electric
Contact Person: Stephanie Provost Telephone Number: 702-327-8616
Description of Work: All electrical work.
Estimated Percentage of Total Dollars: 5%
Business Type: MBE WBE PBE SBE NBE

3. Subcontractor Name: _____
Contact Person: _____ Telephone Number: _____
Description of Work: _____
Estimated Percentage of Total Dollars: _____
Business Type: MBE WBE PBE SBE NBE

4. Subcontractor Name: _____
Contact Person: _____ Telephone Number: _____
Description of Work: _____
Estimated Percentage of Total Dollars: _____
Business Type: MBE WBE PBE SBE NBE

No MBE, WBE, PBE, SBE, or NBE subcontractors will be used

**INSTRUCTIONS FOR COMPLETING THE
DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**

Purpose of the Form

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

General Instructions

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

Detailed Instructions

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

Business Entity Type – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

Non-Profit Organization (NPO) - Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

Business Designation Group – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB) . This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

Business Name (include d.b.a., if applicable) – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

Corporate/Business Address, Business Telephone, Business Fax, and Email – Enter the street address, telephone and fax numbers, and email of the named business entity.

Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)

List of Owners/Officers – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

For All Contracts – (Not required for publicly-traded corporations)

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If YES, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

Signature and Print Name – Requires signature of an authorized representative and the date signed.

Disclosure of Relationship Form – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type (Please select one)						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> S Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group (Please select all that apply) N/A						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
Number of Clark County Nevada Residents Employed:						
Corporate/Business Entity Name:		AJNC Industries LLC				
(Include d.b.a., if applicable)		Clark Welding & Fabricating				
Street Address:		3019 Sheridan St		Website: www.clarkwf.com		
City, State and Zip Code:		Las Vegas, NV 89102		POC Name: Austin Clark		
Telephone No:		702-678-5111		Email: austin@clarkwf.com		
Nevada Local Street Address: (If different from above)		Same		Website:		
City, State and Zip Code:		as above		Local Fax No:		
Local Telephone No:		above		Local POC Name:		
				Email:		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Austin Clark	owner	50%
Coltin Clark	owner	50%

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

Jennifer Clark
 Signature
CFO
 Title

Jennifer Clark
 Print Name
11/18/2022
 Date

DISCLOSURE OF RELATIONSHIP

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT

* UMC employee means an employee of University Medical Center of Southern Nevada

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For UMC Use Only:

If any Disclosure of Relationship is noted above, please complete the following:

- Yes No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?
- Yes No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Signature

Print Name
Authorized Department Representative

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Professional Services Agreement (Pathology) with Laboratory Medicine Consultants, Ltd.	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation:	
<p>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Professional Services Agreement for Pathology Clinical Coverage with Laboratory Medicine Consultants (“LMC”), Ltd.; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (For possible action)</p>	

FISCAL IMPACT:

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: Various	Funded Pgm/Grant: N/A
Description: Pathology Clinical Services	
Bid/RFP/CBE: NRS 332.115.1(b) – Professional Services	
Term: 1/1/2023 to 12/31/2025 with two, 1-year options	
Amount:	

Professional Services	\$17,000 per month; \$204,000 per year or \$1,020,000 for five (5) years
Medical Directorship Services	\$200 per hour for up to twenty (20) hours per month; NTE \$48,000 per year or NTE \$240,000 for five (5) years
Total \$252,000 per year or \$1,260,000 for five (5) years	

Out Clause: 180 days w/o cause

BACKGROUND:

Since November 2012, UMC has had an agreement with Laboratory Medicine Consultants, Ltd. (Provider) for pathology clinical services.

This request is to approve the new Professional Services Agreement for Clinical Coverage (“Agreement”) with Provider to continue to, among other things: (i) provide 24/7 emergency, on-call and consultative pathology services for UMC’s inpatients, outpatients, and Emergency and Trauma patients, in accordance with the schedule maintained by Provider, (ii) provide Medical Directorship services, (iii) maintain a minimum of two (2) FTE physicians for in-house Hospital coverage, and (iv) provide formal and informal training to staff.

Cleared for Agenda
December 7, 2022

Agenda Item #

14

Staff also requests authorization for the Hospital CEO, at the end of the initial Term, to exercise the extension options at his discretion if deemed beneficial to UMC.

UMC will compensate Provider \$17,000 per month for professional services and NTE \$4,000 per month for Medical Directorship services, from January 1, 2023 through December 31, 2025 with two (2), 1-year extension options. Either party may terminate this Agreement for convenience with a 180-day written notice to the other.

UMC's Support Services Executive Director has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC's Office of General Counsel.

Staff has requested a determination from the Clark County Business License division as to the licensing requirements of Provider and has not yet received a response. If a determination is made that Provider is required to have a Clark County business license or vendor registration, staff will ensure that Provider obtains such license or registration in a timely manner.

**PROFESSIONAL SERVICES AGREEMENT
(Clinical Services)**

This Agreement, is made and entered into this 14th day of December, 2022, by and between **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes (hereinafter referred to as “Hospital”) and **Laboratory Medicine Consultants (“LMC”), Ltd.**, a Nevada limited liability company located at 7455 West Washington Avenue, Suite 301, Las Vegas, Nevada 89128 (hereinafter referred to as “Provider”). Hospital and Provider together shall be referred to individually herein as “party” and collectively as “parties.”

WHEREAS, Hospital is the operator of a Pathology Department (the “Department”) located in Hospital which requires certain Services (as defined below);

WHEREAS, Hospital recognizes that the proper functioning of the Department requires Services from physicians who have been properly trained and are fully qualified and credentialed to practice medicine as pathologists;

WHEREAS, Provider desires to contract for and provide said Services in the specialty of pathology, as more specifically described herein; and

WHEREAS, the parties intend for this Agreement to supersede, terminate and wholly replace any prior verbal or written agreements between the parties respecting the subject matter hereof.

NOW THEREFORE, in consideration of the covenants and mutual promises made herein, the parties agree as follows:

I. DEFINITIONS

For the purposes of this Agreement, the following definitions apply:

- 1.1 Advanced Practice Professionals. Individuals other than a licensed physician, medical doctor (“M.D.”), doctor of osteopathy (“D.O.”), chiropractor, or dentist who exercise independent or dependent judgment within the areas of their scope of practice and who are qualified to render patient care services under the supervision of a qualified physician who have been accorded privileges to provide such care in Hospital. Advanced Practice Professionals to be utilized by Provider for the provision of Services are listed on **Exhibit A-1**, which shall be subject to change from time to time.
- 1.2 Department. Unless the context requires otherwise, Department refers to Hospital’s Department of Pathology.
- 1.3 Medical Staff. The Medical and Dental Staff of University Medical Center of Southern Nevada.
- 1.4 Medical Director. The Medical Director performs certain administrative services in coordination with Hospital for the Department. Among other administrative duties assigned to the Medical Director, he or she shall be responsible for scheduling the call

coverage services detailed in this Agreement and coordinating certain other hospital administrative services related to the operations of Hospital and the Department, as more specifically described herein. Due to the operations of a Pathology Department, Provider shall provide for a Medical Director in this area, as more specifically described in Section 2.2.

- 1.5 Member Physicians. Physician(s) mutually appointed by Provider and Hospital (as listed on Exhibit A-1 and which shall be subject to change from time to time) to provide Services pursuant to this Agreement.
- 1.6 Services. Clinical services in the specialty of pathology performed for the diagnosis, prevention or treatment of disease or for assessment of a medical condition, including but not limited to, the delivery to the Department and Hospital certain Services to patients, twenty-four (24) hours per day/seven (7) days per week, as further described herein.

II. PROVIDER'S OBLIGATIONS

- 2.1 Department Coverage for Services. Provider, by and through its Member Physicians, shall deliver to the Department the following Services:
 - a. Provider shall provide professional services in the best interest of Hospital's patients with all due diligence;
 - b. Provider shall conduct and professionally staff the Department in such a manner that Hospital, its Medical Staff, and patients shall at all times have adequate pathology coverage as provided herein. Provider shall render and supervise pathology services and consult with Medical Staff and Hospital upon request;
 - c. Provider shall provide the Services on premises of Hospital on an emergency and on-call basis with consultative coverage on a twenty-four (24) hours per day, seven (7) days per week basis, including holidays, throughout the Term of this Agreement to treat patients in Hospital's Department. This coverage includes all Hospital inpatients, outpatients, Emergency Department patients, Trauma Department patients;
 - d. Provider shall maintain a minimum of two (2) Full Time Equivalent (FTE) physicians for in-house Hospital coverage in fulfilling its obligations pursuant to this Agreement;
 - e. No more than one (1) Locum Tenens to be placed at Hospital for up to three (3) months per year.
 - f. Provider shall coordinate the schedules and assignments of the Member Physicians and Advanced Practice Professionals assigned to the Department. Provider will make available to Hospital's Director of Laboratory Services, on a monthly basis, a copy of the pathology physician schedule and any on-call schedule;
 - g. Provider shall be responsible for any staffing required to assist Member Physicians in carrying out its duties within the Department, so that Hospital, its Medical Staff, and patients shall at all times have adequate Services coverage. Also, Hospital will

provide the necessary staff to accomplish duties routinely performed by a histotechnician;

- h. Provider shall cooperate with Hospital to provide formal and informal staff training programs as deemed necessary for the professional staff training and continuing medical education of its Medical Staff;
- i. On an annual basis, Provider shall use reasonable best efforts to create a collaborative plan with Hospital's affiliated medical school(s) for the provision of Services in support of the medical resident program. Such plan shall include the involvement of Hospital and will include the residency program's daily patient responsibility;
- j. Provider shall ensure clinical effectiveness by providing direction and supervision in accordance with the standards and recommendations of The Joint Commission and the Medical Staff Bylaws and related manuals, and any requirements of local, state and national regulatory agencies and accrediting bodies;
- k. Work with Hospital to develop and administer Hospital's care pathways and enhance such pathways based upon Member Physicians' clinical experience;
- l. Provide consultative interpretations and documentation in accordance with the standards and recommendations of The Joint Commission, the American College of Pathologists, the Bylaws, Rules and Regulations of the Medical Staff, and any policies and procedures of the applicable third party payors, as may then be in effect;
- m. Provider shall coordinate and integrate clinically related pathology activities both inter and intra departmentally within Hospital and its affiliated clinics; and
- n. Provider shall perform such other Services, as more specifically described on **Exhibit A**, attached hereto and incorporated herein by reference.

2.2 **Medical Directorship**. During the Term, in addition to the Services provided by a Member Physician, Provider shall designate a Medical Director for the provision of certain administrative medical directorship services (the "Medical Directorship Services"). Hospital acknowledges and agrees that certain Medical Directorship Services of the Medical Director may be assigned to another qualified Member Physician acceptable to Hospital provided the same are documented in accordance with Section 5.3. The Medical Director shall provide the following Medical Directorship Services:

- a. Oversee and supervise the overall Pathology program and perform all administrative, supervisory and education functions in relation to the operation of the Services, and as required from time-to-time by Hospital's CEO, or his/her designee;
- b. Provide quarterly standardized reports on metrics, as requested by Hospital's Administration, including the CEO, COO, CNO, Patient Safety and Quality Committees, and/or his or her designees;

- c. Contribute to a positive relationship among Hospital's Administration, the Medical Staff, healthcare providers (i.e., RN's, ancillary providers) and the community;
- d. Promote the growth and development of the Department in conjunction with Hospital with special emphasis on expanding diagnostic and therapeutic pathology services;
- e. Inform the Medical Staff of new pathology equipment and applications, and recommend innovative changes directed toward improved patient services;
- f. Develop and implement guidelines, policies and procedures in accordance with recognized professional medical specialty standards and the requirements of local, state and national regulatory agencies and accrediting bodies;
- g. Recommend the selection and development of appropriate methods, instrumentation and supplies to assure proper utilization of staff and efficient reporting of results;
- h. Represent the Department on the Medical Staff committees and at Hospital department meetings as the need arises;
- i. Participate in Quality Assurance and Performance Improvement activities by monitoring and evaluating care; communicating findings, conclusions, recommendations and actions taken; and using established Hospital mechanisms for appropriate follow up;
- j. Assess and recommend to Hospital's Administration a sufficient number of qualified and competent staff members to provide patient care;
- k. Assess and recommend to Hospital's Administration and to the Department the need for capital expenditure for equipment, supplies and space required to maintain and expand the Department;
- l. Provide for the education of Medical Staff and Hospital personnel in a defined organized structure and as the need presents itself;
- m. Monitor the use of equipment and report any malfunction to Hospital's Administration and the Department;
- n. Assist Hospital in the selection of outside sources for needed medical professional services;
- o. Assist Hospital in the appeal of any denial of payment of Hospital charges; and
- p. Assist Hospital's Administration with the performance of such other administrative duties as necessary to operate the Department.

The Medical Director shall be required to submit monthly time records which details with reasonable specificity the time spent performing the Medical Directorship Services as further described in Section 5.3.

2.3 Medical Staff Appointment.

- a. Member Physicians employed or contracted by Provider shall at all times hereunder, be members in good standing of Hospital's Medical Staff with appropriate clinical credentials and appropriate Hospital privileging. Any of Provider's Member Physicians who fail to maintain staff appointment of clinical privileges in good standing will not be permitted to render the Services and will be replaced promptly by Provider. Provider shall replace a Member Physician who is suspended, terminated or expelled from Hospital's Medical Staff, loses his/her license to practice medicine, tenders his/her resignation, or violates the terms and conditions required of this Agreement, including but not limited to, those representations set forth in Section 2.4 below. In the event Provider replaces or adds a Member Physician, such new Member Physician shall meet all of the conditions set forth herein, and shall agree in writing to be bound by the terms of this Agreement. In the event that a Member Physician's appointment to Hospital's Medical Staff with clinical privileges is granted solely for purposes of this Agreement, such appointment and clinical privileges shall automatically terminate upon termination of this Agreement or Provider's removal of the physician as a Member Physician.
- b. Provider shall be fully responsible for the performance and supervision of any of its Member Physicians, Advanced Practice Professionals or others under its direction and control, in the performance of Services under this Agreement.
- c. Advanced Practice Professionals employed or utilized by Provider, if any, must apply for privileges and remain in good standing in accordance with the University Medical Center of Southern Nevada's Medical Staff Bylaws and Rules and Regulations. In the event that an Advanced Practice Professional's granting of clinical privileges at Hospital is solely for purposes of this Agreement, such appointment and clinical privileges shall automatically terminate upon termination of this Agreement or Provider's removal of the Advanced Practice Professional under this Agreement.

2.4 Representations of Provider and Member Physicians.

- a. Provider represents and warrants that it:
 1. holds an active business license with Clark County and is currently in good standing with the Nevada Secretary of State and Department of Taxation;
 2. has never been excluded or suspended from participation in, or sanctioned by, a federal or state health care program;
 3. has never been convicted of a felony or misdemeanor involving fraud, dishonesty, moral turpitude, controlled substances or any crime related to the provision of medical services;
 4. at all times will comply with all applicable laws and regulations in the performance of the Services;
 5. is not restricted under any third party agreement from performing the obligations under this Agreement;

6. has not materially misrepresented or omitted any facts necessary for Hospital to analyze service level requirements (i.e., FTEs) and compensation paid hereunder; and
 7. will comply with the Standards of Performance, attached hereto as **Exhibit B** and incorporated by reference.
- b. Provider, on behalf of each of Provider's Member Physicians (and Advanced Practice Professionals as applicable), represents and warrants to the best of Provider's knowledge after reasonable inquiry that he or she:
1. is Board certified in Pathology;
 2. possesses an active license to practice medicine from the State of Nevada which is in good standing;
 3. has an active and unrestricted license to prescribe controlled substances with the Drug Enforcement Agency and a Nevada Board of Pharmacy registration, as needed to provide the Services;
 4. is not and/or has never been subject to any agreement or understanding, written or oral, that he or she will not engage in the practice of medicine, either temporarily or permanently;
 5. has never been excluded or suspended from participation in, or sanctioned by, a federal or state health care program;
 6. has never been convicted of a felony or misdemeanor involving fraud, dishonesty, moral turpitude, controlled substances or any crime related to the provision of medical services;
 7. has never been denied membership or reappointment to the medical staff of any hospital or healthcare facility;
 8. at all times will comply with all applicable laws and regulations in the performance of the Services;
 9. is not restricted under any third party agreement from performing the obligations under this Agreement; and
 10. will comply with the Standards of Performance, attached hereto as **Exhibit B** and incorporated by reference.

2.5 **Notification Requirements.** The representations contained in this Agreement are ongoing throughout the Term. Provider agrees to notify Hospital in writing within three (3) business days after Provider becomes aware of any event that occurs that constitutes a breach of the representations and warranties contained in Section 2.4 or elsewhere in this Agreement. Hospital shall, in its discretion, have the right to terminate this Agreement if Provider fails to notify Hospital of such a breach and fails to immediately remove any Member Physician or Advanced Practice Professional that fails to meet any of the requirements in this Agreement.

2.6 **Independent Contractor.** In the performance of the work duties and obligations performed by Provider under this Agreement, it is mutually understood and agreed that Provider is at all times acting and performing as an independent contractor practicing the profession of medicine. Hospital shall neither have, nor exercise any, control or direction over the methods by which Provider shall perform its work and functions.

2.7 Industrial Insurance.

- a. As an independent contractor, Provider shall be fully responsible for premiums related to accident and compensation benefits for its shareholders and/or direct employees as required by the industrial insurance laws of the State of Nevada.
- b. Provider agrees, as a condition precedent to the performance of any work under this Agreement and as a precondition to any obligation of Hospital to make any payment under this Agreement, to provide Hospital with a certificate issued by the appropriate entity in accordance with the industrial insurance laws of the State of Nevada. Provider agrees to maintain coverage for industrial insurance pursuant to the terms of this Agreement. If Provider does not maintain such coverage, Provider agrees that Hospital may withhold payment, order Provider to stop work, suspend this Agreement or terminate this Agreement.

