Washington Township Health Care District

BOARD OF DIRECTORS' MEETING
Wednesday, July 8, 2026 – 6:00 P.M.
Board Room of Washington Hospital, 2000 Mowry Avenue, Fremont and via Zoom
https://whhs.zoom.us/j/93615952152?pwd=DzkvYBbbFRP1PGlB2tWoOOjaIyFxRP.1
Passcode: 723683

Board Agenda and Packet can be found at:
July 2026 | Washington Health
AGENDA

		PRESENTED BY:
I.	**CALL TO ORDER & PLEDGE OF ALLEGIANCE**	William Nicholson, MD President
II.	**ROLL CALL**	Cheryl Renaud District Clerk
III.	**COMMUNICATIONS**	
	A. Oral *This opportunity is provided for persons in the audience to make a brief statement, not to exceed three (3) minutes on issues or concerns not on the agenda and within the subject matter of jurisdiction of the Board. "Request to Speak" cards should be filled out in advance and presented to the District Clerk. For the record, please state your name.*	
	B. Written	
IV.	**CONSENT CALENDAR** *Items listed under the Consent Calendar include reviewed reports and recommendations and are acted upon by one motion of the Board. Any Board Member or member of the public may remove an item for discussion before a motion is made.*	William Nicholson, MD President
	A. Consideration of Minutes of the Regular Meetings of the District Board: June 10, 15, 22 & 24, 2026	*Motion Required*

V.	**PRESENTATION**	**PRESENTED BY:**
	A. Trauma Annual Update	Chet Morrison, MD Medical Director, Trauma Program Jennifer Kubisz Director, Trauma Program
VI.	**REPORTS**	
	A. Medical Staff Report	Aaron Barry, MD Chief of Staff
	B. Service League Report	Jill Ziman Service League President
	C. Finance Report	Ajay Sial Senior Vice President & Chief Financial Officer
	D. Hospital Operations Report	Kimberly Hartz Chief Executive Officer
	E. Health System Calendar Report	Kimberly Hartz Chief Executive Officer
VII.	**ACTION**	
	A. Consideration of Resolution No. 125E Purchasing Policy	*Motion Required*
	B. Consideration of Purchasing Policy and Delegation of Signature and Purchasing Authority	*Motion Required*
VIII.	**ANNOUNCEMENTS**	
IX.	**ADJOURN TO CLOSED SESSION**	
	A. Conference Involving Trade Secrets pursuant to Health & Safety Code Section 32106	
	• Strategic Planning	

X.	**RECONVENE TO OPEN SESSION & REPORT ON PERMISSABLE ACTIONS TAKEN DURING CLOSED SESSION**	William Nicholson, MD President
XI.	**ADJOURNMENT**	William Nicholson, MD President

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the District Clerk at (510) 818-7401. Notification two working days prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, June 10, 2026 in the Board Room at 2000 Mowry Avenue, Fremont and Zoom access was provided. Director Nicholson called the meeting to order at 6:00 p.m. and led those in attendance of the meeting in the Pledge of Allegiance.

ROLL CALL

Roll call was taken: Directors present: William Nicholson, MD; Jeannie Yee; Bernard Stewart, DDS; Jacob Eapen, MD; Michael Wallace

Staff Present: Kimberly Hartz, Chief Executive Officer; Ajay Sial, Senior Vice President & Chief Financial Officer; Larry LaBossiere, Senior Vice President & Chief Operating Officer; Tina Nunez, Senior Vice President & Chief Administrative Officer; Terri Hunter, Vice President & Chief Nursing Officer; Paul Kozachenko, Legal Counsel; Cheryl Renaud, Assistant to the Chief Executive Officer & District Clerk; Sri Boddu; Shirley Ehrlich, Executive Assistant II

Zoom Attendees: Kristin Ferguson, Kel Kanady, Jessica Haviland, Jill Ziman, Felipe Villanueva, Laura Anning, Mary Bowron, Rick Idemoto, Jerri Randrup, Mo Naamani, Marco Hernandez, Brian Smith, MD, Farhan Fadoo, MD, Aaron Barry, MD, John Lee, Angus Cochran, Melissa Garcia, Harjit Randhawa

OPENING REMARKS

Director Nicholson welcomed any members of the general public to the meeting.

Director Nicholson noted that Public Notice for this meeting, including Zoom information, was posted appropriately on our website. This meeting was recorded for viewing at a later date.

Director Nicholson stated that we are deeply saddened to share the passing of Benn Sah, MD, a member of the Washington Township Health Care District Board of Directors for 13 years. Dr. Sah was an instrumental leader in our health system for nearly fifty years. He joined our medical staff in 1973, providing otolaryngology care to our community, and held many leadership roles such as Chief of Staff in 1982 and serving as a member of Washington Township Health Care District Board of Directors, from 1982 to 1992 and from 1993 to 2002, including board president in 1991, 1995 and 2000. During his tenure on the District Board, the health system achieved significant growth including the opening of clinics in Newark and Warm Springs, the opening of the Washington Outpatient Surgery Center, and the opening of an onsite child care center.

Dr. Sah then served on the Washington Township Hospital Development Corporation (DEVCO) Board for 14 years. As a member of both boards, Dr. Sah provided oversight to important programs to serve the health needs of our community.

His wife, Eva, served on the Washington Health Service League for more than 50 years, volunteering in several roles and attending many fundraisers with her husband, including co-chairing the Top Hat Gala. Eva passed away last September.

They are survived by three children: Stephanie, Catherine and Alexander, who is the co-medical director of the Institute for Joint Restoration and Research (IJRR) at Washington Health.

In keeping with the Sah's example of dedication to our health system, in lieu of flowers, donations can be made to the Dr. Benn & Eva Sah Memorial Fund for Staff & Volunteer Excellence through the Washington Health Foundation.

Director Nicholson added it was an honor and pleasure to serve with him during the earlier years of the Board. He was a true gentleman and a wonderful board member, always focused on the mission of the board. Director Wallace added that Dr. Benn Sah was a gentle and kind man who was very smart. He recalled the period of time that Dr. Sah displayed tenacity through the tumultuous shift to the Managed Care Model. He will be truly missed.

COMMUNICATIONS: ORAL

There were no Oral Communications.

COMMUNICATIONS: WRITTEN

There were no Written Communications.

CONSENT CALENDAR

Director Nicholson presented the Consent Calendar for consideration:

A. Consideration of the Minutes of the Regular Meetings of the District Board: May 13, 18, 26 & 27, 2026

Director Eapen moved that the Board of Directors approve the Consent Calendar, Item A. Director Yee seconded the motion.

Roll call was taken:

William Nicholson, MD – aye
Jeannie Yee – aye
Bernard Stewart, DDS – aye
Jacob Eapen, MD – aye
Michael Wallace – aye

Motion Approved.

PRESENTATION: BUDGET ESTIMATE FY 2026-2027

Kimberly Hartz, Chief Executive Officer, introduced Ajay Sial, Senior Vice President & Chief Financial Officer, and Jessica Haviland, Senior Director of FP&A, who presented the Consolidated Budget Estimate for Fiscal Year 2026-2027 for the Health Care District.

The FY 2026-2027 budget provides for: (in thousands)

- Total Net Operating Revenue of $750,076
- Total Operating Expenses of $746,977
- Funding of Capital Spending Requests of $98,118
- General Obligation Bond Property Tax Revenue of $25,002
- Net Income Targets:
    - Hospital Earnings Before Interest, Depreciation & Amortization (EBIDA) of $61,457
    - Hospital Operating Income of $3,099
    - Hospital Total Net Income of $27,586
    - Consolidated Net Income (Loss) of ($7,643)

Funding of $28,419 in Support of Affiliate Operations

Director Nicholson asked if there were any comments from the members of the board. There were none.

ACTION: CONSIDERATION OF RESOLUTION NO. #1284: FY 2027 CONSOLIDATED BUDGET ESTIMATE

Director Eapen moved for adoption of Resolution No. 1284, which is the Budget Estimate for Fiscal Year 2026-2027. This resolution provides the necessary funds required for the operation of the District and for the continued support of the Washington Township Hospital Development Corporation in its operations to promote the charitable and community service mission of the District. Director Stewart seconded the motion.

Director Nicholson asked if there were any comments from the members of the public. There were none.

Roll call was taken:

William Nicholson, MD – aye
Jeannie Yee – aye
Bernard Stewart, DDS – aye
Jacob Eapen, MD – aye
Michael Wallace – aye

Motion approved.