2.8 Professional Liability Insurance. Provider shall carry professional liability insurance on its Member Physicians and employees at its own expense in accordance with the minimums established by the Bylaws of the Medical Staff and related manuals. Said insurance shall annually be certified to Hospital's Administration and Medical Staff, as necessary.

2.9 Provider's Personal Expenses. Provider shall be responsible for all its personal expenses, including but not limited to, membership fees, dues and expenses of attending conventions and meetings, except those specifically requested and designated by Hospital.

2.10 Maintenance of Records.

- a. All medical records, histories, charts and other information regarding patients treated or matters handled by Provider hereunder, or any data or databases derived therefrom, shall be the property of Hospital regardless of the manner, media or system in which such information is retained. Provider shall have access to and may copy relevant records upon reasonable notice to Hospital.
- b. Provider shall complete all patient charts in a timely manner in accordance with the standards and recommendations of The Joint Commission and Regulations of the Medical Staff, as may then be in effect.

2.11 Health Insurance Portability and Accountability Act of 1996.

- a. For purposes of this Agreement, "Protected Health Information" shall mean any information, whether oral or recorded in any form or medium, that: (1) was created or received by either party; (2) relates to the past, present, or future physical condition of an individual, the provision of health care to an individual, or the past, present or future payment for the provision of health care to an individual; and (3) identifies such individual.
- b. Provider agrees to comply with the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d-1329d-8; 42 U.S.C. 1320d-2) ("HIPAA"), and any

current and future regulations promulgated thereunder, including, without limitation, the federal privacy regulations contained in 45 C.F.R. Parts 160 and 164 (the “Federal Privacy Regulations”), the federal security standards contained in 45 C.F.R. Part 142 (the “Federal Security Regulations”), the federal standards for electronic transactions contained in 45 C.F.R. Parts 160 and 162, and all the amendments to HIPAA contained in Subtitle D of the Health Information Technology for Economic and Clinical Health Act (“HITECH”), all collectively referred to as “HIPAA Regulations”. Provider shall preserve the confidentiality of Protected Health Information (“PHI”) it receives from Hospital, and shall be permitted only to use and disclose such information in compliance with the HIPAA Regulations and any applicable state law. Provider agrees to execute such further agreements deemed necessary by Hospital to facilitate compliance with the HIPAA Regulations or any applicable state law. Provider shall make its internal practices, books and records relating to the use and disclosure of PHI available to the Secretary of Health and Human Services to the extent required for determining compliance with the Federal Privacy Regulations. Hospital and Provider shall be an Organized Health Care Arrangement (“OHCA”), as such term is defined in the HIPAA Regulations.

- c. Hospital shall, from time to time, obtain applicable privacy notice acknowledgments and/or authorizations from patients and other applicable persons, to the extent required by law, to permit Hospital, Provider and their respective employees and other representatives, to have access to and use of PHI for purposes of the OHCA. Hospital and Provider shall share a common patient’s PHI to enable the other party to provide treatment, seek payment, and engage in quality assessment and improvement activities, population-based activities relating to improving health or reducing health care costs, case management, conducting training programs, and accreditation, certification, licensing or credentialing activities, to the extent permitted by law or by the HIPAA Regulations.

2.12 UMC Contracted/Non-Employee Requirements Policy. Provider shall ensure that its staff and equipment utilized at Hospital, if any, are at all times in compliance with UMC’s Contracted/Non-Employee Requirements Policy, as amended from time to time, which is incorporated and made a part hereof by this reference.

2.13 Personnel On-Site. Provider shall abide by the relevant compliance policies of Hospital, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, Contracted/Non-Employee Requirements Policy and Code of Ethics, the relevant portions of which are available to Provider upon request, and Hospital’s Vaccine Policy, as may be amended from time to time, and must register through Hospital’s credentialing system prior to arriving on-site at any of Hospital’s facilities. Provider’s employees, agents, subcontractors and/or healthcare workers who do not abide by Hospital’s policies may be barred from physical access to Hospital’s premises.

III. HOSPITAL’S OBLIGATIONS

3.1 Technical Support, Surveys, Space, Equipment and Supplies.

- a. Technical Support. Hospital's Information Technology (IT) Department will provide technical support at levels consistent with all members of the Medical Staff during normal working hours of Monday to Friday, 7:00 am to 5:00 pm, and emergency support for work stoppage issues after hours, weekends and holidays on a twenty-four-seven (24/7), three hundred sixty-five (365) day coverage.
 - b. Surveys. Hospital shall provide staff emails for participation in annual feedback survey (i.e., nursing, case management/social work).
 - c. Space. Hospital shall provide space within Hospital for the Department (excluding Provider's private office space) that allows Provider to render the Services in compliance with the federal Clinical Laboratory Improvement Amendments ("CLIA") and applicable Nevada law; however, Provider shall not have exclusivity over any space or equipment provided therein and shall not use the space or equipment for any purpose not related to the proper functioning of the Department.
 - d. Equipment.
 - 1. Hospital shall make available during the Term of this Agreement such equipment as is determined by Hospital to be required for the proper operation and conduct of the Department. Hospital shall also keep and maintain said equipment in good order and repair.
 - 2. Hospital shall maintain and operate its IT system necessary for the proper operation of the Department, provided however, Provider shall be responsible for maintenance and operation of its own system as necessary for the purpose of providing the Services and the requirements under this Agreement.
 - e. Supplies. Hospital shall purchase all necessary supplies for the proper operation of the Department and shall keep accurate records of the cost thereof.
- 3.2 Hospital Services. Hospital shall provide the services of other Hospital departments required for the provision of Services, including but not limited to, Accounting, Administration, Engineering, Human Resources, Materials Management, Medical Records and Nursing.
- 3.3 Personnel. Other than Member Physicians and Advanced Practice Professionals, all personnel required for the proper operation of the Department shall be employed by Hospital. The selection and retention of such personnel shall be in cooperation with Provider, but Hospital shall have final authority with respect to such selection and retention. Salaries and personnel policies for persons within personnel classifications used in the Department shall be uniform with other Hospital personnel in the same classification insofar as may be consistent with the recognized skills and/or hazards associated with that position, providing that recognition and compensation may be altered or different for personnel with special qualifications in accordance with the personnel policies of Hospital.

- 3.4 Representations of Hospital. Hospital represents and warrants to Provider that neither Hospital, nor to the best of Hospital's knowledge after reasonable inquiry that any of its employees, is:
- a. Currently excluded, debarred, or otherwise ineligible to participate in any of the Federal Health Care Programs; or
 - b. Convicted of a criminal offense related to the provision of health care items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the Federal Health Care Programs.
- 3.5 Annual Review. Hospital and Provider shall conduct an annual review of Provider's performance of Services.

IV. BILLING

- 4.1 Direct Billing. Except as otherwise specifically provided herein, Provider shall directly bill patients and/or third party payers for all professional components. Hospital shall make available within thirty (30) days of the date of service the usual social security and insurance information to facilitate direct billing. Provider's access to Hospital's Electronic Health Record system qualifies as availability. Unless specifically agreed to in writing or elsewhere in this Agreement, Hospital is not otherwise responsible for the billing or collection of professional component fees. Provider agrees to maintain a mandatory assignment contract with Medicaid and Medicare.
- 4.2 Fees. Fees will not exceed that which are usual, reasonable and customary for the community. Provider shall furnish a list of these fees upon request of Hospital.
- 4.3 Third Party Payors. If Hospital desires to enter into preferred provider, capitated or other managed care contracts, to the extent permitted by law, Provider agrees to cooperate with Hospital and to attempt to negotiate reasonable rates with such managed care payors.
- 4.4 Compliance. Provider agrees to comply with all applicable federal and state statutes and regulations (as well as applicable standards and requirements of non-governmental third-party payors) in connection with Provider's submission of claims and retention of funds for Provider's services (i.e., professional components) provided to patients at Hospital's facilities (collectively "Billing Requirements"). In furtherance of the foregoing and without limiting in any way the generality thereof, Provider agrees:
- a. To use its best efforts to ensure that all claims by Provider for Provider's services provided to patients at Hospital's facilities are complete and accurate;
 - b. To cooperate and communicate with Hospital in the claim preparation and submission process to avoid inadvertent duplication by ensuring that Provider does not bill for any items or services that has been or will be appropriately billed by Hospital as an item or service provided by Hospital at Hospital's facilities; and

- c. To keep current on applicable Billing Requirements as the same may change from time to time.

V. COMPENSATION

- 5.1 Compensation for Professional Services. During the Term, and subject to Section 7.5 below, Hospital will compensate Provider for the Services, monthly payments (to be prorated for a calendar month if the effective date is not on the first of the month) in the amount of \$17,000.00, for an annual amount of \$204,000.00. Payment shall be made on the third (3rd) Friday of each month, or if the third (3rd) Friday falls on a holiday, the following Monday, for the previous month's Services.
- 5.2 Compensation for Medical Directorship Services. As compensation for the Medical Directorship Services as described in Section 2.2, Provider shall be entitled to an hourly compensation of \$200.00 per hour for up to twenty (20) hours per month, for an annual not-to-exceed amount of \$48,000.00, as documented and verified pursuant to accurate and complete time records submitted by the Medical Director.
- 5.3 Time Studies/Payment. Provider shall record in hourly increments Member Physicians' time spent on the various responsibilities for the Medical Directorship Services on a weekly basis, and via electronic submission utilizing Hospital's time tracking software, or as otherwise instructed by Hospital from time to time. Provider shall submit such time studies to Hospital's Fiscal Services Department by the twelfth (12th) of each month for the preceding month. Failure to submit the required time study by the twelfth (12th) of each month will delay that month's payment until the time study is received. Provider will be paid on the third (3rd) Friday of each month, or if the third (3rd) Friday falls on a holiday, the following business day for the previous month's Medical Directorship Services.
- 5.4 Fair Market Value. The compensation paid under this Agreement has been determined by the parties to be fair market value and commercially reasonable for the Services and the Medical Directorship Services, provided hereunder.

VI. TERM/MODIFICATIONS/TERMINATION

- 6.1 Term of Agreement. This Agreement shall become effective on January 1, 2023, and subject to Section 7.5, shall remain in effect through December 31, 2025 (the "Initial Term"). At the end of the Initial Term, Hospital has the option to extend this Agreement for two (2) additional one-year periods (each a "Successive Term") (together the Initial Term and any Successive Term(s) shall be referred to as the "Term").
- 6.2 Modifications. Within three (3) calendar days, Provider shall notify Hospital in writing of:
 - a. Any change of address of Provider;
 - b. Any change in membership or ownership of Provider's group or professional corporation;

- c. Any action against the license of any of Provider's Member Physicians;
- d. Any action commenced against Provider which could materially affect this Agreement; or
- e. Any other occurrence known to Provider that could materially impair the ability of Provider to carry out its duties and obligations under this Agreement.

6.3 Termination For Cause.

- a. This Agreement shall immediately terminate upon the exclusion of Provider from participation in any federal health care program.
- b. This Agreement may be terminated by Hospital at any time with thirty (30) days written notice, upon the occurrence of any one of the following events which has not been remedied within thirty (30) days (or such earlier time period required under this Agreement) after written notice of said breach:
 - 1. Professional misconduct by any of Provider's Member Physicians or Advanced Practice Professionals as determined by the Bylaws, Rules and Regulations of the Medical Staff and the appeal processes thereunder;
 - 2. Conduct by any of Provider's Member Physicians or Advanced Practice Professionals which demonstrates an inability to work with others in the institution and such behavior presents a real and substantial danger to the quality of patient care provided at the facility as determined by Hospital or Medical Staff. Upon notice and request by Hospital, Provider shall remove such Member Physician or Advanced Practice Professional from performing any further Services hereunder and will continue to provide adequate staffing for the Services;
 - 3. Disputes among the Member Physicians, partners, owners, principals, or of Provider's group or professional corporation that, in the reasonable discretion of Hospital, are determined to disrupt the provision of good patient care;
 - 4. Absence of any Member Physician required for the provision of Services hereunder, by reason of illness or other cause, for a period of ninety (90) days, unless adequate coverage is furnished by Provider. Such adequacy will be determined by Hospital; or
 - 5. Breach of any material term or condition of this Agreement; provided the same is not subject to earlier termination elsewhere under this Agreement.
- c. This Agreement may be terminated by Provider at any time with thirty (30) days written notice, upon the occurrence of any one of the following events which has not been remedied within said thirty (30) days written notice of said breach:

1. The exclusion of Hospital from participation in a federal health care program;
 2. The loss or suspension of Hospital's licensure or any other certification or permit necessary for Hospital to provide services to patients;
 3. Hospital at any time engages in any criminal conduct or fraud that Provider reasonably determines is harming or is likely to materially harm the goodwill or reputation of Provider;
 4. The failure of Hospital to maintain full accreditation by The Joint Commission;
 5. Failure of Hospital to compensate Provider in a timely manner as set forth in Section V above; or
 6. Breach of any material term or condition of this Agreement.
- 6.4 Termination Without Cause. Either party may terminate this Agreement, without cause, upon One Hundred Eighty (180) days written notice to the other party. If Hospital terminates this Agreement, Provider waives any cause of action or claim for damages arising out of or related to the termination; provided however, it will not relieve Hospital of any payment due and owing to Provider for Services rendered under the terms of this Agreement.

VII. MISCELLANEOUS

- 7.1 Access to Records. Upon written request of the Secretary of Health and Human Services or the Comptroller General or any of their duly authorized representatives, Provider shall, for a period of four (4) years after the furnishing of any service pursuant to this Agreement, make available to them those contracts, books, documents, and records necessary to verify the nature and extent of the costs of providing its services. If Provider carries out any of the duties of this Agreement through a subcontract with a value or cost equal to or greater than \$10,000 or for a period equal to or greater than twelve (12) months, such subcontract shall include this same requirement. This Section is included pursuant to and is governed by the requirements of the Social Security Act, 42 U.S.C. Section 1395x (v) (1) (I), and the regulations promulgated thereunder.
- 7.2 Amendments. No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.
- 7.3 Assignment/Binding on Successors. No assignment of rights, duties or obligations of this Agreement shall be made by either party without the express written approval of a duly authorized representative of the other party. Subject to the restrictions against transfer or assignment as herein contained, the provisions of this Agreement shall inure to the benefit of and shall be binding upon the assigns or successors-in-interest of each of the parties hereto and all persons claiming by, through or under them.

- 7.4 Authority to Execute. The individuals signing this Agreement on behalf of the parties have been duly authorized and empowered to execute this Agreement and by their signatures shall bind the parties to perform all the obligations set forth in this Agreement.
- 7.5 Budget Act and Fiscal Fund Out. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by Hospital for the then current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Hospital's obligations under it shall be extinguished at the end of any of Hospital's fiscal years in which Hospital's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. Hospital agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this Section is invoked, this Agreement will expire on the thirtieth (30th) day of June of the then current fiscal year. Termination under this Section shall not relieve Hospital of its obligations incurred through the thirtieth (30th) day of June of the fiscal year for which monies were appropriated.
- 7.6 Captions/Gender/Number. The articles, captions, and headings herein are for convenience and reference only and should not be used in interpreting any provision of this Agreement. Whenever the context herein requires, the gender of all words shall include the masculine, feminine and neuter and the number of all words shall include the singular and plural.
- 7.7 Confidential Records. All medical records, histories, charts and other information regarding patients, all Hospital statistical, financial, confidential, and/or personnel records and any data or databases derived therefrom shall be the property of Hospital regardless of the manner, media or system in which such information is retained. All such information received, stored or viewed by Provider shall be kept in the strictest confidence by Provider and its employees and contractors.

In addition, Provider acknowledges that Hospital is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such its records are public documents available to copying and inspection by the public. If Hospital receives a demand for the disclosure of any information related to this Agreement which Provider has claimed to be confidential and proprietary, Hospital will immediately notify Provider of such demand and Provider shall immediately notify Hospital of its intention to seek injunctive relief in a Nevada court for protective order. Provider shall indemnify, defend and hold harmless Hospital from any claims or actions, including all associated costs and attorney's fees, regarding or related to any demand for the disclosure of Provider documents in Hospital's custody and control in which Provider claims to be confidential and proprietary. For the avoidance of any doubt, Provider hereby acknowledges that this Agreement will be publicly posted for approval by Hospital's governing body.

- 7.8 Corporate Compliance. Provider recognizes that it is essential to the core values of Hospital that its contractors conduct themselves in compliance with all ethical and legal requirements. Therefore, in performing its Services under this Agreement, Provider agrees at all times to comply with all applicable federal, state and local laws and

regulations in effect during the Term hereof and further agrees to use its good faith efforts to comply with the relevant compliance policies of Hospital, including its corporate compliance program and Code of Ethics, the relevant portions of which are available to Provider upon request.

- 7.9 Entire Agreement. This document constitutes the entire agreement between the parties, whether written or oral, and as of the effective date hereof, supersedes all other agreements between the parties which provide for the same services as contained in this Agreement. Accepting modifications or amendments as allowed by the terms of this Agreement, no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.
- 7.10 False Claims Act.
- a. The state and federal False Claims Act statutes prohibit knowingly or recklessly submitting false claims to the Government, or causing others to submit false claims. Providers are required to adhere to the provisions of the False Claims Act as defined in 31 U.S. Code § 3729. Violation of the Federal False Claims Act may result in fines for each false claim, treble damages, and possible exclusion from federally-funded health programs. A Notice Regarding False Claims and Statements is attached to this Agreement as **Attachment 1**.
 - b. Hospital is committed to complying with all applicable laws, including but not limited to, Federal and State False Claims statutes. As part of this commitment, Hospital has established and will maintain a Compliance Program. Provider is expected to immediately notify Hospital of any actions by a workforce member which Provider believes, in good faith, violates an ethical, professional or legal standard. Hospital shall treat such information confidentially to the extent allowed by applicable law, and will only share such information on a bona fide need to know basis. Hospital is prohibited by law from retaliating in any way against any individual who, in good faith, reports a perceived problem. The Hospital Compliance Officer can be contacted via email at rani.gill@umcsn.com, by calling 702-383-6211, or through the UMC EthicsPoint hotline located at <http://umcintranet/compliancehotline.html>. Hospital's Medical Staff provider hotline, whose phone number is published within the Physician Link website, is also available for Medical Staff reporting.
- 7.11 Federal, State, Local Laws. Provider will comply with all federal, state and local laws and/or regulations relative to its activities in Clark County, Nevada.
- 7.12 Financial Obligation. Provider shall incur no financial obligation on behalf of Hospital without prior written approval of Hospital or the Board of Hospital Trustees or its designee.
- 7.13 Force Majeure. Neither party shall be liable for any delays or failures in performance due to circumstances beyond its control.
- 7.14 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada.