PRESENTATION: INFORMATIONAL: MODERNIZATION OF PENSION PLAN FOR FUTURE EMPLOYEES (NOT APPLICABLE TO CURRENT EMPLOYEES)

Kimberly Hartz, Chief Executive Officer, provided background on the presentation, highlighting a modernized retirement structure centered on an enhanced 403(b) plan that could provide several advantages, including greater employee ownership and control over retirement savings, portability across employers, transparency and flexibility in investment decisions, opportunities for long-term asset growth and more predictable retirement benefit costs and reduced exposure to market-driven pension funding volatility for Washington Health. Kimberly Hartz introduced Tina Nunez, Senior Vice President & Chief Administrative Officer, and Ajay Sial, Senior Vice President & Chief Financial Officer, who presented the Modernization of the Pension Plan for Future Employees, with no changes for the current employees.

Director Nicholson thanked Kimberly Hartz, Chief Executive Officer, for the work on this presentation and commented on the challenges and important factors in the success of this health care system. Director Nicholson asked if there were any additional comments or questions from the board. Director Eapen inquired if other hospitals still offered pension plans. Ajay Sial, Senior Vice President & Chief Financial Officer, and Tina Nunez, Senior Vice President & Chief Administrative Officer, responded that many do not but Kaiser Permanente and Sutter Health still offer an institutional defined-benefit pension and again highlighted the importance of transparency and portability defined contribution plans.

MEDICAL STAFF REPORT

Dr. Aaron Barry, Chief of Medical Staff, joined the meeting and reported that there are 3 new applicants for Medical Staff. There are now a total of 701 Medical Staff members, including 386 active members. Dr. Barry highlighted that the Medical Staff hosted a Luau Picnic at Lake Elizabeth on June 7, 2026 and is expecting more networking and social events for the physicians in the future.

SERVICE LEAGUE REPORT

Jill Ziman, Service League President, reported that a new volunteer orientation was held on May 16, 2026. 13 adults, 11 college students and nine juniors attended for a total of 33 attendees. During the month of May, the Service League Volunteers contributed 2,350 hours of service to the hospital. At this time, there are 219 active adult volunteers and 198 college volunteers, 152 junior volunteers, and 21 spiritual care volunteers.

An information session for Junior Volunteers was held on Monday, June 1, 2026. 75 teens attended and 50 chose to take applications.

There were no vigil requests for the NODA group in May.

Our Mended Heart group met with 46 patients and 13 caregivers in May.

The Woof Volunteers have been visiting patients since 2019 and began with one team of one human and one furry volunteer. We have grown to 13 Woof Teams! In 2025, these 13 Woof teams visited over 1000 patients.

The Service League Crochet Group has been working on red, white, and blue baby hats for 4th of July. They hope to deliver these hats the week leading up to the holiday.

QUALITY REPORT: QUALITY DASHBOARD Q/E MARCH 2026

Kimberly Hartz, Chief Executive Officer, introduced Mary Bowron, Assistant Vice President & Chief Quality Officer, who presented the Quality Dashboard for Quarter Ending March 31, 2026, comparing WH statistics to State and National Benchmarks. There was one Hospital Acquired MRSA in the past quarter, which was higher than the 0.715 predicted number of infections. There were zero Catheter Associated Urinary Tract Infections (CAUTI), which was lower than the 1.412 predicted number of infections and zero Central Line Associated Bloodstream Infections (CLABSI), which was lower than the 1.863 predicted number of infections.

There was one Surgical Site Infection (SSI) following Colon Surgery, which was higher than the 0.118 predicted number of infections. We had zero SSI's following Abdominal Surgery, which was lower the number of predicted number of infections (0.07) and two hospital-wide Clostridium Difficile (C.diff.) infections, which was lower than the 10.757 predicted number of infections. Hand Hygiene was at 99.5%.

The Moderate Fall with Injury rate for the quarter was at zero. The national benchmark rate was not available. Hospital acquired Pressure Ulcer rate was at 1.45 for the quarter. The national benchmark was not available for Quarter Ending March 2026 and higher than the most recent national rate of 1.28%.

The 30-day readmission rate for AMI discharges was higher than the CMS national benchmark (21.9% versus 14.9%). The 30-day Medicare pneumonia readmissions rate was higher than the CMS national benchmark (21.1% versus 15.1%). 30-day Medicare Heart Failure readmissions was lower (16.3% versus 19.1%) than the CMS benchmark. 30-Day Medicare Chronic Obstructive Pulmonary Disease (COPD) readmission rate was higher than the CMS benchmark (37.1% versus 18.7%). The 30-day Medicare CABG readmission rate was higher than the CMS national benchmark (40% versus 9.9%). 30-day Medicare Total Hip Arthroplasty (THA) and/or Total Knee Arthroplasty (TKA) was higher than the CMS national benchmark (6.7% versus 5.3%).

FINANCE REPORT

Ajay Sial, Senior Vice President & Chief Financial Officer, presented the Finance Report for April 2026. The average daily inpatient census was 178.5 with discharges of 1,116 resulting in 5,356 patient days. Outpatient observation equivalent days were 156. The average length of stay was 5.20 days. The case mix index was 1.616. Deliveries were 120. Surgical cases were 559. The Outpatient visits were 10,779. Cath Lab cases were 195. Emergency visits were 5,191. Joint Replacement cases were 206. Neurosurgical cases were 20. Cardiac Surgical cases were 114. Total FTEs were 1,758.8. FTEs per adjusted occupied bed was 5.81. Overall, the net income for April was $576,000.

HOSPITAL OPERATIONS REPORT

Kimberly Hartz, Chief Executive Officer, presented the Hospital Operations Report for May 2026. Patient gross revenue of $242.1 million for May was favorable to the budget of $238.5 million by $3.6 million (1.5%), and favorable compared to May 2025 by $8.8 million (3.8%).

Trauma Cases of 183 for May was favorable to the budget of 156 by 27 (17.3%) and favorable to May 2025 by 32 (21.2%). Trauma gross revenue of $22.4 million for May was favorable to the budget of $18.0 million by $4.4 million (24.7%).

Urgent Care Visits of 732 were unfavorable to budget by 318 (30.3%). YTD visits of 3,411 were unfavorable to budget by 2,989 (46.7%).

The Average Length of Stay was 4.92. The Average Daily Inpatient Census was 192.5 and was favorable to budget of 186.3 by 6.1 (3.3%). There were 1,137

Discharges that was favorable with budget of 1,107 by 30 (2.7%). There were 5,966 patient days which was favorable to budget of 5,776 by 190 days (7.2%). There were 556 Surgical Cases and 177 Cath Lab cases at the Hospital. Deliveries were 124. Non-Emergency Outpatient visits were 9,794. Emergency Room visits were 5,317. Total Government Sponsored Preliminary Payor Mix was 75.3%, against the budget of 73.5%. Total FTEs per Adjusted Occupied Bed were 5.01.
For May, the Days Cash On Hand was 112 days. There was $164k in charity care adjustments in May 2026.

EMPLOYEE OF THE MONTH

June Employee of the Month is Glenda Bautista, Staff Nurse III, Institute for Joint Restoration and Research (IJRR).

HOSPITAL CALENDAR

Kimberly Hartz, Chief Executive Officer, stated that Washington Health launched their Health and Wellness Series for 2026. Complimentary online health seminars and events for the community can be found on the website:
HW_JanJune2026_Catalog_WEB-Final.pdf

Past Health Promotions & Community Outreach Events:

- May 9: Newark Asian Heritage Festival – NewPark Mall, Newark
- May 11 – 15: Health System Week – Activities throughout the week for staff around campus
- May 13: Stop the Bleed & Choking First Aid – James Logan High School, Union City
- May 14: Bike to Wherever Day Energizer Station – Civic Center & Washington West Driveway
- May 14: Stop the Bleed & Choking First Aid – Mission Valley ROP, Fremont
- May 14: Social Connectivity and Wellness – Acacia Creek Senior Living Community
- May 15: Diabetes Nutrition (Mandarin Language) – Cottonwood Place, Fremont
- May 16: Sun: Beauty or Beast? – YouTube
- May 19: EMS Week Trauma Education Event – Anderson Auditorium, Washington West
- May 21: AFib Presentation – Fremont Age Well Center
- May 21: Celebration of Life – Anderson Auditorium, Washington West
- May 26: Recognition of Heart Smart Walking Program – Union City Council Meeting
- May 28: Stop the Bleed & Choking First Aid – Medical Explorers Club
- June 3: Washington Health Walk: Stop the Bleed – Mayhews Landing Park, Newark
- June 5: Newark Promotoras Family Picnic - Newark
- June 6: Cementless Knee Replacement – YouTube

Upcoming Health Promotions & Community Outreach Events:

- June 13: Fremont Pride Fair – Fremont Main Library
- June 16: BP Checks and Stroke Education – Western Allied Mechanical, Union City
- June 24: Fremont Summer Concert Series: Highlighting Trauma Services - Fremont Central Park
- July 2: Fremont Summer Concert Series: Highlighting Opioid Safety in partnership with NCAPDA and Haller's Pharmacy – Fremont Central Park
- July 4: Fremont 4th of July Parade – Fremont
- July 16: Washington Health Podcast: Advanced Approaches to Partial versus Total Knee Replacement – YouTube
- July 30: Washington Health Podcast: Caring for the Caregiver - YouTube

Save the Date: Join us on Saturday, October 10, 2026 for the 40th Anniversary Top Hat Gala, an evening of old Hollywood Glamour, timeless elegance, and community impact. The event will raise funds for a state-of-the-art neurosurgical robotic system, expanding Washington Health's ability to provide advanced spinal and cranial procedures.

The Foundation is accepting applications for the Dr. Albert V. Assali Scholarship, which is awarded annually to a high school senior or college student pursuing higher education in the field of medicine. Applications can be found on the Washington Health website and are due by July 31, 2026.

ANNOUNCEMENTS

There were no Announcements.

ADJOURNMENT

There being no further business, Director Nicholson adjourned the meeting at 7:58 p.m.

_____	_____
William Nicholson, MD	Michael Wallace
President	Secretary

CALL TO ORDER

A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, June 15, 2026 in the Board Room at 2000 Mowry Avenue, Fremont and Zoom access was provided. Director Nicholson called the meeting to order at 6:00 p.m. and led those present in the Pledge of Allegiance.

ROLL CALL

Roll call was taken: Directors present: William Nicholson, MD; Jeannie Yee; Bernard Stewart, DDS; Jacob Eapen, MD; Michael Wallace

Staff Present: Kimberly Hartz, Chief Executive Officer; Larry LaBossiere, Senior Vice President & Chief Operating Officer; Ajay Sial, Senior Vice President & Chief Financial Officer; Tina Nunez, Senior Vice President & Chief Administrative Officer; Terri Hunter, Vice President & Chief Nursing Officer; Jordan Melick, Senior Director of Treasury; Paul Kozachenko, Legal Counsel; Cheryl Renaud, Executive Assistant to the CEO & District Clerk; Shirley Ehrlich, Executive Assistant II

OPENING REMARKS

Director Nicholson welcomed any members of the general public to the meeting.

Director Nicholson noted that Public Notice for this meeting, including Zoom information, was posted appropriately on our website. This meeting is being conducted in the Board Room and by Zoom.

COMMUNICATIONS: ORAL

There were no Oral Communications.

COMMUNICATIONS: WRITTEN

There were no Written Communications.

CONSENT CALENDAR

Director Nicholson presented the Consent Calendar for consideration:

A. Consideration of 2026 Washington Health Corporate Compliance Plan

Director Eapen moved that the Board of Directors approve the Consent Calendar Item A. Director Yee seconded the motion.

Roll call was taken:

William Nicholson, MD – aye
Jeannie Yee – aye
Bernard Stewart, DDS – aye
Jacob Eapen, MD – aye
Michael Wallace – aye

Motion Approved.

ACTION ITEM

There were no Action Items.

ANNOUNCEMENTS

There were no Announcements.

ADJOURN TO CLOSED SESSION

Director Nicholson adjourned the meeting to closed session at 6:03 p.m., as the discussion pertained to reports regarding Conference Involving Trade Secrets pursuant to Health & Safety Code Section 32106 - Strategic Planning and Conference with Labor Negotiators pursuant to Government Code Section 54957.6; Agency designated representative(s): Kimberly Hartz, Chief Executive Officer.

Director Nicholson stated that the public has a right to know what, if any, reportable action takes place during closed session. Since this meeting was being conducted in the Board Room and via Zoom, there is no way of knowing when the closed session will end. The public was informed they could contact the District Clerk for the Board's report beginning June 16, 2026. The minutes of this meeting will reflect any reportable actions.

RECONVENE TO OPEN SESSION & REPORT ON CLOSED SESSION

Director Nicholson reconvened the meeting to open session at 9:28 p.m. The District Clerk stated that there were no reportable actions during closed session.

ADJOURNMENT

There being no further business, Director Nicholson adjourned the meeting at 9:28 p.m.

_____ _____

William Nicholson, MD
President

Michael Wallace
Secretary

CALL TO ORDER

A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, June 22, 2026 in the Board Room at 2000 Mowry Avenue, Fremont and Zoom access was provided. Director Nicholson called the meeting to order at 7:30 a.m. and led those in attendance of the meeting in the Pledge of Allegiance.

ROLL CALL

Roll call was taken. Directors present: William Nicholson, MD; Jeannie Yee; Bernard Stewart, DDS; Jacob Eapen, MD

Absent: Michael Wallace

Also present: Kimberly Hartz, Chief Executive Officer; Terri Hunter, Vice President & Chief Nursing Officer; Aaron Barry, MD; John Romano, MD; Ranjana Sharma, MD; Rohit Arora, MD; Jeanie Ahn, MD; Mark Saleh, MD; Brian Smith, MD

COMMUNICATIONS: ORAL

There were no Oral communications.

COMMUNICATIONS: WRITTEN

There were no Written communications.

ADJOURN TO CLOSED SESSION

Director Nicholson adjourned the meeting to closed session at 7:32 a.m. as the discussion pertained to Medical Audit and Quality Assurance Matters pursuant to Health & Safety Code Section 32155.

RECONVENE TO OPEN SESSION & REPORT ON CLOSED SESSION

Director Nicholson reconvened the meeting to open session at 8:39 a.m. and reported no reportable action was taken in closed session.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:39 a.m.

William Nicholson, MD
President

Michael Wallace
Secretary

CALL TO ORDER

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, June 24, 2026 in the Board Room at 2000 Mowry Avenue, Fremont and Zoom access was provided. Director Nicholson called the meeting to order at 6:00 p.m. and led those present in the Pledge of Allegiance.

ROLL CALL

Roll call was taken: Directors present: William Nicholson, MD; Jeannie Yee; Bernard Stewart, DDS; Jacob Eapen, MD; Michael Wallace

Also present: Kimberly Hartz, Chief Executive Officer; Tina Nunez, Senior Vice President & Chief Administrative Officer; Terri Hunter, Vice President & Chief Nursing Officer; Ajay Sial, Senior Vice President & Chief Financial Officer; Harjit Randhawa, Vice President & Chief People Officer; Paul Kozachenko, Legal Counsel; Cheryl Renaud, Executive Assistant to the CEO & District Clerk; Shirley Ehrlich, Executive Assistant II

OPENING REMARKS

Director Nicholson welcomed any members of the general public to the meeting.

Director Nicholson noted that Public Notice for this meeting, including Zoom information, was posted appropriately on our website. This meeting is being conducted in the Board Room and by Zoom.

COMMUNICATIONS: ORAL

The following people commented:
Jessica Ulloa, Emmanuel Rivera, Sabrina Rodriguez.

COMMUNICATIONS: WRITTEN

There were no Written Communications.

CONSENT CALENDAR

Dr. Nicholson presented the Consent Calendar for consideration:

A. Consideration of Upgrade to Encoder / Cloud Services

B. Consideration of Purchase Order Addendum: Request for Washington Radiologists Medical Group (WRMG)

Director Eapen moved that the Board of Directors approve the Consent Calendar Items A & B. Director Yee seconded the motion.

Roll call was taken:

William Nicholson, MD – aye
Jeannie Yee – aye
Bernard Stewart, DDS – aye
Jacob Eapen, MD – aye
Michael Wallace – aye

Motion Approved.

ACTION ITEMS: RESOLUTION NO. 1285, 1286 AND 1287: COREBRIDGE DOCUMENTS

Kimberly Hartz, Chief Executive Officer, introduced Paul Kozachenko, Legal Counsel, who provided an overview and recommendations for Action Items A, B & C for Resolution No. 1285, 1286 and 1287.