7.15 Indemnification. Provider shall indemnify and hold harmless, Hospital, its officers and employees from any and all claims, demands, actions or causes of action, of any kind or nature, arising out of the negligent or intentional acts or omissions of Provider, its employees, representatives, successors or assigns. Provider shall resist and defend at its own expense any actions or proceedings brought by reason of such claim, action or cause of action.

To the extent expressly provided in Chapter 41 of the Nevada Revised Statutes, and any other applicable statute, Hospital shall indemnify and hold harmless, Provider, its officers and employees from any and all claims, demands, actions or causes of action, of any kind or nature, arising out of the negligent or intentional acts or omissions of Hospital, its employees, representatives, successors or assigns. To the extent expressly provided in Chapter 41 of the Nevada Revised Statutes, Hospital shall resist and defend at its own expense any actions or proceedings brought by reason of such claim, action or cause of action. Provider acknowledges that Hospital is self-insured.

7.16 Interpretation. Each party hereto acknowledges that there was ample opportunity to review and comment on this Agreement. This Agreement shall be read and interpreted according to its plain meaning and any ambiguity shall not be construed against either party. It is expressly agreed by the parties that the judicial rule of construction that a document should be more strictly construed against the draftsman thereof shall not apply to any provision of this Agreement.

7.17 Non-Discrimination. Provider shall not discriminate against any person on the basis of age, color, disability, sex, handicapping condition (including AIDS or AIDS related conditions), disability, national origin, race, religion, sexual orientation, gender identity or expression, or any other class protected by law or regulation.

7.18 Notices. All notices required under this Agreement must be submitted in writing and delivered by U.S. mail, postage prepaid, certified mail, electronic mail or by hand delivery, and directed to the appropriate party as follows:

To Hospital: University Medical Center of Southern Nevada
 Attn: Chief Executive Officer
 1800 West Charleston Boulevard
 Las Vegas, Nevada 89102

To Provider: LMC Pathology Services
 c/o Sonic Healthcare, USA, AP Division
 Attn: Chief Operating Officer
 11025 RCA Center Drive, Suite 300
 Palm Beach Gardens, Florida 33410

7.19 Publicity. Neither Hospital nor Provider shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this Agreement without the prior written consent of the other party.

- 7.20 Performance. Time is of the essence in this Agreement.
- 7.21 Severability. In the event any provision of this Agreement is rendered invalid or unenforceable, said provision(s) hereof will immediately be void and may be renegotiated for the sole purpose of rectifying the error. The remainder of the provisions of this Agreement not in question shall remain in full force and effect.
- 7.22 Third Party Interest/Liability. This Agreement is entered into for the exclusive benefit of the undersigned parties and is not intended to create any rights, powers or interests in any third party. Hospital and/or Provider, including any of their respective officers, directors, employees or agents, shall not be liable to third parties by any act or omission of the other party.
- 7.23 Waiver. A party's failure to insist upon strict performance of any covenant or condition of this Agreement, or to exercise any option or right herein contained, shall not act as a waiver or relinquishment of said covenant, condition or right nor as a waiver or relinquishment of any future right to enforce such covenant, condition or right.
- 7.24 Cooperation Regarding Claims. The parties agree to fully cooperate in assisting each other and their duly authorized employees, agents, representatives and attorneys, in investigating, defending or prosecuting incidents involving potential claims or lawsuits arising out of or in connection with the Services rendered pursuant to this Agreement including, without limitation, provision of copies of medical records. This Section will be without prejudice to the prosecution of any claims which any of the parties may have against each other and will not require cooperation in the event of such claims.
- 7.25 Other Agreements. This Agreement supersedes all prior or contemporaneous negotiations, commitments, agreements and writings with respect to the subject matter hereof. All such negotiations, commitments, agreements and writings shall have no further force and effect. Provider and Hospital are parties under certain other agreements set forth below, if any:
- a. Agreement for Physician Medical Directorship and Physician Professional Services, dated December 21, 2017, as amended.

[Signature page to follow]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first above written.

PROVIDER:

HOSPITAL:

**Laboratory Medicine Consultants, Ltd.
d/b/a LMC Pathology Services**

University Medical Center of Southern Nevada

By: _____
Cory A. Roberts, MD, MBA
President, SHUSA AP Division

By: _____
Mason Van Houweling
Chief Executive Officer

Date: _____

Date: _____

EXHIBIT A
PROFESSIONAL MEDICAL SERVICES

Provider, by and through its Member Physicians and Advanced Practice Professionals, shall provide all Services, as specifically set forth in Section 2.1 of this Agreement and in this **Exhibit A**, which shall be performed pursuant to the following requirements:

Coverage Requirements:

1. Provide clinical direction of Hospital's main laboratory, ancillary laboratory testing within Hospital, all ambulatory care laboratories and satellite laboratories;
2. Ensure that the quality of the histology and cytology service is maintained through direct supervision by a pathologist;
3. Ensure that abnormal smears will be evaluated by a pathologist and kept on file in accordance with applicable laws and regulations;
4. Ensure that Hospital's Transfusion Service is directed by a pathologist qualified in immunohematology and knowledgeable in the principles of hemotherapy and blood banking in compliance with guidelines, rules, and regulations established by The Joint Commission, the College of American Pathologists (CAP), and the Association for the Advancement of Blood & Biotherapies (AABB);
5. Ensure that a pathologist is available for Operating Room (OR) diagnosis of frozen sections during routinely scheduled surgeries as well as ensuring timely and accurate transmission of information from Provider to the attending physician;
6. Will make or cause to be made, examinations on all tissues removed in surgery or any other place at Hospital or its affiliated clinics;
7. Will provide clinical/technical or laboratory assistance staff as required to accomplish the duties in the Histology Laboratory;
8. Will perform or cause to be performed all autopsies on Hospital's patients when requested to do so by any member of the Medical Staff and when proper authorization for said autopsy has been first obtained;
9. Will render a report, in writing, of the results of such autopsies for Hospital's records, for the attending physician and for the Department;
10. Ensure clinical effectiveness by providing direction and supervision in accordance with recognized professional medical specialty standards, and the requirements of local, state, and national regulatory agencies and accrediting bodies;
11. Provide consultative interpretations and documentation in accordance with the standards and recommendations of The Joint Commission, CAP, AABB, and the Bylaws, Rules and Regulations of the Medical Staff, as may then be in effect;
12. Provide ongoing patient contact as medically necessary and appropriate;
13. Carry pagers, cell phones, or other Hospital required communication devices while on-site and respond within five (5) minutes for requests from Critical Care (Leapfrog standard) or thirty (30) minutes from non-critical areas;

14. Provider shall make available a sufficient number of Member Physicians and Advanced Practice Professionals (which has been determined to be a minimum of two (2) Full Time Equivalent (FTE) Member Physicians on-site, five (5) days a week, 8:00 am to 5:00 pm) such that the Services are available to patients for both routine and related emergency care on a twenty-four (24) hour-a-day, seven (7) days-a-week basis (inclusive of all Holidays);
15. Provide twenty-four-seven (24/7) consultative services. This coverage includes all Hospital inpatients, outpatients, Emergency Department patients and Trauma Department patients.

Performance Measures:

1. Communication with the Emergency Department, Trauma Department, Medical Staff and others with turnaround time requirements as follows:

EMERGENCY/TRAUMA DEPARTMENTS		INPATIENT		OUTPATIENT	
Stroke Protocol	< 20 min	STAT	< 30 min	Expedited	< 4 hours
STAT	< 30 min	Expedited	< 4 hours	Routine	< 24 hours
		Routine	< 18 hours		

2. Provider shall have an Autopsy Performance Rate as evidenced by: Uncomplicated Autopsy Reports are to be completed with thirty (30) days of performing the autopsy, and Complicated Autopsy Reports are to be completed within sixty (60) days of performing the autopsy one hundred percent (100%) of the time.
3. Provider shall ensure pathologist availability to Hospital’s Department management and staff as assigned at all times. Review of reports, approval of policies/procedures, review of the Quality Control/Quality Assurance and consultations are to be completed within two (2) weeks unless quicker turnaround time is needed. The Medical Director will establish and publish the office hours for each month and will be available at those times.
4. Attend at least eighty percent (80%) of appointed committee meetings, as reasonably assigned.

Patient Safety and Quality:

1. Assist with the development and follow full implementation of clinical pathways.
2. Critical findings and outcomes to be verified monthly by the parties.
3. Peer review reports to be delivered by Provider on a quarterly basis.
4. Provider shall have a laboratory quality program as evidenced by: Collaboration between the pathologists and Hospital’s Department staff to identify, initiate, implement and track outcomes for a minimum of two (2) major quality initiatives per year.
5. Maintain oversight of the Transfusion Service within the Hospital setting. This shall include the selection and application of equipment, reagents, laboratory methods, and quality control procedures.
6. Develop and institute a Blood Management Program and demonstrate efficiencies and cost savings associated with said Program. The Chairman of the Blood Utilization Committee shall be responsible for developing and instituting the Program and will act as the Transfusion Safety

Officer for Hospital. In the event Hospital employs a Transfusion Safety Officer, the Chairman of the Blood Utilization Committee will assist the Transfusion Safety Officer.

7. Develop a utilization strategy designed to eliminate laboratory testing that does not add value to the care and treatment of Hospital's patients. Provider shall demonstrate cost savings related to the utilization strategy.
8. All policies and procedures will be followed, including verbal orders, charted in Hospital's Electronic Health Record system.

Service Location: All Services are to be performed at Hospital's main campus location at:
1800 W. Charleston Blvd., Las Vegas, NV 89102

Member Physicians and Advanced Practice Professionals: See **Exhibit A-1**

EXHIBIT A-1
PROVIDER'S MEMBER PHYSICIANS AND ADVANCED PRACTICE PROFESSIONALS

- Ramir Arcega, DO
- Whitney Banks, DO
- Trevor Caldwell, DO
- Anna Carley, MD
- Paulette Mhaweck-Fauceglia, MD
- Kevin Golden, MD, PhD
- Javi Hartenstine, DO
- Jonathan Hughes, MD, PhD
- Rajendrakumar Ingle, MD
- Omar Khan, MB Bh BAO
- Ronald Knoblock, MD
- David Marmaduke, MD
- Wa'el Milyani, DO
- Todd Murry, MD, PhD
- Jill Ono, MD
- Daman Samrao, MD
- June Sigman, MD
- Brody Winn, MD
- Noel Yumiaco, MD

EXHIBIT B
STANDARDS OF PERFORMANCE

Provider shall ensure that all Member Physicians comply with the Standards of Performance, attached hereto as **Exhibit B** and incorporated by reference.

- a. Provider promises to adhere to Hospital's established standards and policies for providing exceptional patient care. In addition, Provider shall ensure that its Member Physicians shall also operate and conduct themselves in accordance with the standards and recommendations of The Joint Commission, all applicable national patient safety goals, and the Bylaws, Rules and Regulations of the Medical Staff, as may then be in effect.
- b. Hospital expressly agrees that the professional services of Provider may be performed by such physicians as Provider may associate with, so long as Provider has obtained the prior written approval of Hospital. So long as Provider is performing the services required hereby, its employed or contracted physicians shall be free to perform private practice at other offices and hospitals. If any of Provider's Member Physicians are employed by Provider under the J-1 Visa waiver program, Provider will so advise Hospital, and Provider shall be in strict compliance, at all times during the performance of this Agreement, with all federal laws and regulations governing said program and any applicable state guidelines.
- c. Provider shall maintain professional demeanor and not violate Medical Staff Physician's Code of Conduct.
- d. Provider shall be in compliance with all state and federal regulations, CAP, AABB, CLIA, State of Nevada, and The Joint Commission guidelines, as evidenced by:
 1. Ongoing participation in preparation for inspections/surveys and timely resolutions of any identified deficiencies for CAP, AABB, CLIA, State of Nevada, and The Joint Commission or other regulatory agencies.
 2. No significant findings related to the clinical or administrative practice of pathology.
- e. Provider shall assist Hospital with improvement of patient satisfaction and performance ratings.
- f. Provider shall perform appropriate clinical documentation.
- g. Member Physicians shall provide medical services to all Hospital patients without regard to the patient's insurance status or ability to pay in a way that complies with all state and federal laws, including but not limited to, the Emergency Medical Treatment and Active Labor Act ("EMTALA").
- h. Provider and all Member Physicians shall comply with the rules, regulations, policies and directives of Hospital, provided that the same (including, without limitation any and all changes, modifications or amendments thereto) are made available to Provider

by Hospital. Specifically, Provider and all Member Physicians shall comply with all policies and directives related to Just Culture, Ethical Standards, Corporate Compliance/Confidentiality, Dress Code, and any and all applicable policies and/or procedures.

- i. Provider and all Member Physicians shall comply with Hospital's Affirmative Action/Equal Employment Opportunity Agreement.
- j. The parties recognize that as a result of Hospital's patient mix, Hospital has been required to contract with various groups of physicians to provide on-call coverage for numerous medical specialties. In order to ensure patient coverage and continuity of patient care, in the event Provider requires the services of a medical specialist, Provider shall use its best efforts to contact Hospital's contracted provider of such medical specialist services. However, nothing in this Agreement shall be construed to require the referral by Provider or any Member Physicians, and in no event is a Member Physician required to make a referral under any of the following circumstances: (1) the referral relates to services that are not provided by Member Physicians within the scope of this Agreement; (2) the patient expresses a preference for a different provider, practitioner, or supplier; (3) the patient's insurer or other third party payor determines the provider, practitioner, or supplier of the applicable service; or (4) the referral is not in the patient's best medical interests in the Member Physician's judgment. The parties agree that this provision concerning referrals by Member Physicians complies with the rule for conditioning compensation on referrals to a particular provider under 42 C.F.R. 411.354(d)(4) of the federal physician self-referral law, 42 U.S.C. § 1395nn (the "Stark Law").
- k. The disposition of patients for whom medical services have been provided, following such treatment, shall be in the sole discretion of the Member Physician(s) performing such treatment. Such Member Physician(s) may refer such patients for further treatment as is deemed necessary and in the best interests of such patients. Member Physicians shall facilitate discharges in an appropriate and timely manner. Member Physicians will provide the patient's Primary Care Physician with a discharge summary and such other information necessary to facilitate appropriate post-discharge care. However, nothing in this Agreement shall be construed to require a referral by Provider or any Member Physician.
- l. Provider agrees to participate in the Merit-based Incentive Payment System ("MIPS") established by the Centers for Medicare and Medicaid Services ("CMS") to the extent quality measures contained therein are applicable to the medical services provided by Provider pursuant to this Agreement.
- m. Provider shall meet quarterly with Hospital's Administration to discuss and verify inpatient admission data collections.
- n. Provider shall work in the development and maintenance of key clinical protocols to standardize patient care.
- o. Provider shall maintain at a minimum ninety-five percent (95%) compliance with all

applicable core value based measures.

- p. Provider shall maintain a minimum of the fiftieth (50th) percentile for all scores of Hospital's patient satisfaction surveys applicable to Provider.
- q. Provider shall ensure that all medical record charts will be completed and signed as follows: (1) orders related to patient status and admission must be completed and signed in accordance with the timeframes set forth in the UMC Medical Staff Bylaws, and (2) all other records must be completed and signed within thirty (30) days of treatment, for patients to whom services were provided. The thirty (30) days is inclusive of all signatures including any residents and the attending physician.
- r. Upon request from Hospital, Provider shall provide a quarterly report to include data supporting the continued requirement for FTE support as measured by industry standards for, at a minimum, the following, as applicable: (1) inpatient admissions, (2) observation admissions, (3) encounters, (4) encounters per day, (5) average staffed hours per day, (6) frequently used procedure codes, (7) work Relative Value Units (RVUs) per encounter, (8) payor mix, and (9) average length of stay unadjusted for inpatient and observation. Additional statistics may be reasonably requested by Hospital's Administration with written notice. Hospital staff/analysts can support requested data collection in collaboration with Provider.
- s. Provider shall be in one hundred percent (100%) compliance with the Drug Wastage Policy. Provider shall be in one hundred percent (100%) compliance with patient specific Pyxis guidelines (charge capture), as applicable, to include retrieval of medication/anesthesia agents.
- t. Provider shall collaborate with Hospital leadership to minimize and address staff and patient complaints. Provider shall participate with Hospital's Administration in staff evaluations and joint operating committees.
- u. Provider shall participate in clinical staff meetings and conferences, and represent the Services on Hospital's Committees, initiatives, and at Hospital Department meetings as deemed appropriate.
- v. Readmission Rate. Provider shall work with Hospital to reduce the thirty (30) day readmission rate for pathology patients to meet the national benchmark criteria.

ATTACHMENT 1 NOTICE OF FALSE CLAIMS AND STATEMENTS

UMC's Compliance Program demonstrates its commitment to ethical and legal business practices and ensures service of the highest level of integrity and concern. UMC's Compliance Department provides UMC compliance oversight, education, reporting, investigations and resolution. It conducts routine, independent audits of UMC's business practices and undertakes regular compliance efforts relating to local, state and federal regulatory standards. It is our expectation that as a physician, business associate, contractor, vendor, or agent, your business practices are committed to the same ethical and legal standards.

The purpose of this Notice is to educate you regarding the federal and state false claims statutes and the role of such laws in preventing and detecting fraud, waste, and abuse in federally funded health care programs. As a Medical Staff Member, Vendor, Contractor and/or Agent, you and your employees must abide by UMC's policies insofar as they are relevant and applicable to your interaction with UMC. Additionally, providers found in violation of any regulations regarding false claims or fraudulent acts are subject to exclusion, suspension, or termination of their provider status for participation in federally funded healthcare programs.

Federal False Claims Act

The Federal False Claims Act (the "Act") applies to persons or entities that knowingly submit, cause to be submitted, conspire to submit a false or fraudulent claim, or use a false record or statement in support of a claim for payment to a federally-funded program. The Act applies to all claims submitted by a healthcare provider to a federally funded healthcare program, such as Medicare and Medicaid.

Liability under the Act attaches to any person or organization who, among other actions, "knowingly":

- Presents a false/fraudulent claim for payment/approval;
- Makes or uses a false record or statement to get a false/fraudulent claim paid or approved by the government;
- Conspires to defraud the government by getting a false/fraudulent claim paid/allowed;
- Provides less property or equipment than claimed; or
- Makes or uses a false record to conceal/decrease an obligation to pay/provide money/property.

"Knowingly" means a person has: 1) actual knowledge the information is false; 2) acts in deliberate ignorance of the truth or falsity of the information; or 3) acts in reckless disregard of the truth or falsity of the information. No proof of intent to defraud is required.

A "claim" includes any request/demand (whether or not under a contract), for money/property if the US Government provides/reimburses any portion of the money/property being requested or demanded.

For knowing violations, a civil monetary penalty can be imposed pursuant to the federal False Claims Act, 31 U.S.C. § 3729(a), adjusted as set forth in 28 CFR 85 in accordance with the requirements of the Bipartisan Budget Act of 2015, plus three times (3x) the value of the claim and the costs of any civil action brought. If a provider unknowingly accepts payment in excess of the amount entitled to, the provider may also be required to repay the excess amount.

Criminal penalties are imprisonment for a maximum five (5) years; a maximum fine of \$25,000; or both.

Nevada State False Claims Act

Nevada has a state version of the False Claims Act that mirrors many of the federal provisions. A person is liable under state law, if they, with or without specific intent to defraud, "knowingly:"

- presents or causes to be presented a false claim for payment or approval;
- makes or uses, or causes to be made or used, a false record/statement to obtain payment/approval of a false claim;
- conspires to defraud by obtaining allowance or payment of a false claim;

- has possession, custody or control of public property or money and knowingly delivers or causes to be delivered to the State or a political subdivision less money or property than the amount for which he receives a receipt;
- is authorized to prepare or deliver a receipt for money/property to be used by the State/political subdivision and knowingly prepares or delivers a receipt that falsely represents the money/property;
- buys or receives as security for an obligation, public property from a person who is not authorized to sell or pledge the property; or
- makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the state/political subdivision.

Under state law, a person may also be liable if they are a beneficiary of an inadvertent submission of a false claim to the state, subsequently discovers that the claim is false, and fails to disclose the false claim to the state within a reasonable time after discovery of the false claim.

Civil penalties imposed pursuant to the State False Claims Act for each act correspond to any adjustments in the monetary amount of a civil penalty for a violation of the federal False Claims Act, 31 U.S.C. § 3729(a), plus three times (3x) the amount of damages sustained by the State/political subdivision and the costs of a civil action brought to recover those damages.

Criminal penalties where the value of the false claim(s) is less than \$250, are six (6) months to one (1) year imprisonment in the county jail; a maximum fine of \$1,000 to \$2,000; or both. If the value of the false claim(s) is greater than \$250, the penalty is imprisonment in the state prison from one (1) to four (4) years and a maximum fine of \$5,000.

Non-Retaliation/Whistleblower Protections

Both the federal and state false claims statutes protect employees from retaliation or discrimination in the terms and conditions of their employment based on lawful acts done in furtherance of an action under the Act. UMC policy strictly prohibits retaliation, in any form, against any person making a report, complaint, inquiry, or participating in an investigation in good faith.

An employer is prohibited from discharging, demoting, suspending, harassing, threatening, or otherwise discriminating against an employee for reporting on a false claim or statement or for providing testimony or evidence in a civil action pertaining to a false claim or statement. Any employer found in violation of these protections will be liable to the employee for all relief necessary to correct the wrong, including, if needed:

- reinstatement with the same seniority; or
- damages in lieu of reinstatement, if appropriate; and
- two times the lost compensation, plus interest; and
- any special damage sustained; and
- punitive damages, if appropriate.

Reporting Concerns Regarding Fraud, Waste, Abuse and False Claims

Anyone who suspects a violation of federal or state false claims provisions is required to notify the Compliance Officer. This can be done anonymously via the EthicsPoint Hotline at (888) 691-0772, via the UMC EthicsPoint Website at <http://www.goldenegg.ethicspoint.com>, or by contacting the UMC Compliance Officer at Rani.Gill@umcsn.com or (702) 383-6211.

Retaliation for reporting, in good faith, actual or potential violations or problems, or for cooperating in an investigation is expressly prohibited by UMC policy.

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Amendment A03 to Professional Services Agreement with Southern Nevada Health District	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation: That the Governing Board Audit and Finance Committee review and recommend for ratification by the Governing Board the Amendment A03 to Professional Services Agreement with Southern Nevada Health District for sub-recipient grant funding; authorize the Chief Executive Officer to execute any future Amendments or renewals; or take action as deemed appropriate. (For possible action)	

FISCAL IMPACT:

Fund Number: 5421.006	Fund Name: SNHD EHE (ending HIV Epidemic)
Fund Center: 3000726300	Funded Pgm/Grant: N/A
Description: HIV Prevention Activities Health Department based program	
Bid/RFP/CBE: N/A	
Term: 08/01/2022 – 07/31/2023	
Amount: UMC to receive NTE \$1,263,982.00	
Out Clause: 30 days without cause	

BACKGROUND:

On March 31, 2021 UMC entered into a Professional Services Agreement where UMC is a sub-recipient of Southern Nevada Health District’s (“SNHD”) grant funds received from the Centers for Disease Control and Prevention to develop partnerships with community based organizations to assist with SNHD’s efforts in southern Nevada to diagnose patients with HIV, STIs, and Hepatitis, provide treatment for said patients, reduce HIV transmission through evidenced-based prevention practices, respond quickly to HIV outbreaks, and identify and link candidates for PreP/PEP Services.

This request is to amend the Professional Service Agreement which will update the scope of work, payment, additional grant information and requirements, extend the term from August 01, 2022 through July 31, 2023, and add an additional \$1,263,982.00 of grant funding to UMC. This amendment needed to be signed and transmitted to SNHD immediately to secure receipt of the grant funds with the federal payor who required immediate acceptance.

UMC’s Ambulatory Clinical Manager / Wellness has reviewed and recommends ratification of this Amendment.

This Amendment has been approved as to form by UMC’s Office of General Counsel.

Cleared for Agenda
December 7, 2022

Agenda Item #

15



**AMENDMENT A03 TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
SOUTHERN NEVADA HEALTH DISTRICT
AND
UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
C2100081**

THIS AMENDMENT A03 IS MADE WITH REFERENCE TO Professional Services Agreement (“Agreement”), Effective Date April 3, 2021, and as amended on July 29, 2021 and June 27, 2022, by and between the Southern Nevada Health District (“Health District”) and the University Medical Center of Southern Nevada, Inc. (“Contractor”) (individually “Party” and collectively “Parties”).

WHEREAS, the Parties mutually desire to add funds to the Agreement.

NOW THEREFORE, the pursuant to Subsection 1.05 of the Agreement, the Parties mutually agree to amend the Agreement as follows:

- 1) The fourth paragraph of the Agreement is hereby deleted in its entirety and replaced with the following:

WHEREAS, Health District desires to obtain professional services in support of a federal grant received from the Centers for Disease Control and Prevention (“CDC”), which is an operating division of the U.S. Department of Health and Human Services (“HHS”), Federal Award Identification Number NU62PS924642, CFDA Number 93.940–HIV Prevention Activities Health Department Based, program entitled Integrated HIV Programs for Health Departments to Support Ending the HIV Epidemic in the United States, awarded July 23, 2020, July 20, 2021, and July 15, 2022, and as amended on August 20, 2020, October 9, 2020, January 26, 2021, August 5, 2021, October 28, 2021; and December 14, 2021, with a total amount awarded to Health District of \$6,432,240 (the “Grant”);

- 2) Section 2, Incorporated Documents, is hereby deleted in its entirety and replaced with the following:

2. INCORPORATED DOCUMENTS. The Services to be performed to be provided and the consideration therefore are specifically described in the below referenced documents which are listed below and attached hereto and expressly incorporated by reference herein:

ATTACHMENT A-A03: SCOPE OF WORK

ATTACHMENT B-A03: PAYMENT

ATTACHMENT C-A02: ADDITIONAL GRANT INFORMATION AND REQUIREMENTS

- 3) Section 3, Compensation, is increased by \$1,263,982, from \$2,527,964 to \$3,791,946. Section 3 is hereby deleted in its entirety and replaced with the following:

3. **COMPENSATION.** Contractor shall complete the Services in a professional and timely manner consistent with the Scope of Work outlined in Attachment A-A01. Contractor will be reimbursed for expenses incurred as provided in Attachment B-A03, Payment. The total not-to-exceed amount of this Agreement is \$3,791,946, all of which is funded by the Grant described on the first page of this Agreement; this accounts for 100% of the total funding for the term of the Agreement.
- 4) Attachment A-A01, Scope of Work, is hereby deleted in its entirety and replaced with Attachment A-A03, which is attached hereto and expressly incorporated by reference herein.
- 5) Attachment B-A02, Payment, is hereby deleted in its entirety and replaced with Attachment B-A03, which is attached hereto and expressly incorporated by reference herein.

This Amendment A03 is effective as of the date of the last signature affixed hereto.


Except as expressly provided in this Amendment A03, all the terms and provisions of the Agreement are and will remain in full force and effect and are hereby ratified and confirmed by the Parties.

BY SIGNING BELOW, the Parties hereto have approved and executed this Amendment A03 to Agreement C2000081.

SOUTHERN NEVADA HEALTH DISTRICT

**UNIVERSITY MEDICAL CENTER
OF SOUTHERN NEVADA**

By: _____
 Fermin Leguen, MD, MPH
 District Health Officer
 Health District UEI: ND67WQ2LD8B1

By:  _____
 Mason VanHouweling
 Chief Executive Officer
 Contractor UEI: MCZJML3DMXN5

Date: _____

Date: 11/29/22

APPROVED AS TO FORM:

By:  _____
 Heather Anderson-Fintak, Esq.
 General Counsel
 Southern Nevada Health District

ATTACHMENT A-A03
Scope of Work

Performance Period August 1, 2022 - July 31, 2023

A. Description of Services, Scope of Work and Deliverables

A.1 Contractor will:

- (a) Push agreed-upon strategies forward as outlined in the State of Nevada HIV plan concerning opt-out testing for HIV, STIs and Hepatitis, identifying key personnel that will sustain these efforts in quick care clinic and hospital settings.
- (b) Develop modifications to its electronic medical records system to identify patients at risk for HIV, STIs, and/or Hepatitis through screening questions asked while medical history is collected by Contractor's medical personnel during patient visits to Contractor's hospital Emergency Room ("ER") and nine (9) external Quick Care clinics ("Quick Care(s)"). Additionally, Contractor will ensure its Electronic Medical Records system collects the necessary testing data for development of a data file and upload into Evaluation Web, and will submit this data file to Health District with agreed upon variables, at least weekly.
- (c) Upon receiving training curriculum designed by Nevada AIDS Education and Training Center and Health District, train Contractor's medical personnel on disease identification, client-centered approaches to disease management, rapid treatments approaches for HIV, STIs and Hepatitis, linkage to care for HIV treatments and PrEP/PEP for those at risk for HIV acquisition.
- (d) Upon disease identification, offer rapid treatment/care services, or if Quick Care clinic is not set up for immediate treatment of HIV, STIs, Hepatitis and/or PrEP/PEP services, provide same-day navigation to UMC Wellness Center ("Wellness Center").
- (e) Upon identifying individuals at-risk for HIV with negative HIV test results, offer such individuals linkage to PrEP/PEP services at designated Quick Care sites and/or at Wellness Center.
- (f) Begin onboarding of Contractor's ER and each of its Quick Cares to offer integrated services for HIV, STIs, and Hepatitis throughout Clark County, while establishing the ER and Quick Cares collectively as a primary HIV screening site for targeted zip codes in Clark County.
- (g) Meet with Health District monthly for collaboration, brain-storming of ideas, support, and to review work plan progress to date including evaluation outcomes for each objective, as well as project successes and challenges.
- (h) Complete and submit the reporting template provided by Health District for submittal to Health District by due dates to be designated by Health District.
- (i) Support interdisciplinary healthcare team members across the continuum of the

project, identify sources of funding.

- A.2 Contractor will work closely with Health District project staff to ensure proper close-out of Grant related obligations.

Performance Period February 1, 2021 - July 31, 2022

B. Description of Services, Scope of Work and Deliverables

B.1 Contractor will:

- (a) Push agreed-upon strategies forward as outlined in the State of Nevada HIV plan concerning opt-out testing for HIV, STIs and Hepatitis, identifying key personnel that will sustain these efforts in quick care clinic and hospital settings.
- (b) Develop modifications to its electronic medical records system to identify patients at risk for HIV, STIs, and/or Hepatitis through screening questions asked while medical history is collected by Contractor's medical personnel during patient visits to Contractor's hospital Emergency Room ("ER") and nine (9) external Quick Care clinics ("Quick Care(s)").
- (c) Upon receiving training curriculum designed by Nevada AIDS Education and Training Center and Health District, train Contractor's medical personnel on disease identification, client-centered approaches to disease management, rapid treatments approaches for HIV, STIs and Hepatitis, linkage to care for HIV treatments and PrEP/PEP for those at risk for HIV acquisition.
- (d) Upon disease identification, offer rapid treatment/care services, or if Quick Care clinic is not set up for immediate treatment of HIV, STIs, Hepatitis and/or PrEP/PEP services, provide same-day navigation to UMC Wellness Center ("Wellness Center").
- (e) Upon identifying individuals at-risk for HIV with negative HIV test results, offer such individuals linkage to PrEP/PEP services at designated Quick Care sites and/or at Wellness Center.
- (f) Begin onboarding of Contractor's ER and each of its Quick Cares to offer integrated services for HIV, STIs, and Hepatitis throughout Clark County, while establishing the ER and Quick Cares collectively as a primary HIV screening site for targeted zip codes in Clark County.
- (g) Meet with Health District monthly for collaboration, brain-storming of ideas, support, and to review work plan progress to date including evaluation outcomes for each objective, as well as project successes and challenges.
- (h) Complete and submit the reporting template provided by Health District for submittal to Health District by due dates to be designated by Health District.

- B.2 Contractor will work closely with Health District project staff to ensure proper close-out of Grant related obligations

Performance Period December 1, 2020 - July 31, 2022

C. Description of Services, Scope of Work and Deliverables

C.1 Contractor will:

- (a) Push agreed-upon strategies forward as outlined in the State of Nevada HIV plan concerning opt-out testing for HIV, STIs and Hepatitis, identifying key personnel that will sustain these efforts in quick care clinic and hospital settings.
- (b) Develop modifications to its electronic medical records system to identify patients at risk for HIV, STIs, and/or Hepatitis through screening questions asked while medical history is collected by Contractor's medical personnel during patient visits to Contractor's hospital Emergency Room ("ER") and nine (9) external Quick Care clinics ("Quick Care(s)").
- (c) Upon receiving training curriculum designed by Nevada AIDS Education and Training Center and Health District, train Contractor's medical personnel on disease identification, client-centered approaches to disease management, rapid treatments approaches for HIV, STIs and Hepatitis, linkage to care for HIV treatments and PrEP/PEP for those at risk for HIV acquisition.
- (d) Upon disease identification, offer rapid treatment/care services, or if Quick Care clinic is not set up for immediate treatment of HIV, STIs, Hepatitis and/or PrEP/PEP services, provide same-day navigation to UMC Wellness Center ("Wellness Center").
- (e) Upon identifying individuals at-risk for HIV with negative HIV test results, offer such individuals linkage to PrEP/PEP services at designated Quick Care sites and/or at Wellness Center.
- (f) Begin onboarding of Contractor's ER and each of its Quick Cares to offer integrated services for HIV, STIs, and Hepatitis throughout Clark County, while establishing the ER and Quick Cares collectively as a primary HIV screening site for targeted zip codes in Clark County.
- (g) Meet with Health District monthly for collaboration, brain-storming of ideas, support, and to review work plan progress to date including evaluation outcomes for each objective, as well as project successes and challenges.
- (h) Complete and submit the reporting template provided by Health District for submittal to Health District by due dates to be designated by Health District.

C.2 Contractor will work closely with Health District project staff to ensure proper close-out of Grant related obligations.

**ATTACHMENT B-A03
PAYMENT**

A. **Grant Year #3.** Payments to Contractor for services performed during Budget Period August 1, 2022 through July 31, 2023 are not-to-exceed **\$1,263,982**. Estimated budget amounts eligible for reimbursement to Contractor for work actually performed and billed for this Budget Period are detailed below.

BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023 (Grant Year #3)			
Category: PERSONNEL, Salary	FTE (0.00-4.00)	Annual Salary, each position (for reference only)	Estimated Budget
Director of Ambulatory Services (Twelve (12) months during Budget Period). Duties include supervision of unit managers; participating in development of programs, facilities, goals, objectives and policies for the centers; development and monitoring of the centers' work plans and budgets; assuring regulatory compliance within the centers; and directing performance improvement activities for the centers.	0.15	\$132,704	\$15,875
Ambulatory Clinical Manager (Twelve (12) months during Budget Period). Manages Wellness Clinic and Healthy Living Institute. Duties include determining appropriate staffing levels to achieve organizational goals, participating in development of the unit(s) budget, monitoring the units' compliance with standards and supervision of nursing staff.	0.30	\$127,150	\$30,421
Grant Project Manager (Twelve (12) months during Budget Period). Responsible for leading in the designing, implementing, planning and tracking all activities in relation to the grant scope of work. Sets annual goals and process improvement activities to achieve initiatives. Identify needed improvements on operating efficiencies for best use of Contractor Grant funds.	0.50	\$103,355	\$41,213
Quality Analyst (Twelve (12) months during Budget Period). Performs complex, sensitive and specialized professional level administrative, organizational, systems, related analysis for Hospital programs and activities. Facilitates QA, staff development and patient education. Facilitates data collection. Participates in community activities.	0.10	\$61,776	\$4,927
Fiscal Analyst (Twelve (12) months during Budget Period). Fiscal analyst for all expenditures, budget strategy and reporting. Budget development and management. Audit and advisory input.	.10	\$72,488	\$5,781
Referrals Specialist (Twelve (12) months during Budget Period). Grant Referrals, prior authorizations, and data	0.10	\$51,106	\$4,076

BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023 (Grant Year #3)			
entry, chart audits. Coordinates the referral of patients to medical specialists as requested by physicians, including determining appropriate medical center affiliate to which to refer patients and obtaining pre-authorization for the referral.			
Staff Physician (Twelve (12) months during Budget Period). Responsible for performing professional physician services and for performing required administrative duties.	0.20	\$199,300	\$31,788
LPN (Twelve (12) months during Budget Period). Assist Contractor MDs and RNs with Rapid HIV testing at the QC/PC locations. Upon disease identification, assist with linkage to care.	0.40	\$62,573	\$19,961
Nurse Practitioner (Twelve (12) months during Budget Period). Provides outpatient care services, evaluation and treatment for HIV infected patients throughout the spectrum of the disease to Ryan White patients. Graduate of an accredited school of nursing and two (2) years of related clinical nursing experience. Credentialed and licensed in the state of Nevada to practice as an Advanced Practice Nurse. State of Nevada Pharmacy Board license to prescribe medications.	.30	112,320	\$26,872
Medical Assistant (Twelve (12) months during Budget Period). Performs routine clerical and clinical tasks within the clinic, assisting physicians and other licensed providers to provide cost effective, quality patient care.	1.00	\$46,426	\$46,426
Admit/Discharge Supervisor (Twelve (12) months during the Budget Period). Oversee operation of admitting and discharge functions. Responsibilities include performing quality assurance tasks, supervising support staff, resolving charges and insurance code problems and acts as a liaison with other departments.	.15	\$60,570	\$7,246
Care Management Support Specialist #1 (Twelve (12) months during the Budget Period). Supports the interdisciplinary healthcare team members across the continuum. Assists in coordinating; payer communication, transition plan implementation, delivery of patient documentation, identifying sources of funds to pay for medical treatment, determining eligibility for various state, federal and/or other financial assistance programs, and Ryan White.	.30	\$47,549	\$11,376
Care Management Support Specialist #2 (Twelve (12) months during the Budget Period). Supports the interdisciplinary healthcare team members across the continuum. Assists in coordinating; payer communication, transition plan implementation, delivery of patient documentation, identifying sources of funds to	.15	\$47,549	\$5,688

BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023 (Grant Year #3)			
pay for medical treatment, determining eligibility for various state, federal and/or other financial assistance programs, and Ryan White.			
Admissions Representative Specialist (Twelve (12) months during the Budget Period). Assists in the central admitting areas within PAS, assigns and monitors work of Admitting/Discharge Representatives, obtain additional information or signatures and to perform admitting and discharge functions. Performs in a lead role. Paid by hourly rate.	1.00	\$49,254	\$49,254
Nurse Navigator #1 (Twelve (12) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.	0.30	\$90,126	\$21,563
Nurse Navigator #2 (Twelve (12) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.	0.30	\$99,258	\$23,747

BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023 (Grant Year #3)			
<p>Nurse Navigator #3 (Twelve (12) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.</p>	0.40	\$93,163	\$29,719
<p>RN Case Manager #1 (Twelve (12) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.</p>	0.30	\$107,453	\$25,708
<p>RN Case Manager #2 (Six (6) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information</p>	0.25	\$107,973	\$10,764

BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023 (Grant Year #3)			
about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.			
General Lab Services Manager (Twelve (12) months during the Budget Period). Manages the daily activities of the multiple sections of the clinical laboratories within Contractor's main laboratory, point of care testing activities, and all the outpatient clinics. Duties include recommending appropriate laboratory staff at outpatient clinics, determining appropriate staffing levels to achieve organizational goals for departments within the main laboratory, reviewing and approving purchases of equipment/kits used in outpatient clinics, participates in the departmental budget and strategic planning, selection of equipment and tests, and compliance with the multiple regulatory agencies governing medical laboratories.	0.08	\$123,594	\$7,885
Clinical Applications Manager (Twelve (12) months during the Budget Period). Responsible for overseeing streamlined operation of IT Applications solutions for Epic Inpatient, Outpatient, Ancillary applications/technologies as well as training programs. Plans and manages all aspects of design, implementation and maintenance of applications to effectively apply technology solutions to improve core functions of clinical applications. Contributes to the development of hospital performance improvement strategies.	0.03	\$108,389	\$2,161
Assistant Director Patient Access Services (Twelve (12) months during the Budget Period). Responsible for overseeing the central access team who use Epic to support hospital and ambulatory (clinic and ancillary services) prior authorization, financial clearance and registration related work queue activities.	0.04	\$103,293	\$3,295
Access and Revenue Cycle Analyst (Twelve (12) months during the Budget Period). Responsible for analyzing work flows and understanding policies, procedures and constraints in any of the following Access and Revenue business areas: access, billing, claims supported by the EPIC application. Performs in depth and precise investigation and documentation of business operational specifications and application functionality. Participates in the application build, test, and support.	0.03	\$92,352	\$1,841

BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023 (Grant Year #3)			
IT Data Build (Twelve (12) months during the Budget Period). Responsible for analyzing work flows and understanding policies, procedures and constraints in any of the following core clinical areas including but not limited to: inpatient, ambulatory, ancillary supported by the EPIC application. Performs in depth and precise investigation and documentation of clinical operational specifications and application functionality. Participates in the application build, test, and support.	0.30	\$71,635	\$17,139
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT PERSONNEL, SALARY CATEGORY:			\$444,725
Category: PERSONNEL, Fringe Benefits	FTE (0.00-4.00)	% of Fringe	Estimated Budget
Director of Ambulatory Services (Twelve (12) months during Budget Period).	0.15	45%	\$12,988
Ambulatory Clinical Manager (Twelve (12) months during Budget Period).	0.30	45%	\$24,890
Grant Project Manager (Twelve (12) months during Budget Period)..	0.50	45%	\$33,719
Quality Analyst (Twelve (12) months during Budget Period).	0.10	45%	\$4,031
Fiscal Analyst (Twelve (12) months during Budget Period).	0.10	45%	\$4,730
Referrals Specialist (Twelve (12) months during Budget Period).	0.10	45%	\$3,335
Staff Physician (Twelve (12) months during Budget Period).	0.20	45%	\$26,009
LPN (Twelve (12) months during Budget Period).	0.40	45%	\$16,331
Nurse Practitioner (Twelve (12) months during Budget Period).	.30	45%	\$21,987
Medical Assistant (Twelve (12) months during Budget Period).	1.00	0%	\$0.00
Admit/Discharge Supervisor (Twelve (12) months during the Budget Period).	.15	45%	\$5,928
Care Management Support Specialist #1 (Twelve (12) months during the Budget Period)	.30	45%	\$9,308
Care Management Support Specialist #2 (Twelve (12) months during the Budget Period).	.15	45%	\$4,654
Admissions Representative Specialist (Twelve (12) months during the Budget Period).	1.00	45%	\$22,164
Nurse Navigator #1 (Twelve (12) months during the Budget Period).	0.30	45%	\$17,642
Nurse Navigator #2 (Twelve (12) months during the Budget Period).	0.30	45%	\$19,430
Nurse Navigator #3 (Twelve (12) months during the Budget Period).	0.40	45%	\$24,316

BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023 (Grant Year #3)			
RN Case Manager #1 (Twelve (12) months during the Budget Period).	0.30	45%	\$21,034
RN Case Manager #2 (Six (6) months during the Budget Period).	0.25	45%	\$8,807
General Lab Services Manager (Twelve (12) months during the Budget Period).	0.08	45%	\$6,452
Clinical Applications Manager (Twelve (12) months during the Budget Period).	0.03	45%	\$1,768
Assistant Director Patient Access Services (Twelve (12) months during the Budget Period)	0.04	45%	\$2,696
Access and Revenue Cycle Analyst (Twelve (12) months during the Budget Period)	0.03	45%	\$1,507
IT Data Build (Twelve (12) months during the Budget Period).	0.30	45%	\$14,022
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT PERSONNEL, FRINGE BENEFITS CATEGORY:			\$307,746
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT PERSONNEL, SALARY AND FRINGE BENEFITS CATEGORIES:			\$752,471
Category: Operating Below items needed by Contractor to meet the Scope of Work for Grant Year #2	Quantity	Cost Per	Estimated Budget
Insti Test Kits, each	1,196	\$11.99	\$14,340
Insti Test Controls, each	20	\$45.90	\$918
Alere HIV Rapid test kits, each	100	\$11.90	\$1,190
Alere controls, each	25	\$48.16	\$1,204
STI/STD Supplies; Gauze, each	300	\$0.14	\$42
STI/STD Supplies, Tourniquets, each	300	\$0.06	\$18
STI/STD Supplies, Medical Tape, per roll	300	\$0.14	\$42
STI/STD Supplies, Tubes, 1,000 per case	20	\$2.87	\$57
Vacutaner needle ,48 per box	40	\$31.57	\$1,263
Vacutaner Butterfly, 250 per box	40	\$21.51	\$860
Vacutaner holder, 250 per box	40	\$19.95	\$798
Sharps Containers	100	\$18.00	\$1,800
HIV Testing in the ER/ED for underinsured or uninsured patients	3,500	\$9.35	\$32,725
Cases of Condoms, 1000 units per case, including female condoms	50	\$88.00	\$4,400
Cases of Lubrication, 1000 per case	50	\$52.00	\$2,600
Boxes of Band Aids, 100 per box	58	\$1.83	\$106
Boxes of Masks, 50 units per box	150	\$4.42	\$663
Alcohol Swabs, 100 units per box	50	\$0.75	\$38
Gloves, 200 pairs per box	234	\$29.74	\$6,959
Extra space, storage unit rental	12 mos	\$333.00	\$3,996
Other (exam room paper, lancets, sanitizers (to include spray and wipes), collection swabs, and other	1	\$8,894.00	\$8,894

BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023 (Grant Year #3)			
miscellaneous expendable medical supplies supporting Contractor's Grant deliverables pursuant to the terms and conditions of this Agreement.			
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT OPERATING CATEGORY:			\$82,913
Category: TRAVEL	# of Trips	Cost per Trip	Available for Reimbursement
Mileage, Current GSA rate per mile or \$0.56/mile X 96 miles per round trip per week to all Quick Cares and Primary Cares.	240	\$53.76	\$12,902
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT TRAVEL CATEGORY:			\$12,902
Category: CONTRACTUAL		Estimated Budget	
B&P Advertising Media Public Relations ("Subcontractor #1"). Subcontractor #1 will increase awareness of rapid HIV testing capabilities at Contractor Quick Cares and Primary Cares. Target Audience: Primary: 25-44, Secondary: African American, Hispanic, LGBTQA, and other minority groups, Tertiary: 16+. Geography: Las Vegas. Media tactics: Broadcast radio. Utilize radio to build awareness and carry the message to reach key audiences and encourage getting tested. Out of Home Ideas include placement along the main I-95, I-215, I-515, and I-15 highways to capture locals while commuting across the valley and on transit/bus shelters in specific communities. Leverage both Facebook/Instagram, still the most widely accessed social media platform, and Subcontractor #1's programmatic platform The Trade Desk, targeting audience with ads as they explore websites across the Internet, to reach people where they are spending their time online. Copywriting for one (1) 30 second radio spot. Cost includes all changes. Radio Production – Production of one (1) 30 second radio spot that includes studio time, editing, music license, talent license and delivery of spot to the stations		\$53,962	
Tegria ("Subcontractor #2). Subcontractor #2 will build data reports into Epic, oversee Contractor's Grant-related data needs, submit data monthly. Subcontractor #2 will track trending, spot check/data validation to ensure accuracy, perform CPT/ICD code changes, perform new or recall of medications Epic builds, address Contractor's clinical EHR needs.		\$68,326	
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT CONTRACTUAL CATEGORY:			\$122,288
Category: OTHER	Quantity	Cost Per	Estimated Budget
Incentives			
Clear Backpacks, promotional incentive for staff and patients	240	\$12.50	\$3,000
Messenger bags, promotional incentive for staff and patients)	250	\$12.00	\$3,000
Water Bottles, promotional incentive for staff and patients	770	\$11.66	\$8,970
Pens, promotional incentive for staff and patients)	7,800	\$1.15	\$8,970
Bags for condoms (for patient privacy/discretion)	3,390	\$1.77	\$6,000

BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023 (Grant Year #3)			
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT			\$29,940
OTHER CATEGORY:			\$29,940
ESTIMATED BUDGET TOTAL FOR DIRECT COSTS (AS DETAILED ABOVE)			\$1,00,514
Category: INDIRECT COSTS		Adjusted Direct Costs (for reference only)	Estimated Budget
Administrative costs: 30% of Direct Costs, excluding Category Contractual		\$878,226	\$263,468
Total Indirect:			\$263,468
NOT TO EXCEED TOTAL FOR BUDGET PERIOD AUGUST 1, 2022 THROUGH JULY 31, 2023			\$1,263,982

B. **Grant Year #2.** Payments to Contractor for services performed during Budget Period February 1, 2022 through July 31, 2022 are not-to-exceed **\$1,263,982**. Estimated budget amounts eligible for reimbursement to Contractor for work actually performed and billed are detailed below:

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
Category: PERSONNEL, Salary	FTE (0.00-4.00)	Annual Salary, each position (for reference only)	Estimated Budget
Director of Ambulatory Services (Six (6) months during Budget Period). Duties include supervision of unit managers; participating in development of programs, facilities, goals, objectives and policies for the centers; development and monitoring of the centers' work plans and budgets; assuring regulatory compliance within the centers; and directing performance improvement activities for the centers.	0.15	\$132,704	\$9,983
Ambulatory Clinical Manager (Six (6) months during Budget Period). Manages Wellness Clinic and Healthy Living Institute. Duties include determining appropriate staffing levels to achieve organizational goals, participating in development of the unit(s) budget, monitoring the units' compliance with standards and supervision of nursing staff.	0.35	\$127,150	\$22,251
Executive Director Ambulatory Care (Six (6) months during Budget Period). Directs the provision of the business operations and workflows of the Ambulatory Care Health Centers and Patient Access Services. Duties include setting goals and allocating resources among subordinate organizational units, and directing delivery of services. Provides advice and counsel of organization-wide scope to Contractor's Chief Operating Officer and Chief Financial Officer regarding matters associated with	0.05	\$155,355	\$3,884

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
areas of responsibility. Provides strategic direction for Contractor.			
Project Manager (Six (6) months during Budget Period). Responsible for leading in the designing, implementing, planning and tracking all activities in relation to the grant scope of work. Sets annual goals and process improvement activities to achieve initiatives. Identify needed improvements on operating efficiencies for best use of Contractor Grant funds.	0.50	\$103,355	\$25,839
Quality Analyst (Four (4) months during Budget Period). Performs complex, sensitive and specialized professional level administrative, organizational, systems, related analysis for Hospital programs and activities. Facilitates QA, staff development and patient education. Facilitates data collection. Participates in community activities.	0.10	\$61,776	\$2,059
Referrals Specialist (Five (5) months during Budget Period). Fiscal analyst for all expenditures, budget strategy and reporting. Budget development and management. Audit and advisory input.	0.10	\$51,106	\$2,129
Staff Physician (Six (6) months during Budget Period). Responsible for performing professional physician services and for performing required administrative duties.	0.20	\$199,300	\$19,930
LPN (Six (6) months during Budget Period). Assist Contractor MDs and RNs with Rapid HIV testing at the QC/PC locations. Upon disease identification, assist with linkage to care.	0.20	\$62,573	\$6,257
LPN (Five (5) months during the Budget Period). Assist Contractor MDs and RNs with Rapid HIV testing at the QC/PC locations. Upon disease identification, assist with linkage to care.	0.20	\$65,573	\$5,214
Nurse Practitioner (Six (6) months during the Budget Period). provides outpatient care services, evaluation and treatment for HIV infected patients throughout the spectrum of the disease to Ryan White patients. Graduate of an accredited school of nursing and two (2) years of related clinical nursing experience. Credentialed and licensed in the state of Nevada to practice as an Advanced Practice Nurse. State of Nevada Pharmacy Board license to prescribe medications.	0.30	\$112,320	\$16,848
Per Diem Registered Nurse (Six (6) months during the Budget Period on an as-needed basis).	1.00	\$86,112	\$43,056
Per Diem LPN (Six (6) months during the Budget Period on an as-needed basis). Provides preventive care and/or treatment to patients in an outpatient or specialty clinic with a variety of conditions, illnesses and/or injuries.	1.00	\$65,416	\$32,708