The District provides several retirement-related benefits to its employees, including the 403(b) Employer Matching Contributions Plan, the 403(b) Tax Deferred Compensation Plan, and the 457(b) Deferred Compensation Plan. The current plan documents were adopted in 2022 as restatements of the prior plan documents (the "Restatements") to permit Corebridge Financial, the District's retirement plan service provider, to perform the administrative services required for the administration of the District's benefit plans.

Action Item A: Resolution No. 1285 would ratify three amendments executed by the Chief Executive Officer at Corebridge Financial's request near the end of 2025. Corebridge required these amendments to support the efficient administration of the District's retirement plans. Resolution No. 1285 also confirms the 2022 adoption of the Restatements.

Director Nicholson inquired if the Board of Directors or any members of the public had comments or questions. Hearing none, Director Eapen moved to approve Resolution No. 1285: Resolution of the Board of Directors of Washington Township Health Care District Ratifying Chief Executive Officer's Execution of Amendments to the Washington Township Health Care District Tax Deferred Savings Program, the Washington Township Health Care District Employer Matching Contributions Plan and the Washington Hospital Deferred Compensation Plan, and Confirming the Restatements of the Plans Executed in 2022. Director Stewart seconded the motion.

Roll call was taken:

William Nicholson - aye
Jeannie Yee – aye
Bernard Stewart – aye
Jacob Eapen – aye
Michael Wallace – aye

Motion Approved.

Action Item B: Resolution No. 1286 would approve an amendment to the 403(b) Employer Matching Contributions Plan to clarify that hours of service performed as a non-benefitted employee are not counted for purposes of eligibility, vesting, or allocation of employer matching contributions. The amendment would also confirm that employer matching contributions are provided only in accordance with applicable collective bargaining agreements and employment contracts that expressly address the 403(b) Employer Matching Contributions Plan.

Director Nicholson inquired if the Board of Directors or any members of the public had comments or questions. Hearing none, Director Eapen moved to approve Resolution No. 1286: Resolution of the Board of Directors of Washington Township Health Care District Approving an Amendment to the Washington Township Health Care District Employer Matching Contributions Plan. Director Yee seconded the motion.

Roll call was taken:

William Nicholson - aye
Jeannie Yee – aye
Bernard Stewart – aye
Jacob Eapen – aye
Michael Wallace – aye

Motion Approved.

Action Item C: Resolution No. 1287 would delegate authority to the Chief Executive Officer to execute technical, administrative, or legally required amendments to the plans and to authorize designated staff members to execute such amendments and provide routine administrative approvals necessary for day-to-day plan administration.

Director Nicholson inquired if the Board of Directors or any members of the public had comments or questions. Hearing none, Director Eapen moved to approve Resolution No. 1287: Resolution of the Board of Directors of Washington Township Health Care District to Grant Authority to the Chief Executive Officer to Execute Technical, Administrative Amendments to Pension Plans and to Authorize Designated Staff Members to Execute Such Amendments and to Provide Routine Administrative Approvals Necessary for Day-to-Day Plan Administration. Director Wallace seconded the motion.

Roll call was taken:

William Nicholson - aye
Jeannie Yee – aye
Bernard Stewart – aye
Jacob Eapen – aye
Michael Wallace – aye

Motion Approved.

ACTION ITEM: ADOPTION OF ADMINISTRATIVE POLICY FOR MEASURE B PARCEL TAX

Paul Kozachenko, Legal Counsel, provided an overview on the Adoption of Administrative Policy for Measure B Parcel Tax. He made the recommendation that the Board approve the Administrative Policy governing administration of the Measure B parcel tax and authorizing the District's retained Administrator (SCI Consulting Group) to carry out day-to-day administration activities on the District's

behalf. Adoption will formalize procedures for levy calculation, exemptions, appeals, tax roll submission, and fiscal accountability, aligning District practice with the Measure B ordinance and state law, and leveraging SCI's technical capacity and established processes.

Director Eapen moved that the Board find that: (1) the Administrative Policy implements the voter-approved Measure B parcel tax by establishing clear procedures for levy administration, appeals, and fiscal oversight; and (2) the Policy's separate-fund, audit, and annual reporting provisions satisfy applicable Government Code section 50075 requirements; and further move that the Board adopt the Policy and authorize SCI Consulting Group to administer the annual levy and coordinate with Alameda County consistent with the Policy.

Director Eapen further moved to authorize the Chief Executive Officer, in consultation with Legal Counsel, to make non-substantive edits to the Policy necessary for formatting, clarity, or to conform to County submission requirements, provided no material changes are made to the Policy's substance. Director Wallace seconded the motion.

Roll call was taken:

William Nicholson - aye
Jeannie Yee – aye
Bernard Stewart – aye
Jacob Eapen – aye
Michael Wallace – aye

Motion Approved.

ANNOUNCEMENTS

There were no Announcements.

ADJOURN TO CLOSED SESSION

Director Nicholson adjourned the meeting to closed session at 6:30 p.m., as the discussion pertained to reports regarding Medical Audit & Quality Assurance Matters pursuant to Health & Safety Code Section 32155, Conference Involving Trade Secrets pursuant to Health & Safety Code Section 32106 - Strategic Planning, and Conference with Labor Negotiators Pursuant to Government Code Section 54957.6; Agency designated representative(s): Kimberly Hartz, Chief Executive Officer.

Director Nicholson stated that the public has a right to know what, if any, reportable action takes place during closed session. Since this meeting was being conducted in the Board Room and via Zoom, there is no way of knowing when the closed session will end. The public was informed they could contact the District Clerk for the Board's report beginning June 25, 2026. The minutes of this meeting will reflect any reportable actions.

RECONVENE TO OPEN SESSION & REPORT ON CLOSED SESSION

Director Nicholson reconvened the meeting to open session at 8:51 p.m. During closed session, the District Clerk reported that the Board of Directors approved the closed session minutes of May 13, 18 & 27, 2026 and the Medical Staff Credentials Committee Report by unanimous vote of all directors present.

ADJOURNMENT

There being no further business, Director Nicholson adjourned the meeting at 8:51 p.m.

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William Nicholson, MD
President

Michael Wallace
Secretary

WASHINGTON HEALTH
INDEX TO BOARD FINANCIAL STATEMENTS
May 2026

Washington Health

MEMORANDUM

Date: June 30, 2026

To: Board of Directors

From: Kimberly Hartz, Chief Executive Officer

Subject: Washington Health (Hospital) – May 2026 Operating & Financial Activity

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SUMMARY OF OPERATIONS

1. **Utilization – Schedule Board 3**

	May Actual	May Budget	Current 12 Month Avg.
ACUTE INPATIENT:			
IP Average Daily Census	192.5	186.3	181.8
Combined Average Daily Census	197.8	196.0	188.0
No. of Discharges	1,137	1,107	1,121
Patient Days	5,966	5,776	5,526
Discharge ALOS	4.92	5.22	4.97
OUTPATIENT:			
OP Visits	9,794	9,090	9,534
ER Visits	5,317	5,286	5,184
Observation Equivalent Days – OP	165	300	189

Comparison of May's actual Acute Inpatient Daily Statistics versus the budget showed a higher level of IP Average Daily Census which translates into higher Patient Days. Discharges were higher than budget, and the Average Length of Stay (ALOS), based on discharged days, out-performed the Budget. Outpatient visits were favorable to budget, and Emergency Room visits were favorable to budget for the month. Outpatients Observation Equivalent days were favorable to budget.

2. **Staffing – Schedule Board 3**

Total FTEs were below budget by 5.4. Total productive FTEs for May came in at 1,559.1, below the budgeted level of 1,567.3. Non-Productive FTEs were above budget by 2.8. Total FTEs per Adjusted Occupied Bed were 5.71, or 0.22 better than the budgeted level of 5.93.

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3. **Income - Schedule Board 1**

Total Gross Patient Revenue of $242,192,000 for May was $3,646,000 above the budget, or 1.5%.

Deductions from Revenue totaled $185,601,000 which equates to a 76.63% blended contractual rate. This was unfavorable to the budgeted rate of 76.48%.

Total Net Operating Revenue of $58,501,000 was $1,087,000 or 1.9% above the Budget.

The operating expenses for the month were $57,856,000, which was in line with budget by $25,000 favorable (0.0%).

For the month of May, the Hospital reported a Net Operating Gain of $645,000 from Operations, a 1.1% Margin.