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
Under direct supervision of a Registered Nurse, applies the nursing process to deliver basic, safe, therapeutic care and administering medications for individuals or groups of patients. May provide patient care in a specialty area but not limited to: medical/surgical, labor and delivery, PEDS, and the emergency room. May work with high risk patients			
Admit/Discharge Supervisor (Six (6) months each during the Budget Period). Oversee operation of admitting and discharge functions. Responsibilities include performing quality assurance tasks, supervising support staff, resolving charges and insurance code problems and acts as a liaison with other departments.	0.30	\$60,570	\$9,085
Per Diem Admitting/ Discharge Representative (Six (6) months as-needed during the Budget Period). Assists in the central admitting areas within PAS, assigns and monitors work of Admitting/Discharge Representatives, obtain additional information or signatures and to perform admitting and discharge functions. Performs in a lead role.	0.50	\$43,825	\$10,956
Care Management Support Specialist (Six (6) months during the Budget Period). Supports the interdisciplinary healthcare team members across the continuum. Assists in coordinating; payer communication, transition plan implementation, delivery of patient documentation, identifying sources of funds to pay for medical treatment, determining eligibility for various state, federal and/or other financial assistance programs, and Ryan White.	0.40	\$47,549	\$9,510
Care Management Support Specialist (Five (5) months during the Budget Period). Supports the interdisciplinary healthcare team members across the continuum. Assists in coordinating; payer communication, transition plan implementation, delivery of patient documentation, identifying sources of funds to pay for medical treatment, determining eligibility for various state, federal and/or other financial assistance programs, and Ryan White.	0.30	\$47,549	\$3,962
Admissions Representative Specialist , (Six (6) months during the Budget Period). Assists in the central admitting areas within PAS, assigns and monitors work of Admitting/Discharge Representatives, obtain additional information or signatures and to perform admitting and discharge functions. Performs in a lead role.	1.00	\$49,254	\$24,627
Nurse Navigator (Six (6) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and	0.40	\$90,022	\$15,021

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.			
Nurse Navigator (Five (5) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.	0.40	\$99,258	\$16,543
Nurse Navigator (Six (6) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting	0.40	\$93,163	\$18,633

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.			
RN Case Manager (Six (6) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.	0.40	\$107,453	\$21,491
RN Case Manager (Six (6) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.	0.40	\$107,973	\$21,595
General Lab Services Manager (Six (6) months during the Budget Period). Manages the daily activities of the multiple sections of the clinical laboratories within Contractor's main laboratory, point of care testing activities, and all the outpatient clinics. Duties include recommending appropriate laboratory staff at outpatient clinics, determining appropriate staffing	0.08	\$123,594	\$4,944

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
levels to achieve organizational goals for departments within the main laboratory, reviewing and approving purchases of equipment/kits used in outpatient clinics, participates in the departmental budget and strategic planning, selection of equipment and tests, and compliance with the multiple regulatory agencies governing medical laboratories.			
Value Analysis Coordinator (Six (6) months during the Budget Period). Identifies opportunities for cost savings related to improved product, service and process standardization and utilization by assessment in the selection, evaluation, monitoring, analysis and implementation of cost-effective products, services and processes in the hospital. Provides clinical and strategic expertise that facilitates supply expense management while continuously improving quality, safety and satisfaction, through clinical engagement.	0.03	\$96,532	\$1,448
Clinical Applications Manager (Six (6) months during the Budget Period). Responsible for overseeing streamlined operation of IT Applications solutions for Epic Inpatient, Outpatient, Ancillary applications/technologies as well as training programs. Plans and manages all aspects of design, implementation and maintenance of applications to effectively apply technology solutions to improve core functions of clinical applications. Contributes to the development of hospital performance improvement strategies.	0.03	\$108,389	\$1,355
Customer Support Supervisor (Six (6) months during the Budget Period). Responsible for the supervision of effective hospital-wide information technology operations in desktop support services, help desk support services, and general IT customer service delivery. Ensures computerized data is secure and confidentiality adhered to in accordance with all appropriate regulations. Ensures the computer assets and related services support achievement of established organizational goals. Contributes to the development of hospital performance improvement strategies. Duties include directing and supervising staff, providing technical assistance and establishing standards and procedures. Incumbent is required to have in-depth knowledge of desktop support services, help desk support services, and delivery of quality IT customer services.	0.03	\$97,843	\$1,223
Senior Network Engineer (Six (6) months during the Budget Period). Provide technical lead and subject matter expertise in hospital networking support.	0.03	\$88,483	\$1,106

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
Responsible for designing, developing, installing, testing, and maintaining all Contractor hospital networks that link computers, peripherals, communication equipment and video equipment using cabling methods or wireless transmissions and software. To include; routers, switches, access devices and the hospitals email and active directory systems.			
Assistant Director Patient Access Services (Six (6) months during the Budget Period). Responsible for analyzing work flows and understanding policies, procedures and constraints in any of the following core clinical areas including but not limited to: inpatient, ambulatory, ancillary supported by the EPIC application. Performs in depth and precise investigation and documentation of clinical operational specifications and application functionality. Participates in the application build, test, and support.	0.04	\$103,293	\$2,066
Epic Analyst Core Clinical (Six (6) months during the Budget Period). Responsible for analyzing work flows and understanding policies, procedures and constraints in any of the following core clinical areas including but not limited to: inpatient, ambulatory, ancillary supported by the EPIC application. Performs in depth and precise investigation and documentation of clinical operational specifications and application functionality. Participates in the application build, test, and support.	0.03	\$87,485	\$1,094
Access and Revenue Cycle Analyst (Six (6) months during the Budget Period). Responsible for analyzing work flows and understanding policies, procedures and constraints in any of the following Access and Revenue business areas: access, billing, claims supported by the EPIC application. Performs in depth and precise investigation and documentation of business operational specifications and application functionality. Participates in the application build, test, and support.	0.03	\$92,352	\$1,154
Revenue Integrity Analyst (Six (6) months during the Budget Period). Maintains the Charge master fee schedule in accordance with established coding practices and governmental regulatory requirements. Conducts quality control audits and review charge capture clinical workflows for missed revenue opportunities. Creates action plans for capturing missed revenue. Identifies edits in patient management/billing software that impacts billing accuracy. Ensures CPT, HCPCS and revenue codes are accurate and compliant will all charging and billing guidelines. Serves as a liaison between Revenue Cycle and clinical operations and	0.03	\$85,280	\$1,279

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
information technology regarding revenue, compliance, and clinical workflow build.			
Epic Analyst Access & Revenue Cycle (Six (6) months during the Budget Period). Responsible for analyzing work flows and understanding policies, procedures and constraints in any of the following Access and Revenue business areas: access, billing, claims supported by the EPIC application. Performs in depth and precise investigation and documentation of business operational specifications and application functionality. Participates in the application build, test, and support.	0.03	\$82,822	\$1,242
Epic Analyst Core Clinical (Six (6) months during the Budget Period). Responsible for analyzing work flows and understanding policies, procedures and constraints in any of the following core clinical areas including but not limited to: inpatient, ambulatory, ancillary supported by the EPIC application. Performs in depth and precise investigation and documentation of clinical operational specifications and application functionality. Participates in the application build, test, and support.	0.03	\$87,173	\$1,090
Director Patient Accounting (Six (6) months during the Budget Period). Provides leadership and direction for the business office and accounts receivable management services of Contractor's hospital. Responsibility includes overseeing the billing, collections, up front benefit verifications, payment posting, customer service recovery to include providing management reports and analysis in a manner which will contribute to the achievement of the hospital's financial goals.	0.03	\$150,966	\$1,887
Revenue Integrity Analyst (Six (6) months during the Budget Period). Maintains the Charge master fee schedule in accordance with established coding practices and governmental regulatory requirements. Conducts quality control audits and review charge capture clinical workflows for missed revenue opportunities. Creates action plans for capturing missed revenue. Identifies edits in patient management/billing software that impacts billing accuracy. Ensures CPT, HCPCS and revenue codes are accurate and compliant with all charging and billing guidelines. Serves as a liaison between Revenue Cycle and clinical operations and information technology regarding revenue, compliance, and clinical workflow build.	0.03	\$88,899	\$1,333
IT Data Build (Six (6) months during the Budget Period). Responsible for analyzing work flows and understanding policies, procedures and constraints in any of the following core clinical areas including but not limited to:	0.50	\$71,635	\$17,909

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
inpatient, ambulatory, ancillary supported by the EPIC application. Performs in depth and precise investigation and documentation of clinical operational specifications and application functionality. Participates in the application build, test, and support.			
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT PERSONNEL, SALARY CATEGORY:			\$389,355
Category: PERSONNEL, Fringe Benefits	FTE (0.00-4.00)	% of Fringe	Estimated Budget
Director Ambulatory Services (Six (6) months during the Budget Period).	0.15	45%	\$4,479
Ambulatory Clinical Manager (Six (6) months during the Budget Period).	0.35	45%	\$10,013
Grant Project Manager (Six (6) months during the Budget Period).	0.50	45%	\$11,627
Quality Analyst (Four (4) months during the Budget Period).	0.10	45%	\$927
Fiscal Analyst (Four (4) months during the Budget Period).	0.10	45%	\$1,087
Referrals Specialist (Five (5) months during the Budget Period).	0.10	45%	\$958
Staff Physician (Six (6) months during the Budget Period).	0.20	45%	\$8,969
LPN (Six (6) months during the Budget Period).	0.20	45%	\$2,816
LPN (Five (5) months during the Budget Period).	0.20	45%	\$2,346
Nurse Practitioner (Six (6) months during the Budget Period).	0.30	45%	\$7,582
Admit/Discharge Supervisor (Six (6) months each during the Budget Period).	0.30 total	45%	\$4,088
Care Management Support Specialist (Six (6) months during the Budget Period).	0.40	45%	\$4,279
Care Management Support Specialist (Five (5) months during the Budget Period).	0.20	45%	\$1,783
Admissions Representative Specialist (Six (6) months during the Budget Period).	1.00	45%	\$11,082
Nurse Navigator (Five (5) months during the Budget Period).	0.40	45%	\$11,082
Nurse Navigator (Five (5) months during the Budget Period).	0.40	45%	\$7,444
Nurse Navigator (Six (6) months during the Budget Period).	0.40	45%	\$8,385
RN Case Manager (Six (6) months during the Budget Period).	0.40	45%	\$9,671
RN Case Manager (Six (6) months during the Budget Period).	0.40	45%	\$9,718
General Lab Services Manager (Six (6) months during the Budget Period).	0.08	45%	\$2,225

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
Value Analysis Coordinator (Six (6) months during the Budget Period).	0.03	45%	\$652
Clinical Applications Manager (Six (6) months during the Budget Period).	0.03	45%	\$610
Customer Support Supervisor (Six (6) months during the Budget Period).	0.03	45%	\$550
Senior Network Engineer (Six (6) months during the Budget Period).	0.03	45%	\$498
Assistant Director Patient Access Services Six (6) months during the Budget Period).	0.04	45%	\$930
Epic Analyst Core Clinical (Six (6) months during the Budget Period).	0.03	45%	\$492
Access and Revenue Cycle Analyst (Six (6) months during the Budget Period).	0.03	45%	\$519
Revenue Integrity Analyst (Six (6) months during the Budget Period).	0.03	45%	\$576
Epic Analyst Access & Revenue Cycle (Six (6) months during the Budget Period).	0.03	45%	\$559
Epic Analyst Core Clinical, (Six (6) months during the Budget Period).	0.03	45%	\$490
Director Patient Accounting (Six (6) months during the Budget Period).	0.03	45%	\$849
Revenue Integrity Analyst (Six (6) months during the Budget Period).	0.03	45%	\$600
IT Data Build (Six (6) months during the Budget Period).	0.50	45%	\$8,059
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT PERSONNEL, FRINGE BENEFITS CATEGORY:			\$135,577
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT PERSONNEL, SALARY AND FRINGE BENEFITS CATEGORIES:			\$524,933
Category: Operating Below items needed by Contractor to meet the Scope of Work for Grant Year #2	Quantity	Cost Per	Estimated Budget
Insti Test Kits	8,000	\$11.99	\$95,920.00
Insti Test Controls	45	\$76.90	\$3,460.50
Alere HIV Rapid test kits \$11.90 each, total	230	\$11.90	\$2,737.00
Alere controls	20	\$48.16	\$963.20
Timers	60	\$9.17	\$550.00
Sharps Containers	100	\$18.00	\$1,800.00
Disposable kidney basins to transport Rapid HIV test supplies	6,400	\$0.05	\$335.36
Roll out carts for Nurse Navigators	5	\$30.00	\$150.00
Medical Refrigerators	2	\$2,162.50	\$4,325.00
HIV Testing in the ER/ED for underinsured or uninsured patients	3,500	\$9.35	\$32,725.00
Boxes of Alcohol Swabs, 100 units per box	245	\$0.75	\$183.75

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
Boxes of Gloves, 200 pairs per box	150	\$29.74	\$4,461.00
Cases of Condoms, 1000 units per case	52	\$88.00	\$4,576.00
Cases of Lubrication, 1000 per case	20	\$52.00	\$1,040.00
Boxes of Band Aids, 100 per box	115	\$1.83	\$210.45
Boxes of Masks, 50 units per box	650	\$4.42	\$2,873.00
Extra space, storage unit rental	6 mos	\$333.00	\$2,000.00
Covers for smart monitors	25	\$513.52	\$12,838.00
Miscellaneous supplies including exam room paper, lancets, sanitizing sprays and wipes	1	\$10,000	\$10,000
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT OPERATING CATEGORY:			\$181,148
Category: TRAVEL	# of Trips	Cost per Trip	Available for Reimbursement
Mileage, Current GSA rate per mile or \$0.56/mile X 96 miles per round trip per week to all Quick Cares and Primary Cares.	320	\$53.76	\$17,203
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT TRAVEL CATEGORY:			\$17,203
Category: EQUIPMENT	Quantity	Cost Per	Estimated Budget
Amwell telemedicine carts.	7	\$13,750.13	\$96,250.88
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT EQUIPMENT CATEGORY:			\$96,250.88
Category: CONTRACTUAL	Estimated Budget		
B&P Advertising Media Public Relations ("Subcontractor #1"). Subcontractor #1 will increase awareness of rapid HIV testing capabilities at Contractor Quick Cares and Primary Cares. Target Audience: Primary: 25-44, Secondary: African American, Hispanic, LGBTQA, and other minority groups, Tertiary: 16+. Geography: Las Vegas. Scheduling/Seasonality: November 1st - December 31st, 2021. Media tactics: Broadcast radio. Utilize radio to build awareness and carry the message to reach key audiences and encourage getting tested. Out of Home Ideas include placement along the main I-95, I-215, I-515, and I-15 highways to capture locals while commuting across the valley and on transit/bus shelters in specific communities. Leverage both Facebook/Instagram, still the most widely accessed social media platform, and Subcontractor #1's programmatic platform The Trade Desk, targeting audience with ads as they explore websites across the Internet, to reach people where they are spending their time online. Copywriting for one (1) 30 second radio spot. Cost includes all changes. Radio Production – Production of one (1) 30 second radio spot that includes studio time, editing, music license, talent license and delivery of spot to the stations	\$56,655.00		
Blue Tree Network ("Subcontractor #2). Subcontractor #2 will build data reports into Epic, oversee Contractor's Grant-related data needs, submit data monthly. Subcontractor #2 will track trending, spot check/data validation to ensure accuracy, perform CPT/ICD code changes, perform new or recall of medications Epic builds, address Contractor's clinical EHR needs.	\$122,664.00		

BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022 (Grant Year #2)			
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT			
CONTRACTUAL CATEGORY:			\$179,319
Category: OTHER			Estimated Budget
Incentives	Quantity	Cost Per	
Clear Backpacks, promotional incentive for staff and patients	350	\$10.99	\$3,847
Messenger bags, promotional incentive for staff and patients)	100	\$11.99	\$1,199
Water Bottles, promotional incentive for staff and patients	380	\$16.65	\$6,327
Pens, promotional incentive for staff and patients)	3,000	\$1.22	\$3,660
Attire, to be given to Contractor's Ambulatory clinical staff for participating in needs assessment surveys and to increase HIV, STI, and STD testing in the nine (9) Quick Cares and Urgent Cares, while increasing Grant visibility among staff.	Lot	N/A	\$20,000
Bags for condoms (for patient privacy/discretion)	Lot	N/A	\$2,000
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT			
OTHER CATEGORY:			\$37,033
ESTIMATED BUDGET TOTAL FOR DIRECT COSTS (AS DETAILED ABOVE)			\$1,035,887
Category: INDIRECT COSTS		Adjusted Direct Costs (for reference only)	Estimated Budget
Administrative costs: 30% of Direct Costs, excluding Categories: Equipment and Contractual		\$760,317	\$228,095
Total Indirect:			\$228,095
NOT TO EXCEED TOTAL FOR BUDGET PERIOD AUGUST 1, 2021 THROUGH JULY 31, 2022			\$1,263,982

- C. **Grant Year #1.** Payments to Contractor for services performed during Budget Period December 1, 2020 through July 31, 2022 are not-to-exceed **\$1,263,982**. Estimated budget amounts eligible for reimbursement to Contractor for work actually performed and billed are detailed below:

BUDGET PERIOD DECEMBER 1, 2020 THROUGH JULY 31, 2022 (Grant Year #1)			
Category: PERSONNEL, Salary		Annual Salary (for reference only)	Estimated Budget
	FTE (0.00-4.00)		
Project Manager (Six (6) months during Budget Period). Responsible for leading in the designing, implementing, planning, and tracking of all activities in relation to the Agreement Scope of Work. Sets annual goals and process improvement activities to achieve initiatives. Identify needed improvements on operating efficiencies for best use of Grant funds.	0.50	\$103,355	\$25,839