The Total Non-Operating Income of $259,000 for the month includes an unrealized loss on investments of ($451,000) and was unfavorable to the budget by ($903,000).

The Net Income for May was $904,000, which equates to a 1.6% Margin, and was $209,000 above the Budgeted Net Income of $695,000.

The Total Net Gain for May using FASB accounting principles, in which the unrealized gain/loss on investments, net interest expense on GO bonds and property tax revenues are removed from the non-operating income and expense, was $672,000 (a 1.2% Margin) compared to Budgeted Income of ($269,000) for a favorable variance of $941,000.

4. **Balance Sheet – Schedule Board 2**

There were no noteworthy changes in assets and liabilities when compared to April 2026.

KIMBERLY HARTZ
Chief Executive Officer

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SCHEDULE BOARD 1

Washington Health

WASHINGTON HEALTH
STATEMENT OF REVENUES AND EXPENSES
May 2026
GASB FORMAT
(In thousands)

May							FISCAL YEAR TO DATE				
PRIOR YEAR	ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.			PRIOR YEAR	ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.
						OPERATING REVENUE					
$ 141,775	$ 149,770	$ 147,950	$ 1,820	1.2%	1	INPATIENT REVENUE	$ 1,472,144	$ 1,586,836	$ 1,618,670	$ (31,834)	-2.0%
91,553	92,422	90,596	1,826	2.0%	2	OUTPATIENT REVENUE	1,003,035	1,020,637	990,317	30,320	3.1%
233,328	**242,192**	**238,546**	**3,646**	1.5%	3	**TOTAL PATIENT REVENUE**	**2,475,179**	**2,607,473**	**2,608,987**	**(1,514)**	-0.1%
(176,945)	(182,130)	(177,781)	(4,349)	-2.4%	4	CONTRACTUAL ALLOWANCES	(1,869,335)	(1,945,591)	(1,944,126)	(1,465)	-0.1%
(2,737)	(3,471)	(4,653)	1,182	25.4%	5	PROVISION FOR DOUBTFUL ACCOUNTS	(45,150)	(45,263)	(51,180)	5,917	11.6%
(179,682)	**(185,601)**	**(182,434)**	**(3,167)**	-1.7%	6	**DEDUCTIONS FROM REVENUE**	**(1,914,485)**	**(1,990,854)**	**(1,995,306)**	**4,452**	0.2%
77.01%	**76.63%**	**76.48%**			7	**DEDUCTIONS AS % OF REVENUE**	**77.35%**	**76.35%**	**76.48%**		
53,646	**56,591**	**56,112**	**479**	0.9%	8	**NET PATIENT REVENUE**	**560,694**	**616,619**	**613,681**	**2,938**	0.5%
1,127	1,910	1,302	608	46.7%	9	OTHER OPERATING INCOME	16,421	17,672	14,150	3,522	24.9%
54,773	**58,501**	**57,414**	**1,087**	1.9%	10	**TOTAL OPERATING REVENUE**	**577,115**	**634,291**	**627,831**	**6,460**	1.0%
						OPERATING EXPENSES					
25,467	28,427	27,223	(1,204)	-4.4%	11	SALARIES & WAGES	270,398	292,207	298,022	5,815	2.0%
9,993	7,279	9,429	2,150	22.8%	12	EMPLOYEE BENEFITS	92,793	99,954	101,348	1,394	1.4%
7,437	7,950	7,446	(504)	-6.8%	13	SUPPLIES	75,740	86,251	80,942	(5,309)	-6.6%
7,556	8,645	7,732	(913)	-11.8%	14	PURCHASED SERVICES & PROF SVCS	81,889	86,054	86,508	454	0.5%
1,717	1,772	2,238	466	20.8%	15	INSURANCE, UTILITIES & OTHER	20,807	23,230	24,844	1,614	6.5%
3,662	3,783	3,813	30	0.8%	16	DEPRECIATION	39,140	40,134	40,195	61	0.2%
55,832	**57,856**	**57,881**	**25**	0.0%	17	**TOTAL OPERATING EXPENSE**	**580,767**	**627,830**	**631,859**	**4,029**	0.6%
(1,059)	**645**	**(467)**	**1,112**	238.1%	18	**OPERATING INCOME (LOSS)**	**(3,652)**	**6,461**	**(4,028)**	**10,489**	260.4%
-1.93%	**1.10%**	**-0.81%**			19	**OPERATING INCOME MARGIN %**	**-0.63%**	**1.02%**	**-0.64%**		
						NON-OPERATING INCOME & (EXPENSE)					
678	606	472	134	28.4%	20	INVESTMENT INCOME	7,148	6,413	5,192	1,221	23.5%
(13)	(7)	-	(7)	0.0%	21	REALIZED GAIN/(LOSS) ON INVESTMENTS	(181)	166	-	166	0.0%
(1,775)	(1,987)	(1,654)	(333)	-20.1%	22	INTEREST EXPENSE	(18,612)	(20,869)	(18,096)	(2,773)	-15.3%
97	(6)	103	(109)	-105.8%	23	RENTAL INCOME, NET	1,351	448	1,044	(596)	-57.1%
-	-	-	-	0.0%	24	FOUNDATION DONATION	5,242	5,939	6,561	(622)	-9.5%
-	-	-	-	0.0%	25	BOND ISSUANCE COSTS	(1)	5	-	5	0.0%
-	-	-	-	0.0%	26	FEDERAL GRANT REVENUE	153	(1)	-	(1)	0.0%
2,194	2,032	2,032	-	0.0%	27	PROPERTY TAX REVENUE	23,313	22,514	22,514	-	0.0%
180	72	209	(137)		28	EQUITY INVESTMENT EARNINGS	2,401	818	2,302	(1,484)	-64.5%
-	-	-	-		29	GAIN (LOSS) ON DISPOSALS	(37)	679	-	679	0.0%
(821)	(451)	-	(451)	0.0%	30	UNREALIZED GAIN/(LOSS) ON INVESTMENTS	3,256	(1,099)	-	(1,099)	0.0%
540	**259**	**1,162**	**(903)**	-77.7%	31	**TOTAL NON-OPERATING INCOME & EXPENSE**	**24,033**	**15,013**	**19,517**	**(4,504)**	-23.1%
$ (519)	**$ 904**	**$ 695**	**$ 209**	30.1%	32	**NET INCOME (LOSS)**	**$ 20,381**	**$ 21,474**	**$ 15,489**	**$ 5,985**	38.6%
-0.95%	**1.55%**	**1.21%**			33	**NET INCOME MARGIN %**	**3.53%**	**3.39%**	**2.47%**		
$ (732)	**$ 672**	**$ (269)**	**$ 941**	349.8%	34	**NET INCOME (LOSS) USING FASB PRINCIPLES****	**$ 6,165**	**$ 14,418**	**$ 4,731**	**$ 9,687**	204.8%
-1.34%	**1.15%**	**-0.47%**				**NET INCOME MARGIN %**	**1.07%**	**2.27%**	**0.75%**		

**NET INCOME (FASB FORMAT) EXCLUDES PROPERTY TAX INCOME, NET INTEREST EXPENSE ON GO BONDS AND UNREALIZED GAIN(LOSS) ON INVESTMENTS

Washington Health

WASHINGTON HEALTH
BALANCE SHEET
May 2026
(In thousands)

	ASSETS AND DEFERRED OUTFLOWS	May 2026	Audited June 2025
	CURRENT ASSETS		
1	CASH & CASH EQUIVALENTS	$ 33,072	$ 30,849
2	ACCOUNTS REC NET OF ALLOWANCES	83,302	81,212
3	OTHER CURRENT ASSETS	29,830	32,562
4	TOTAL CURRENT ASSETS	146,204	144,623
	ASSETS LIMITED AS TO USE		
5	BOARD DESIGNATED FOR CAPITAL AND OTHER	170,556	181,650
6	GENERAL OBLIGATION BOND FUNDS	91,241	129,459
7	REVENUE BOND FUNDS	35,719	50,903
8	BOND DEBT SERVICE FUNDS	31,966	41,368
9	OTHER ASSETS LIMITED AS TO USE	10,125	9,902
10	**TOTAL ASSETS LIMITED AS TO USE**	339,607	413,282
11	**OTHER ASSETS**	416,431	383,105
12	**OTHER INVESTMENTS**	20,550	26,133
13	**NET PROPERTY, PLANT & EQUIPMENT**	597,535	565,182
14	**TOTAL ASSETS**	**$ 1,520,327**	**$ 1,532,325**
15	**DEFERRED OUTFLOWS**	11,446	18,475
16	**TOTAL ASSETS AND DEFERRED OUTFLOWS**	**$ 1,531,773**	**$ 1,550,800**

	LIABILITIES, NET POSITION AND DEFERRED INFLOWS	May 2026	Audited June 2025
	CURRENT LIABILITIES		
1	CURRENT MATURITIES OF L/T OBLIG	$ 10,365	$ 9,880
2	ACCOUNTS PAYABLE	29,765	39,261
3	OTHER ACCRUED LIABILITIES	62,030	86,340
4	INTEREST	11,044	13,801
5	TOTAL CURRENT LIABILITIES	113,204	149,282
	LONG-TERM DEBT OBLIGATIONS		
6	REVENUE BONDS AND OTHER	205,473	215,181
7	GENERAL OBLIGATION BONDS	464,067	466,177
	OTHER LIABILITIES		
8	SUPPLEMENTAL MEDICAL RETIREMENT	50,129	46,109
9	WORKERS' COMP AND OTHER	11,136	10,540
10	NET PENSION	57,677	50,459
11	ROU ASSET LONG-TERM	9,028	9,712
12	**NET POSITION**	593,195	571,767
13	**TOTAL LIABILITIES AND NET POSITION**	**$ 1,503,909**	**$ 1,519,227**
14	**DEFERRED INFLOWS**	27,864	31,573
15	**TOTAL LIABILITIES, NET POSITION AND DEFERRED INFLOWS**	**$ 1,531,773**	**$ 1,550,800**

SCHEDULE BOARD 3

Washington Health

WASHINGTON HEALTH
OPERATING INDICATORS
May 2026

12 MONTH AVERAGE	May ACTUAL	May BUDGET	May FAV (UNFAV) VAR	May % VAR.			FISCAL YEAR TO DATE ACTUAL	FISCAL YEAR TO DATE BUDGET	FISCAL YEAR TO DATE FAV (UNFAV) VAR	FISCAL YEAR TO DATE % VAR.
						PATIENTS IN HOSPITAL				
181.8	192.5	186.3	6.2	3%	**1**	ADULT & SCN AVERAGE DAILY CENSUS	182.1	188.5	(6.4)	-3%
6.2	5.3	9.7	(4.4)	-45%	**2**	OUTPT OBSERVATION AVERAGE DAILY CENSUS	6.2	9.8	(3.6)	-37%
188.0	197.8	196.0	1.8	1%	**3**	COMBINED AVERAGE DAILY CENSUS	188.3	198.3	(10.0)	-5%
8.3	8.0	8.5	(0.5)	-6%	**4**	NURSERY AVERAGE DAILY CENSUS	8.2	8.6	(0.4)	-5%
196.3	205.8	204.5	1.3	1%	**5**	TOTAL	196.5	206.9	(10.4)	-5%
3.2	2.1	3.9	(1.8)	-46%	**6**	SPECIAL CARE NURSERY AVERAGE DAILY CENSUS	3.1	3.9	(0.8)	-21%
5,526	5,966	5,776	190	3%	**7**	ADULT & SCN PATIENT DAYS	60,993	63,163	(2,170)	-3%
189	165	300	135	45%	**8**	OBSERVATION EQUIVALENT DAYS - OP	2,077	3,278	1,201	37%
1,121	1,137	1,107	30	3%	**9**	DISCHARGES-ADULTS & SCN	12,345	12,100	245	2%
4.97	4.92	5.22	0.3	6%	**10**	AVERAGE LENGTH OF STAY-ADULTS & SCN	4.96	5.22	0.3	5%
3.06	3.04	3.14	0.1	3%	**11**	AVERAGE LENGTH OF STAY-ADULTS & SCN / CASE MIX INDEX	3.04	3.29	0.3	8%
						OTHER KEY UTILIZATION STATISTICS				
1.622	1.617	1.660	(0.043)	-3%	**12**	OVERALL CASE MIX INDEX (CMI)	1.631	1.585	0.046	3%
						SURGICAL CASES				
45	46	36	10	28%	**13**	CARDIAC	506	413	93	23%
130	129	127	2	2%	**14**	GASTROENTEROLOGY	1,443	1,381	62	4%
58	57	59	(2)	-3%	**15**	GENERAL	643	613	30	5%
25	24	26	(2)	-8%	**16**	NEUROSURGERY	281	302	(21)	-7%
199	186	213	(27)	-13%	**17**	ORTHOPEDICS	2,199	2,304	(105)	-5%
28	34	28	6	21%	**18**	UROLOGY	296	297	(1)	0%
30	38	35	3	9%	**19**	VASCULAR	341	374	(33)	-9%
32	42	27	15	56%	**20**	OTHER	363	340	23	7%
548	556	551	5	1%	**21**	TOTAL CASES	6,072	6,024	48	1%
201	177	203	(26)	-13%	**22**	CATH LAB CASES	2,226	2,197	29	1%
132	124	139	(15)	-11%	**23**	DELIVERIES	1,434	1,520	(86)	-6%
9,534	9,794	9,090	704	8%	**24**	OUTPATIENT VISITS	105,325	99,797	5,528	6%
5,184	5,317	5,286	31	1%	**25**	EMERGENCY VISITS	57,130	57,800	(670)	-1%
						LABOR INDICATORS				
1,517.0	1,559.1	1,567.3	8.2	1%	**26**	PRODUCTIVE FTE'S	1,522.3	1,588.7	66.4	4%
211.8	219.1	216.3	(2.8)	-1%	**27**	NON PRODUCTIVE FTE'S	207.3	231.4	24.1	10%
1,728.8	1,778.2	1,783.6	5.4	0%	**28**	TOTAL FTE'S	1,729.6	1,820.1	90.5	5%
5.08	5.01	5.21	0.20	4%	**29**	PRODUCTIVE FTE/ADJ. OCCUPIED BED	5.08	5.23	0.15	3%
5.79	5.71	5.93	0.22	4%	**30**	TOTAL FTE/ADJ. OCCUPIED BED	5.78	5.99	0.21	4%

RESOLUTION NO. 125E PURCHASING POLICY

WHEREAS, California Government Code Section 54202 requires that the Washington Township Health Care District (the "District") adopt policies and procedures, including bidding regulations governing purchases of supplies and equipment by the District; and

WHEREAS, subject to certain exceptions, California Health and Safety Code Section 32132 requires that the District let any contract involving the expenditure of more than Twenty-Five Thousand Dollars ($25,000) for work to be done and Twenty-Five Thousand Dollars ($25,000) for materials and supplies to be furnished, sold, or leased to the District to the lowest responsible bidder who shall give the security the Board requires, or else reject all bids and

WHEREAS, Health and Safety Code Section 32132 includes a list of enumerated exceptions to the competitive bidding requirement, namely medical or surgical equipment or supplies or professional services, certain data processing and telecommunications goods and services, and

WHEREAS, bids need not be secured for change orders that do not materially change the scope of the work as set forth in a contract previously made if the contract was made after compliance with bidding requirements, and if each individual change order does not total more than 5 percent of the contract, and

WHEREAS, notwithstanding the bidding requirements of Health and Safety Code Section 32132, in certain circumstances, based on judicially recognized exceptions, competitive bidding is not required when such bidding would not serve the public interest or the underlying purposes of competitive bidding, and

WHEREAS, notwithstanding the competitive bidding requirements of Health and Safety Code Section 32132, pursuant to Health and Safety Code Section 32136, no bidding is required if the Board first determines that an emergency exists warranting the expenditure due to fire, flood, storm, epidemic, or other disaster and is necessary to protect the public health, safety, welfare, or property.

NOW THEREFORE, IT IS HEREBY RESOLVED by the Board of Directors of Washington Township Hospital District as follows:

SECTION 1. PURCHASES OF $25,000 OR LESS, AND WORK TO BE DONE OF $25,000 OR LESS

All purchases (single items) of supplies and materials involving an expenditure of Twenty-Five Thousand Dollars ($25,000) or less and work to be done involving an expenditure of Twenty-Five Thousand Dollars ($25,000) or less may be made by the Chief Executive Officer without following the competitive bidding requirement. Such purchases, however, shall be made with a view to the needs and advantages of the District under the circumstances prevailing at the time of purchase.

The Chief Executive Officer shall have the authority to approve policies for such purchases and to delegate purchasing responsibilities as the Chief Executive Officer deems appropriate. The policies for these purchases and the delegation of authority shall be documented in a written policy.