BUDGET PERIOD DECEMBER 1, 2020 THROUGH JULY 31, 2022 (Grant Year #1)			
Staff Physician (Six (6) months during Budget Period). Responsible for performing professional physician services and for performing required administrative duties.	0.15	\$199,300	\$14,948
LPN (One (1) month during Budget Period). Assist MDs and RNs with Rapid HIV testing at the QC/PC locations. Upon disease identification, assist with linkage to care.	1.00	\$62,573	\$5,214
Per Diem Registered Nurse. (To work for a total of two (2) months on an as-needed basis during the Budget Period.)	0.20	\$86,112	\$2,870
Per Diem LPN (Four (4) positions for two (2) months each on an as-needed basis during the Budget Period) Provides preventive care and/or treatment to patients in an outpatient or specialty clinic with a variety of conditions, illnesses and/or injuries. Under direct supervision of a Registered Nurse, applies the nursing process to deliver basic, safe, therapeutic care and administering medications for individuals or groups of patients. May provide patient care in a specialty area but not limited to: medical/surgical, labor and delivery, PEDS, and the emergency room. May work with high risk patients.	4.00	\$65,416/each	\$43,611
Per Diem Physician (To work for a total of two (2) months on an as-needed basis during the Budget Period). Responsible for performing professional primary care physician services. Establishes and maintains relationships with patients; participates in a call schedule; provides outstanding customer service.	0.10	\$199,300	\$3,322
Care Management Support Specialist (One (1) month during the Budget Period). Supports the interdisciplinary healthcare team members across the continuum. Assists in coordinating; payer communication, transition plan implementation, delivery of patient documentation, identifying sources of funds to pay for medical treatment, determining eligibility for various state, federal and/or other financial assistance programs, and Ryan White.	1.00	\$47,549	\$3,962.42
Admissions Representative Specialist (Two (2) months during the Budget Period). Assists in the central admitting areas within PAS, assigns and monitors work of Admitting/Discharge Representatives, obtain additional information or signatures and to perform admitting and discharge functions. Performs in a lead role.	1.00	\$49,254	\$8,209
Per Diem Admitting/Discharge Representative (Four (4) positions for two (2) months each on an as-needed basis during the Budget Period)	4.00	\$43,825	\$29,217

BUDGET PERIOD DECEMBER 1, 2020 THROUGH JULY 31, 2022 (Grant Year #1)			
<p>RN Case Manager (Six (6) months during the Budget Period). Assists in providing a system of health care delivery at Contractor locations which utilizes a coordinated, collaborative, multi-disciplinary approach to assess, plan, coordinate and evaluate the health care needs of patients throughout the health care continuum. The Nurse Case Manager serves as an advanced clinical resource to patients, families, staff and physicians in the delivery of care.</p>	1.00	\$107,453	\$53,727
<p>General Lab Services Manager (Six (6) months during the Budget Period). Manages the daily activities of the multiple sections of the clinical laboratories within Contractor's main laboratory, point of care testing activities, and all the outpatient clinics. Duties include recommending appropriate laboratory staff at outpatient clinics, determining appropriate staffing levels to achieve organizational goals for departments within the main laboratory, reviewing and approving purchases of equipment/kits used in outpatient clinics, participates in the departmental budget and strategic planning, selection of equipment and tests, and compliance with the multiple regulatory agencies governing medical laboratories.</p>	0.05	\$123,594	\$3,090
<p>Nurse Navigator (Two (2) months during the Budget Period). Works collaboratively with the Hospital Discharge Planning Team, Outpatient Care Centers, and Ambulatory Clinics to assess, educate, plan, facilitate, track, and monitor patients needing navigation into HIV care. Ensures that follow up services including Ryan White services are addressed. Assists the patient and family to navigate through possible barriers to care ensuring that patients obtain medical access and referral resources in an efficient and expedited manner. Assesses knowledge about HIV, provides general information about HIV then, facilitates access to insurance, medical care and medications for patients. Works with patient and interdisciplinary team within the hospital connecting to outside agencies for services needed; including inter-facility transfers, inpatient admissions and discharges from outpatient facilities and the ED, ensuring smooth transition of care to the provider of patient's choice.</p>	1.00	\$93,163	\$15,527
<p>IT Interface (Six (6) months during the Budget Period) Responsible for a specified team of Decision Support Cost Analysts. Coordinates projects, developing policies and procedures, assuring department product quality, mentoring, training, hiring, and performance appraisals. Provides financial decision support to the organization,</p>	0.30	\$112,674	\$16,901

BUDGET PERIOD DECEMBER 1, 2020 THROUGH JULY 31, 2022 (Grant Year #1)			
while promoting finance based ideas and insights with a complete view of the business. Works with departments to ensure activities and initiatives align with hospital strategy while maintaining focus on bottom line results.			
IT Interface (Six (6) months during the Budget Period) Performs all procedures necessary to ensure the safety of information systems assets and to protect systems from intentional or inadvertent access or destruction. Interfaces with user community to understand their security needs and implements procedures to accommodate them. Ensures that user community understands and adheres to necessary procedures to maintain security. Recommends and monitors computing practices to ensure that individual and departmental access and rights, resources, and information are secure. Coordinates the handling of security incidents, recoveries, breaches, intrusions, and/or system abuses.	0.30	\$75,566	\$11,335
IT Data Interface (Six (6) months during the Budget Period) Performs all procedures necessary to ensure the safety of information systems assets and to protect systems from intentional or inadvertent access or destruction. Interfaces with user community to understand their security needs and implements procedures to accommodate them. Ensures that user community understands and adheres to necessary procedures to maintain security. Recommends and monitors computing practices to ensure that individual and departmental access and rights, resources, and information are secure. Coordinates the handling of security incidents, recoveries, breaches, intrusions, and/or system abuses.	0.30	\$67,850	\$10,178
IT Data Interface (Six (6) months during the Budget Period) Performs all procedures necessary to ensure the safety of information systems assets and to protect systems from intentional or inadvertent access or destruction. Interfaces with user community to understand their security needs and implements procedures to accommodate them. Ensures that user community understands and adheres to necessary procedures to maintain security. Recommends and monitors computing practices to ensure that individual and departmental access and rights, resources, and information are secure. Coordinates the handling of security incidents, recoveries, breaches, intrusions, and/or system abuses.	0.30	\$65,166	\$9,775

BUDGET PERIOD DECEMBER 1, 2020 THROUGH JULY 31, 2022 (Grant Year #1)			
IT Data Interface (Six (6) months during the Budget Period) Performs all procedures necessary to ensure the safety of information systems assets and to protect systems from intentional or inadvertent access or destruction. Interfaces with user community to understand their security needs and implements procedures to accommodate them. Ensures that user community understands and adheres to necessary procedures to maintain security. Recommends and monitors computing practices to ensure that individual and departmental access and rights, resources, and information are secure. Coordinates the handling of security incidents, recoveries, breaches, intrusions, and/or system abuses	0.30	\$72,530	\$10,880
IT Data Interface (Six (6) months during the Budget Period). Develops and maintains BI platform that serves the decisions making needs of the hospital. Collaborates with decision makers across the hospital to assess data and reporting needs, assists in the building of the necessary data structure, and contribute to the development of reports and dashboards to streamline the decision making process across user levels.	0.50	\$90,022	\$22,506
IT Data Interface (Six (6) months during the Budget Period). Develops and maintains BI platform that serves the decisions making needs of the hospital. Collaborates with decision makers across the hospital to assess data and reporting needs, assists in the building of the necessary data structure, and contribute to the development of reports and dashboards to streamline the decision making process across user levels.	0.50	\$101,650	\$25,413
IT Data Build (Six (6) months during the Budget Period). Serves as a strategic leader of clinical and business applications ensuring the successful application of technology principles (work flow redesign, technical configuration, and training development) for clinics, service lines, and hospital. Provides planning, organization, preparation, coordination, standardization and strategic direction for enterprise wide applications from a clinical and revenue operational perspective.	0.50	\$126,568	\$31,642
IT Data Build (Six (6) months during the Budget Period). Responsible for overseeing streamlined operation of IT Applications solutions for Epic Inpatient, Outpatient, Ancillary applications/technologies as well as training programs. Plans and manages all aspects of design, implementation and maintenance of applications to effectively apply technology solutions to improve core functions of clinical applications. Contributes to the	0.50	\$101,296	\$25,324

BUDGET PERIOD DECEMBER 1, 2020 THROUGH JULY 31, 2022 (Grant Year #1)			
development of hospital performance improvement strategies.			
IT Data Build (Six (6) months during the Budget Period). Responsible for analyzing work flows and understanding policies, procedures and constraints in any of the following core clinical areas including but not limited to: inpatient, ambulatory, ancillary supported by the EPIC application. Performs in depth and precise investigation and documentation of clinical operational specifications and application functionality. Participates in the application build, test, and support.	0.50	\$71,635	\$17,909
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT PERSONNEL, SALARY CATEGORY:			\$420,612
Category: PERSONNEL, Fringe Benefits	FTE (0.00-4.00)	% of Fringe	Estimated Budget
Grant Project Manager	0.50	45%	\$11,627
Staff Physician	0.15	45%	\$6,726
LPN	0.20	45%	\$2,346
Care Management Support Specialist	1.00	45%	\$1,783
Admissions Representative Specialist	1.00	45%	\$3,694
RN Case Manager	1.00	45%	\$24,177
General Lab Services Manager	0.05	45%	\$1,390
Nurse Navigator	1.00	45%	\$6,987
IT Interface	0.30	45%	\$7,605
IT Interface	0.30	45%	\$5,101
IT Data Interface	0.30	45%	\$4,580
IT Data Interface	0.30	45%	\$4,399
IT Data Interface	0.30	45%	\$4,896
IT Data Interface	0.50	45%	\$10,127
IT Data Interface	0.50	45%	\$11,436
IT Data Build	0.50	45%	\$14,239
IT Data Build	0.50	45%	\$25,324
IT Data Build	0.50	45%	\$8,059
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT PERSONNEL, FRINGE BENEFITS CATEGORY:			\$140,569
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT PERSONNEL, SALARY AND FRINGE BENEFITS CATEGORIES:			\$561,182
Category: Operating Below items needed by Contractor to meet the Scope of Work	Quantity	Cost Per	Estimated Budget
Orasure HIV Rapid test kits	2,000	\$11.21	\$22,420
Orasure controls	25	\$25.00	\$625
Alere HIV Rapid test kits	501	\$11.90	\$5,962
Alere controls	20	\$48.16	\$963

BUDGET PERIOD DECEMBER 1, 2020 THROUGH JULY 31, 2022 (Grant Year #1)			
HIV Testing in the ER/ED for underinsured or uninsured patients	5,922	\$9.35	\$55,371
Cases of Condoms, 1000 units per case	753	\$88.00	\$66,264
Cases of Lube, 1000 units per case	752	\$52.00	\$39,104
Boxes of Band Aids, 100 units per box	405	\$1.83	\$741
Boxes of Cotton Balls, 100 units per box	400	\$0.97	\$388
Boxes of Alcohol Swabs, 100 units per box	400	\$0.75	\$300
Boxes of Gloves, 250 pairs per box	940	\$29.74	\$27,956
Face Shields	2,000	\$4.78	\$9,560
Eye Goggles	2,000	\$2.96	\$5,920
Cases of Gowns, 40 units per case	3,600	\$0.73	\$2,628
Boxes of Masks, 50 units per box	7,725	\$4.42	\$34,145
Boxes of Sneeze Guards, 18 units per box	45	\$209.00	\$9,405
Plantronics Headset	40	\$194.00	\$7,760
Office Chairs	35	\$249.00	\$8,715
L Shaped desks for EHE staff to be staffed at QC/PC	20	\$255.99	\$5,120
Medical Refrigerator	1	\$2,162.33	\$2,163
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT OPERATING CATEGORY:			\$305,510
Category: TRAVEL	# of Round Trips	Cost per Trip	Available for Reimbursement
Mileage, Current GSA rate per mile or \$0.56/mile X 96 miles per round trip per week for all Quick Cares and Primary Cares.	60	\$53.76	\$3,326
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT TRAVEL CATEGORY:			\$3,326
Category: EQUIPMENT	Quantity	Cost Per	Estimated Budget
Steel storage cabinet to store EHE supplies at Quick Cares and Primary Cares.	15	\$1,199	\$17,985
Smart Monitors to deploy through Ambulatory to showcase educational materials and videos for patients and staff	25	\$800	\$20,000
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT EQUIPMENT CATEGORY:			\$37,985
Category: CONTRACTUAL		Estimated Budget	
B&P Advertising Media Public Relations ("Subcontractor") Subcontractor will provide Contractor marketing services, including media tactics, out-of-home advertising, social media presence/advertising, Trade Desk media buys, and a 30 second radio spot		\$50,000	
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT CONTRACTUAL CATEGORY:			\$50,000
Category: OTHER	Quantity	Cost Per	Estimated Budget
HIV incentives			

BUDGET PERIOD DECEMBER 1, 2020 THROUGH JULY 31, 2022 (Grant Year #1)			
Clear Backpacks	1,104	\$10.99	\$12,133
Messenger bags	1,049	\$11.99	\$12,566
Folders with pockets to hand out materials for patients who test	Lot	N/A-	\$9,996
ESTIMATED BUDGET, APPROVED TOTAL AVAILABLE FOR REIMBURSEMENT			\$34,695
OTHER CATEGORY:			
ESTIMATED BUDGET TOTAL FOR DIRECT COSTS (AS DETAILED ABOVE)			\$992,598
Category: INDIRECT COSTS		Adjusted Direct Costs (for reference only)	Estimated Budget
Administrative costs: 30% of Direct Costs, excluding Categories: Equipment and Contractual		\$904,613	\$271,384
Total Indirect:			\$271,384
NOT TO EXCEED TOTAL FOR BUDGET PERIOD DECEMBER 1, 2020 THROUGH JULY 31, 2022			\$1,263,982

The following provisions are applicable to all Budget Periods:

- D. Contractor must receive documented approval from Health District prior to redirecting any portion of the Estimated Budget, Approved Total Available for Reimbursement from any one Category for use in another Category.
 - (a) A Health District approved redirection moving 10% or more between Categories will be mutually agreed upon in writing by the Parties through amendment of this Agreement pursuant to Subsection 1.05 of the Agreement.
- D.2 Payments shall be based on approved Contractor invoices submitted in accordance with this Agreement. No payments will be made in excess of the not-to-exceed amount of this Agreement.
- D.3 Expenses incurred by Contractor after the end date of each Budget Period will not be eligible for reimbursement from funds allocated to the respective Budget Period.
- D.4 Contractor will not bill more frequently than monthly for the term of the Agreement. Each invoice will itemize specific costs incurred for each allowable item as agreed upon by the Parties as identified in the Agreement.
 - (a) Backup documentation including but not limited to invoices, receipts, monthly reports, proof of payments or any other documentation requested by Health District is required and shall be maintained by the Contractor in accordance with cost principles applicable to this Agreement.
 - (b) Contractor invoices shall be signed by the Contractor's official representative, and shall include a statement certifying that the invoice is a true and accurate billing.
 - (c) Invoices are subject to approval by Health District project and fiscal staff.

(d) Contractor is aware that provision of any false, fictitious, or fraudulent information and/or the omission of any material fact may subject it to criminal, civil, and/or administrative penalties.

(e) Cost principles contained in Uniform Guidance 2 CFR Part 200, Subpart E, shall be used as criteria in the determination of allowable costs.

D.5 Health District will not be liable for interest charges on late payments.

D.6 In the event items on an invoice are disputed, payment on those items will be held until the dispute is resolved. Undisputed items will not be held with disputed items.

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Emergency contract with The W.W. Williams Company, LLC for Emergency Generators repair	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	Clerk Ref. #
Recommendation: That the Governing Board Audit and Finance Committee receive a report on the emergency contract with W.W. Williams Company, LLC for Emergency Rental Generator and Repair Services; or take action as deemed appropriate. (For possible action)	

FISCAL IMPACT:

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000848000	Funded Pgm/Grant: N/A
Description: Emergency Rental Generator and Repair Services	
Bid/RFP/CBE: NRS 332.112	
Term One (1) year from execution	
Amount: Estimated at \$308,065.00	
Out Clause: Termination for convenience	

BACKGROUND:

On November 16, 2022, UMC’s Plant Operations department was notified of active leaks with emergency generators and needed to respond immediately to repairs. W.W. Williams Company, LLC(“Company”) performed the emergency repairs while providing short-term rental equipment.

The circumstances meet the definition of an emergency as set forth in NRS 332.112 (1) (a) and (b):
 “For the purposes of this section, an “emergency” is one which: (a) Results from the occurrence of a disaster, including, but not limited to, fire, flood, hurricane, riot, power outage or disease; or (b) May lead to impairment of the health, safety or welfare of the public if not immediately attended to.”

This report is in accordance with NRS 33.112 (2), if the authorized representative, chief administrative officer or governing body of the local government determines that an emergency

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December 7, 2022

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exists affecting the public health, safety or welfare, a contract or contracts necessary to contend with the emergency may be let without complying with the requirements of this chapter. If such emergency action was taken by the authorized representative or chief administrative officer, he or she shall report it to the governing body at its next regularly scheduled meeting.

Company currently holds a Clark County business license.

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
SERVICES AGREEMENT**

This Services Agreement, consisting of these terms and conditions, and Exhibit A and B (collectively, the "Agreement"), is entered into by and between UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA ("HOSPITAL") and The W.W. Williams Company, LLC ("COMPANY"). HOSPITAL and COMPANY are individually referred to herein as a "Party" and collectively as the "Parties." This Agreement sets forth the terms and conditions upon which COMPANY will provide services as set forth in Exhibit A (the "Scope of Work") for HOSPITAL's Emergency Generator project (the "Project"). Any additional or conflicting terms and conditions appearing on a quotation, proposal or any other document will not be binding upon the Parties.


Signatures: By executing this Agreement, each signatory represents and warrants that such person has read, understood and is duly authorized to execute this Agreement on behalf of the respective party.