SECTION 2. PURCHASES OF MORE THAN $25,000 AND WORK TO BE DONE OF MORE THAN $25,000

A. Enumerated Exceptions.

Medical or surgical equipment or supplies, professional services, and electronic data processing and telecommunications goods and services are not required to be purchased by competitive bidding but the Chief Executive Officer shall approve a written policy, with the Board's consent, that provides for a procedure that will ensure that such purchases shall be made with a view to the needs and advantages of Washington Health under the circumstances prevailing at the time of purchase.

B. Certain Change Orders.

Competitive bids need not be secured for change orders that do not materially change the scope of the work as set forth in a contract previously made if the contract was made after compliance with bidding requirements or other approved process, and if each individual change order does not total more than 5 percent of the contract. The Chief Executive Officer shall approve a written policy, with the Board's consent, that provides for a procedure that will ensure that such change orders shall be made with a view to the needs and advantages of Washington Health under the circumstances prevailing at the time of the award of the change order.

C. Judicial Exception: When Purchase Would Not Serve The Public Interest Or Underlying Purposes of Competitive Bidding.

In certain circumstances, competitive bidding is not required when such bidding would not serve the public interest or the underlying purposes of competitive bidding. The Chief Executive Officer shall approve a written policy, with the Board's consent, that establishes the criteria for such purposes which include but are not limited to: when competitive bidding would be unavailing or would not produce an advantage and therefore would be undesirable, impractical or impossible. The written policy will, nevertheless, ensure that such purchases shall be made with a view to the needs and advantages of Washington Health under the circumstances prevailing at the time of the purchase. The written policy will also specify that the Chief Executive Officer will consult with Legal Counsel when applying this exception to the normal competitive bidding requirement.

D. Emergencies

No bidding is required if the Board first determines that an emergency exists warranting the expenditure due to fire, flood, storm, epidemic, or other disaster and is necessary to protect the public health, safety, welfare, or property. The Chief Executive Officer shall approve a

written policy, with the Board's consent, that provides for a procedure that will ensure that such purchases shall be made with a view to the needs and advantages of Washington Health under the circumstances prevailing at the time of the emergency.

Passed and adopted by the Board of Directors of WASHINGTON TOWNSHIP HEALTH CARE DISTRICT on the 8th day of July, 2026, by the following vote:

AYES:

NOES:

_____	_____
William F. Nicholson, MD	Michael J. Wallace
President, Board of Directors	Secretary, Board of Directors
Washington Township Health Care District	Washington Township Health Care District

PURCHASING POLICY AND DELEGATION OF SIGNATURE AND PURCHASING AUTHORITY

TABLE OF CONTENTS

PURCHASING POLICY AND DELEGATION OF SIGNATURE AND PURCHASING AUTHORITY

PURPOSE

The purpose of this Policy is to establish guidance on the Purchasing Policy of Washington Health and to delegate certain purchasing and signature authority to designated staff members of Washington Health. The goal of the Policy is to facilitate and streamline the operations of Washington Health.

This Policy flows from Board Resolution No. 125E "Purchasing Policy" and Resolution No. 1270, which includes the Signature and Spending Authority Board Policy No. A-018 ("Board Signature and Spending Authority Policy" or "Board S&SAP"). The Resolutions and the Board S&SAP are attached to this Policy as Appendix 1.

According to the Board Purchasing Policy Resolution No. 125E, as required by California Health & Safety Code Section 32132, certain purchases must be competitively bid before they are completed. However, there are exceptions.

According to the Board S&SAP, the Board has granted the Chief Executive Officer limited signature and spending authority with respect to certain types of transactions and ongoing operations. The Board S&SAP anticipates that the CEO will further delegate her limited signature authority, and that is reflected in this Policy. The Board authorizes the CEO to add or remove employee positions at her discretion, within approval levels below her authority, as deemed necessary in response to changes in needs or circumstances within Washington Health. The Board also authorizes the CEO to make non-substantive edits to the Policy necessary for formatting and clarity, provided no material changes are made to the Policy's substance.

While this Policy is designed to sufficiently address the majority of expenditures necessary for Washington Health's operations, it cannot encompass every potential purchase transaction and the circumstances under which they may arise. In such cases, the matter should be referred to your immediate supervisor, who will then escalate it through the appropriate chain of command for further guidance.

This Policy supersedes and replaces Numbered Memorandum 4-18J.

PART 1 DEFINITIONS

A. Fiscal Year Budget. Each year, the Chief Executive Officer prepares a proposed budget for the succeeding fiscal year and presents it to the Board of Directors for review, modification, and approval. The approved budget estimate represents the formal delegation of authority to the Chief Executive Officer to meet Washington Health's operational and financial obligations during the fiscal year, within the constraints of available funds and the established policies, practices and procedures of Washington Health.

B. Purchase Orders. A Purchase Order (PO) is a formal document issued by Washington Health authorizing the purchase of specified goods or services at agreed-upon prices, quantities, and terms consistent with the executed contracts. It outlines the details of the transaction, including product descriptions, delivery schedules, payment terms, and any other conditions. A PO is our critical control mechanism to ensure purchases are approved, budgeted, and aligned with organizational policies, facilitating accurate tracking, inventory management, and financial accountability. Purchase orders are issued by the Purchasing department from the ERP system and communicated to the supplier. The purchase order expense is approved during the requisition process. Invoices issued against approved purchase orders are matched by the Accounting department in the ERP system for payment using approved two way and three-way match processes.

C. Change Orders or Amendments to Purchase Orders

All change orders must be documented in writing and approved by the appropriate authority prior to the commencement of any work or expenditure outside the original contract or PO scope. Change orders shall be reviewed for budget impact, necessity, and compliance with organizational policies before approval. Key requirements for approval include:

- Change orders must be submitted with justification and supporting documentation.
- Approval thresholds must align with the authority granted in this Policy. Change orders must be approved at the value of the request in addition to the original order and all previous change orders.
- No verbal change orders shall be accepted or considered valid.
- Any change affecting the project timeline or budget must be re-evaluated for feasibility and impact.

D. Standing Purchase Orders. A properly approved and executed "standing purchase order" ("SPO") will be used to facilitate the acquisition and payment of recurring expense items. SPOs should contain the signatures of the positions authorized to approve invoices under this form of signature authority. SPOs will be written for a time period not to exceed one year in duration (subject to exceptions approved by the CEO or CFO), and such time period will be concurrent with the fiscal year. The amount of SPOs, individually or in aggregate, shall not exceed the approved fiscal budget for the expense item(s) being

purchased and will be approved in accordance with the provisions of this Policy. SPOs exceeding the approved fiscal budget for the expense item(s) being purchased, individually or in aggregate, must be approved by the Chief Executive Officer or designee, in accordance with their respective levels of purchasing authority. Once the SPO is properly approved, the actual payment of invoices pursuant to the SPO can be delegated to a person authorized within a department to approve payments. By way of example, if an SPO has been approved by the CEO or CFO or other Senior Vice President, the payment pursuant to that SPO can be delegated to another person in the discretion of the CEO, CFO or other Senior Vice President.

E. Purchasing Officer. The Supply Chain or department owner who has been assigned to procure the particular item or service.

F. Operations and Capital Investment Committee (OCIC). The OCIC is a standing committee of Washington Health that approves capital investments/purchases, whether budgeted or unbudgeted. Please refer to the OCIC Charter for additional details. Prior to exercising delegated authority to approve capital investments/purchases, OCIC approval must be confirmed.

PART 2 PROCUREMENT AND SIGNATURE AUTHORITY

Whether an item or service is budgeted or not, it is nevertheless important that Washington Health obtain the best value. The following table describes the approved procurement process for the different categories of expenditures with the goal of securing the best pricing and value that meets the needs of Washington Health. In some instances, the item or service can be purchased without competitive bidding. In other instances, a more robust process is required up to and including competitive bidding. If the expenditure is not listed or you are unsure, please contact your immediate supervisor for guidance before proceeding with the purchase. Please note that if there is an SPO, no further procurement processing is required.

Inventory and par locations are assigned established minimum and maximum (min/max) levels that drive replenishment quantities. Given the high transaction volume and the need for timely availability of critical supplies to support patient care, replenishment requests generated within these predefined thresholds are system-driven and automatically approved, and therefore are not subject to the standard Signature Authority Matrix.