HOSPITAL:

By: _____
MASON VAN HOUWELING
Chief Executive Officer
Address: 1800 W. Charleston Blvd., Las Vegas, NV 89102

DATE

COMPANY:

By: 
NAME
Title: Team OPS Manager
Address: 2680 Loser Road

11-23-2022
DATE

Terms and Conditions

1. **TERM.** The term of this Agreement shall commence on the date of last signature by the Parties below (the "Effective Date") and shall continue for a term of one year or Project completion, whichever occurs sooner (the "Term").
2. **COMPENSATION.** HOSPITAL agrees to pay COMPANY for the performance of services described in the Scope of Work (**Exhibit A**) for the fixed not-to-exceed fee of \$308,065.00. Payment of invoices will be made within fifteen (15) calendar days after completion of PROJECT and receipt of an accurate invoice that has been reviewed and approved by HOSPITAL. HOSPITAL shall subtract from any payment made to COMPANY all damages, costs and expenses caused by COMPANY's negligence, resulting from or arising out of errors or omissions in COMPANY's work products, which have not been previously paid to COMPANY. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.
3. **RESPONSIBILITY OF COMPANY.** COMPANY will follow HOSPITAL's standard procedures as followed by HOSPITAL's staff in regard to programming changes; testing; change control; and other similar activities, including HOSPITAL's Policy I-66 (Contracted Non-Employees/Allied Health Non-Credentialed /Dependent Allied Health / Temporary Staff / Construction/Third Party Equipment) and HOSPITAL's Vaccine Policy, as may be amended from time to time. HOSPITAL will provide a copy of said policy upon COMPANY request. COMPANY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by COMPANY, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, COMPANY shall follow practices consistent with generally accepted professional and technical standards. The sole warranty provided for any part or equipment sold by Company is to assign the warranty offered by the manufacturer or supplier to the Hospital. Company warrants its workmanship for a period of ninety (90) days from the date the services are performed (the "Warranty Period"). This warranty covers defects in Company's workmanship that are discovered during the Warranty Period. Hospital's sole remedy, and Company's only liability, for Company's breach of its service warranty shall be, at Company's option, (i) reperforming the defective services; or (ii) refunding the purchase price paid for the defective services. COMPANY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, and does not assume or authorize any other person to assume for it any liability in connection with the sale. IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY PUNITIVE, INDIRECT, INCIDENTAL, CONSEQUENTIAL, LIQUIDATED, SPECIAL OR UNKNOWN DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROPERTY OR EQUIPMENT, LOSS OF DATA, LOSS OF USE, LOSS OF TIME, LOSS OF REVENUE, LOSS OF PROFIT, OR LOSS OF INCOME, WHETHER THE DAMAGES BE IN CONTRACT OR TORT. It shall be the duty of COMPANY to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. If applicable, COMPANY will not produce a work product which violates or infringes on any copyright or patent rights. COMPANY shall, without additional compensation, correct or revise any errors or omissions in its work products. COMPANY shall take all reasonable precautions for the safety of all personnel on-site employees on the Project and all other persons who may be affected thereby. COMPANY shall, at all times, keep the work area in a neat, clean and safe condition. Upon completion of any portion of the Project, COMPANY shall promptly remove all of its equipment, temporary structures and surplus materials not to be used at or near the same location during later stages of work. Upon completion of the Project and before final payment is made, COMPANY shall, at its expense, dispose of all unnecessary vegetation, structures, rubbish, unused materials, and other equipment and materials belonging to it or used in the Project to the satisfaction of HOSPITAL in accordance with all applicable federal, state, and local laws, ordinances and codes. COMPANY shall leave the premises and Work site in a neat, clean, and safe condition. In the event of the failure to comply with the foregoing, HOSPITAL may satisfy the requirements of this Section at COMPANY's expense.
4. **SUBCONTRACTS.** Services specified by this Agreement shall not be subcontracted by COMPANY, without prior written approval of HOSPITAL.
5. **EQUIPMENT AND MATERIALS.** COMPANY at its sole cost and expense shall provide and furnish all tools, labor, materials, equipment, transportation services and any other items (collectively, "Equipment") which are required or necessary to perform the Project in a manner which is consistent with generally accepted standards of the profession for similar services. Notwithstanding the foregoing, HOSPITAL shall not be

- responsible for any damages to persons or property as a result of the use, misuse or failure of any Equipment used by COMPANY or its subcontractors, even if such Equipment is furnished, rented or loaned to COMPANY or its subcontractors by HOSPITAL.
6. **TIME SCHEDULE.** Time is of the essence of this Agreement. If COMPANY's performance of services is delayed or if COMPANY's sequence of tasks is changed, COMPANY shall notify HOSPITAL's representative in writing of the reasons for the delay and prepare a revised schedule for performance of services. The revised schedule is subject to HOSPITAL's written approval.
 7. **TERMINATION.** This Agreement will terminate automatically if all or a substantial portion of COMPANY's assets are transferred to an assignee for the benefit of creditors, to a receiver or to a trustee in bankruptcy, a proceeding is commenced by or against COMPANY for relief under bankruptcy or similar laws and such proceeding is not dismissed within sixty (60) days, or COMPANY is adjudged bankrupt. This Agreement may also be terminated in whole or in part by HOSPITAL at any time for its convenience.
 8. **BUDGET ACT/FISCAL FUND OUT.** In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by HOSPITAL for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and HOSPITAL's obligations under it shall be extinguished at the end of any of HOSPITAL's fiscal years in which HOSPITAL's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. HOSPITAL agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve HOSPITAL of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.
 9. **INSURANCE.** COMPANY shall obtain and maintain the insurance coverage required in **Exhibit B** incorporated herein by this reference. COMPANY shall comply with the terms and conditions set forth in **Exhibit B** and shall include the cost of the insurance coverage in their prices.
 10. **NOTICES.** Any notice required to be given hereunder shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery, certified U.S. mail, or return receipt requested, at the addresses listed on page 1 of this agreement.
 11. **INDEMNITY.** COMPANY does hereby agree to defend, indemnify, and hold harmless HOSPITAL and the employees, officers and agents of HOSPITAL from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of COMPANY or the employees or agents of COMPANY in the performance of this Agreement.
 12. **GOVERNING LAW/VENUE.** Nevada law shall govern the interpretation of this Agreement. Venue shall be any court of competent jurisdiction in Clark County, Nevada.
 13. **PUBLIC RECORDS.** COMPANY acknowledges that HOSPITAL is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its records are public documents available for copying and inspection by the public. If HOSPITAL receives a demand for the disclosure of any information related to this Agreement that COMPANY has claimed to be confidential and proprietary, HOSPITAL will immediately notify COMPANY of such demand and COMPANY shall immediately notify HOSPITAL of its intention to seek injunctive relief in a Nevada court for protective order. COMPANY shall indemnify and defend HOSPITAL from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of COMPANY document in HOSPITAL's custody and control in which COMPANY claims to be confidential and proprietary.
 14. **PROHIBITION AGAINST ISRAEL BOYCOTT.** In accordance with Nevada Revised Statute 332.065, COMPANY certifies that it is not refused to deal or to conduct business with, abstained from dealing or conducting business with, terminating business or business activities with or performing any other action that is intended to limit commercial relations with Israel or a person or entity doing business in Israel or in territories controlled by Israel.
 15. **MISCELLANEOUS.** COMPANY acknowledges that the HOSPITAL has an obligation to ensure that public funds are not used to subsidize private discrimination. COMPANY recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, handicapping condition (including AIDS or AIDS related conditions), national origin, or any other class protected by law or regulation, HOSPITAL may declare COMPANY in breach of the Agreement, terminate the Agreement, and designate COMPANY as non-responsible. Any attempt by COMPANY to assign or otherwise transfer any interest in this Agreement without the prior written consent of HOSPITAL shall be void. COMPANY shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Agreement. All work performed or services rendered by COMPANY shall comply with the Americans with Disabilities Act standards adopted by Clark County. All facilities built prior to January 26, 1992 must comply with the Uniform Federal Accessibility Standards; and all facilities completed after January 26, 1992 must comply with the Americans with Disabilities Act Accessibility Guidelines. Neither HOSPITAL nor COMPANY shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this Agreement without the prior written consent of the other party. COMPANY warrants that it has a valid Clark County Business License and will maintain such licensure through the duration of this Agreement. COMPANY covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. COMPANY further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

EXHIBIT A
SCOPE OF WORK

RENTAL GENERATOR INSTALLATION AND TESTING

1. DELIVERY RENTAL / BACK UP GENERATOR TO SITE
2. INSTALL RENTAL GENERATOR AND TEST FOR PROPER FUNCTION

REMOVAL / REPAIR / RE-INSTALLATION OF RADIATOR

1. TRAVEL TO JOB SITE
2. DRAIN COOLANT AND REMOVE FROM SITE
3. DISCONNECT ALL CONNECTIONS FROM ENGINE TO RADIATOR AND REMOVE RADIATOR.
4. RE-INSTALL RADIATOR, HOSES AND FILL WITH NEW COOLANT MIX
5. ONCE ASSEMBLED WE WILL BE TESTING RADIATOR FOR PROPER FUNCTION

Cause: THIS IS AN ESTIMATE ONLY AND MAY CHANGE DUE TO FLUXUATION OR EXTENSION OF RENTAL GENERATOR, RENTAL RATES, FUEL PRICING, OR UNFORESEEN CIRCUMSTANCES

NOTE: THIS SCOPE IS USED PER GENERATOR (4 TOTAL RADIATOR REPAIR)

**EXHIBIT B
INSURANCE REQUIREMENTS**

TO ENSURE COMPLIANCE WITH THE AGREEMENT DOCUMENT, COMPANY SHOULD FORWARD THE FOLLOWING INSURANCE CLAUSE AND SAMPLE INSURANCE FORM TO THEIR INSURANCE AGENT PRIOR TO PROPOSAL SUBMITTAL.

- A. **Format/Time**: COMPANY shall provide HOSPITAL with Certificates of Insurance, per the sample format attached, for coverage as listed below, and endorsements affecting coverage required by this Agreement within **ten (10) business days** of the Effective Date. All policy certificates and endorsements shall be signed by a person authorized by that insurer and who is licensed by the State of Nevada in accordance with NRS 680A.300. All required aggregate limits shall be disclosed and amounts entered on the Certificate of Insurance, and shall be maintained for the duration of the Agreement and any renewal periods.
- B. **Best Key Rating**: HOSPITAL requires insurance carriers to maintain during the Agreement term, a Best Key Rating of A.VII or higher, which shall be fully disclosed and entered on the Certificate of Insurance.
- C. **HOSPITAL Coverage**: HOSPITAL, its officers and employees must be expressly covered as additional insured's except on Workers' Compensation. COMPANY's insurance shall be primary as respects HOSPITAL, its officers and employees.
- D. **Endorsement/Cancellation**: COMPANY's general liability and automobile liability insurance policy shall be endorsed to recognize specifically COMPANY's contractual obligation of additional insured to HOSPITAL and must note that HOSPITAL will be given thirty (30) calendar days advance notice by certified mail "return receipt requested" of any policy changes, cancellations, or any erosion of insurance limits. Either a copy of the additional insured endorsement, or a copy of the policy language that gives HOSPITAL automatic additional insured status must be attached to any certificate of insurance.
- E. **Deductibles**: All deductibles and self-insured retentions shall be fully disclosed in the Certificates of Insurance and may not exceed \$25,000.
- F. **Aggregate Limits**: If aggregate limits are imposed on bodily injury and property damage, then the amount of such limits must not be less than \$2,000,000.
- G. **Commercial General Liability**: Subject to Paragraph 4 of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury (including death), personal injury and property damages. Commercial general liability coverage shall be on a "per occurrence" basis only, not "claims made," and be provided either on a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad Form CGL endorsement) insurance form. Policies must contain a primary and non-contributory clause and must contain a waiver of subrogation endorsement.
- H. **Automobile Liability**: Subject to Paragraph 6 of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage to include, but not be limited to, coverage against all insurance claims for injuries to persons or damages to property which may arise from services rendered by COMPANY and **any auto** used for the performance of services under this Agreement.
- I. **Professional Liability**: COMPANY shall maintain limits of no less than \$1,000,000 aggregate. If the professional liability insurance provided is on a Claims Made Form, then the insurance coverage required must continue for a period of two (2) years beyond the completion or termination of this Agreement. Any retroactive date must coincide with or predate the beginning of this and may not be advanced without the consent of HOSPITAL.
- J. **Workers' Compensation**: COMPANY shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D, inclusive, provided, however, a COMPANY that is a Sole Proprietor shall be required to submit an affidavit (Attachment 1) indicating that COMPANY has elected not to be included in the terms, conditions and provisions of Chapters 616A-616D, inclusive, and is otherwise in compliance with those terms, conditions and provisions.
- K. **Failure To Maintain Coverage**: If COMPANY fails to maintain any of the insurance coverage required herein, HOSPITAL may withhold payment, order COMPANY to stop the work, declare COMPANY in breach, suspend or terminate the Agreement, or may purchase replacement insurance or pay premiums due on existing policies. HOSPITAL may collect any replacement insurance costs or premium payments made from COMPANY or deduct the amount paid from any sums due COMPANY under this Agreement.
- L. **Additional Insurance**: COMPANY is encouraged to purchase any such additional insurance as it deems necessary.
- M. **Damages**: COMPANY is required to remedy all injuries to persons and damage or loss to any property of HOSPITAL, caused in whole or in part by COMPANY, its subcontractors or anyone employed, directed or supervised by COMPANY.
- N. **Cost**: COMPANY shall pay all associated costs for the specified insurance. The cost shall be included in the price(s).
- O. **Insurance Submittal Address**: All Insurance Certificates requested shall be sent to University Medical Center of Southern Nevada, Attention: Legal Department, 1800 W. Charleston Blvd., Las Vegas, NV 89102.
- P. **Insurance Form Instructions**: The following information **must** be filled in by COMPANY's Insurance Company representative:
 - 1. Insurance Broker's name, complete address, phone and fax numbers.
 - 2. COMPANY's name, complete address, phone and fax numbers.
 - 3. Insurance Company's Best Key Rating

4. Commercial General Liability (Per Occurrence)
 - (A) Policy Number
 - (B) Policy Effective Date
 - (C) Policy Expiration Date
 - (D) Each Occurrence (\$1,000,000)
 - (E) Damage to Rented Premises (\$50,000)
 - (F) Medical Expenses (\$5,000)
 - (G) Personal & Advertising Injury (\$1,000,000)
 - (H) General Aggregate (\$2,000,000)
 - (I) Products - Completed Operations Aggregate (\$2,000,000)
5. Automobile Liability (Any Auto)
 - (J) Policy Number
 - (K) Policy Effective Date
 - (L) Policy Expiration Date
 - (M) Combined Single Limit (\$1,000,000)
6. Worker's Compensation: The COMPANY shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D
7. Professional Liability
 - (N) Policy Number
 - (O) Policy Effective Date
 - (P) Policy Expiration Date
 - (Q) Aggregate (\$1,000,000)
8. Description: Name of Project (must be identified on the initial insurance form and each renewal form).
9. Certificate Holder:

University Medical Center of Southern Nevada
c/o Legal Department
1800 W. Charleston Blvd.
Las Vegas, Nevada 89102
10. Appointed Agent Signature to include license number and issuing state.
11. Notwithstanding any other provision to the contrary herein, the parties hereto agree that (1) all coverage provided by COMPANY hereunder shall be on a per policy basis; (2) COMPANY shall provide evidence of all such coverages upon request; (3) COMPANY agrees to provide HOSPITAL with a written notice of cancellation in accordance with COMPANY'S insurance policies; (4) all references herein to any ISO, Acor or other insurance form shall be read as to include "or equivalent, at the discretion of COMPANY"; and (5) COMPANY reserves the right to meet Excess/Umbrella Liability coverage requirements by increasing its Commercial General Liability, Business Automobile Liability and Employer's Liability Insurance limits.

POLICY NUMBER: _____

COMMERCIAL GENERAL AND AUTOMOBILE LIABILITY

CONTRACT NAME: Renovation of Burn Physical Therapy Room Project

THIS ENDORSEMENT CHANGED THE POLICY. PLEASE READ IT CAREFULLY
ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY AND AUTOMOBILE LIABILITY COVERAGE PART.

SCHEDULE

Name of Person or Organization:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
C/O CONTRACTS MANAGEMENT
1800 W. CHARLESTON BLVD.
LAS VEGAS, NV 89102

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule as an insured but only with respect to liability arising out of your operations or premises owned by or rented to you.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, ITS OFFICERS, EMPLOYEES AND VOLUNTEERS ARE INSURED WITH RESPECT TO LIABILITY ARISING OUT OF THE ACTIVITIES BY OR ON BEHALF OF THE NAMED INSURED IN CONNECTION WITH THIS PROJECT.

**INSTRUCTIONS FOR COMPLETING THE
DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**

Purpose of the Form

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

General Instructions

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

Detailed Instructions

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

Business Entity Type – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

Non-Profit Organization (NPO) - Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

Business Designation Group – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

Business Name (include d.b.a., if applicable) – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

Corporate/Business Address, Business Telephone, Business Fax, and Email – Enter the street address, telephone and fax numbers, and email of the named business entity.

Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)

List of Owners/Officers – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

For All Contracts – (Not required for publicly-traded corporations)

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If YES, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

Signature and Print Name – Requires signature of an authorized representative and the date signed.

Disclosure of Relationship Form – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

DISCLOSURE OF RELATIONSHIP

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT

* UMC employee means an employee of University Medical Center of Southern Nevada

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For UMC Use Only:

If any Disclosure of Relationship is noted above, please complete the following:

Yes No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?

Yes No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:



Signature

Timothy Killian

Print Name

Authorized Department Representative

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type (Please select one)						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group (Please select all that apply)						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
Number of Clark County Nevada Residents Employed:						
Corporate/Business Entity Name: <u>The WW Williams Co LLC</u>						
(Include d.b.a., if applicable)						
Street Address: <u>5025 Bradenton AVE #130</u>			Website:			
City, State and Zip Code: <u>Dublin, OH 43017</u>			POC Name:			
Telephone No:			Email:			
Nevada Local Street Address: <u>2680 Losee Road</u>			Website:			
(If different from above)			Local Fax No:			
City, State and Zip Code: <u>North Las Vegas, NV 89030</u>			Local POC Name: <u>TKillian</u>			
Local Telephone No: <u>702-399-1890</u>			Email: <u>tkillian@wwwilliams.com</u>			

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned <small>(Not required for Publicly Traded Corporations/Non-profit organizations)</small>
<u>Power Acquisitions LLC</u>		<u>100</u>

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

[Signature]
 Signature
Team Ops Manager
 Title

Timothy Killian
 Print Name
12-1-2022
 Date

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
AGENDA ITEM**

Issue: Emerging Issues	Back-up:
Petitioner: Jennifer Wakem, Chief Financial Officer	
Recommendation: That the Audit and Finance Committee identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. <i>(For possible action)</i>	

FISCAL IMPACT:

None

BACKGROUND:

None

Cleared for Agenda
December 7, 2022

Agenda Item #

17