To ensure appropriate oversight, a monthly review of inventory supply usage, including volume trends and variances from expected levels, is performed by the Director of Supply Chain and CFO or their designee. Any significant variances or exceptions identified through this review are investigated and addressed in accordance with established internal control procedures.

1. PURCHASES OF $25,000 OR LESS, AND WORK TO BE DONE OF $25,000 OR LESS.

(a) Micro Purchases (Up to $10,000).

These purchases may be made without competitive bidding or obtaining multiple price quotes provided the price is reasonable based on market research or prior purchases. Documentation of quotes and selection rationale shall be maintained.

(i) Authority to Purchase an Unbudgeted Item.

CEO	Authority to Approve
SRVP	Authority to Approve
VP	Authority to Approve
AVP/Chief/Executive Dir.	Authority to Approve
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

(ii) Authority to purchase a Budgeted Item.

CEO	Authority to Approve
SRVP	Authority to Approve
VP	Authority to Approve
AVP/Chief/Executive Dir.	Authority to Approve
Sr. Dir.	Authority to Approve
Dir.	Authority to Approve
Mgr.	Authority to Approve

(b) Small Purchases ($10,001 to $25,000).

For these purchases, at least two informal quotes (written or verbal) should be obtained from qualified vendors. The Purchasing Officer shall select the vendor offering the best value, considering price, quality, delivery time, and vendor reliability. Documentation of quotes and selection rationale shall be maintained by the Purchasing Officer.

(i) Authority to Purchase an Unbudgeted Item.

CEO	Authority to Approve
SRVP	Authority to Approve
VP	Authority to Approve
AVP/Chief/Executive Dir.	N/A
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

(ii) Authority to purchase a Budgeted Item.

CEO	Authority to Approve
SRVP	Authority to Approve
VP	Authority to Approve

AVP/Chief/Executive Dir.	Authority to Approve
Sr. Dir.	Authority to Approve up to $20,000
Dir.	Authority to approve up to $15,000
Mgr.	N/A

(c) Travel Expenses. Below are the Travel Expense limits of authority. Please note all travel expenses must meet the requirements of Numbered Memorandum 1-99E and no one except the Chief Executive Officer may authorize their own travel expenses.

(i) Authority to Purchase an Unbudgeted Item.

CEO	Authority to Approve up to $30,000
SRVP	Authority to Approve up to $10,000
VP	Authority to Approve up to $5,000
AVP/Chief/Executive Dir.	N/A
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

(ii) Authority to purchase a Budgeted Item.

CEO	Authority to Approve
SRVP	Authority to Approve up to $15,000
VP	Authority to Approve up to $10,000
AVP/Chief/Executive Dir.	Authority to Approve up to $5,000
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

2. PURCHASES OF MORE THAN $25,000 OR WORK TO BE DONE FOR MORE THAN $25,000.

(a) Medical or Surgical Equipment or Supplies, or Professional Services, or Electronic Data Processing and Telecommunications Goods and Services.

Competitive bidding is not required but the following procedures will be followed before completing the purchase.

(i) Medical or Surgical Supplies.

a. Procurement.

These purchases should, whenever possible, be made pursuant to existing contracts that Washington Health has in place with Group Purchasing Organizations (GPOs). Leveraging GPO contracts ensures cost-effective procurement, compliance with negotiated pricing from qualified suppliers, and alignment with the Health System's purchasing strategy. However, in instances where the necessary medical and surgical supplies are not available through a GPO, such purchases may still be made to ensure continuity of patient care. In these cases, a Standing Purchase Order (SPO) or a Purchase Order (PO) is preferred. If neither an SPO nor a PO can be issued in time, purchases by check request are allowed. Such purchases should almost always be budgeted items. In the unlikely event that there is a need to purchase medical or surgical supplies during the fiscal year that were not budgeted, and where no Standing Purchase Order is in place, the purchase may proceed only when absolutely necessary to maintain hospital and clinical operations. The department's purchasing officer, in coordination with Supply Chain, must still aim to obtain the best possible price for quality supplies from qualified, reputable vendors. All such exceptions must comply with the Health System's competitive bidding or vendor qualification requirements, where applicable. Documentation must clearly indicate the medical or clinical necessity and reason for the exception. Any non-GPO or unbudgeted purchases are subject to the following limits.

b. Authority to Purchase an Unbudgeted Item.

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Dir	$10K
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

c. Authority to purchase a Budgeted Item.

CEO	Up to approved budget
SRVP	$100K
VP	$50K

AVP/Chief/Executive Dir.	$25K
Sr. Dir.	$20K
Dir.	$15K
Mgr.	$10K

(ii) Medical or Surgical Equipment.

a. Procurement.

Whether an item is budgeted or unbudgeted, the following process shall be followed for acquiring medical or surgical equipment with significant weight being given to physician's preference based on physicians' use, experience or knowledge of the equipment. Such purchases will also proceed through the OCIC process and should, whenever possible, be made pursuant to existing contracts that Washington Health has in place with Group Purchasing Organizations.

$0 to $100,000	○ The Purchasing Officer shall select the vendor offering the best value, considering price, quality, delivery time, and vendor reliability but also considering physician preference. Any purchase over $25,000 must be approved by the Supply Chain Department. Documentation of quotes and selection rationale shall be maintained.
Greater than $100,000	○ Require at least three written quotes from qualified vendors or an RFP, provided that the equipment is not a specialty item that justifies acquiring from a single vendor due to a specific need of Washington Health or to accommodate a physician's preference. ○ A Senior Vice President or CEO shall make the final decision on whether an RFP is necessary for any given purchase. Legal Counsel shall be consulted.

b. Authority to Purchase an Unbudgeted Item.

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Dir	N/A
Sr. Dir.	N/A
Dir.	N/A

Mgr.	N/A

c. Authority to purchase Budgeted Item.

CEO	Up to the approved budget
SRVP	$100K
VP	$50K
AVP/Chief/Executive Dir.	$10K
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

(iii) Professional Services. Professional Services include the following:

- Physician and Clinical Services - including stipends, payments for hospital-based program fees, call pay, administrative fees for Medical Director Services and other physician fees such as for consulting services, locum tenens and other physician reimbursement fees
- Travelers or Contracted Staff in both clinical and non-clinical areas
- Consultant Services - including Environmental or Safety consultants, Regulatory Readiness Advisors, or consultants with specific required expertise or strategic experience
- Legal Services
- Accounting/Audit Services
- IT Experts or Consultants- including cybersecurity professionals
- Revenue Cycle Optimization Expert Services
- Language Interpreters
- Tax Preparation Services
- Reimbursement Advisory Services that include experts specializing in Medicare and Medicaid Cost Reports, HCAI (Department of Health Care Access and Information) compliance, Disproportionate Share Hospital (DSH) and Supplemental payment programs, as well as broader regulatory reimbursement support
- Other Professional Services - including recruiting expenses (If unsure, verify with immediate supervisor.)

a. Procurement.

Competitive bidding or an RFP process is not required but in certain instances to be determined by the CEO, competitive bidding or an RFP process will be used. Contracts for Physician Services

and Legal Services can only be approved by the CEO. In general, the CEO has the authority to authorize payment for these services up to the amount of the budget plus $300K over the budget, and in the event of emergencies up to $750K with the concurrence of either the Board President or Treasurer.

b. Authority to Purchase an Unbudgeted Item

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Director	$10K
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

c. Authority to purchase Budgeted Item.

CEO	Up to the approved budget
SRVP	$100K
VP	$50K
AVP/Chief/Executive Director	$20K
Sr. Dir.	$15K
Dir.	$10K
Mgr.	N/A

(iv) Electronic Data Processing and telecommunications goods and services.

a. Procurement.

As per Numbered Memorandum 3-178G, all acquisitions of computers and related equipment shall be managed by the Information Services Division under the guidance of the CEO, Chief Information Officer or Senior Executive Team.

These goods and services may be acquired without following a competitive process if the Board determines either that: (1) the goods and services proposed for acquisition are the only goods and services which can meet the District's need, or (2) the goods and services are needed in cases of emergency where immediate acquisition is necessary for the protection of the public health, welfare, or safety ("General Exception").

As part of the annual budget approval process, items of goods and services deemed by the Chief Information Officer to qualify for the General Exception shall be identified within the budget, along with the rationale supporting their qualification for the General Exception. The Board's approval of the budget will constitute evidence of the Board's findings that the General Exception applies. If items covered by this section are not included in the approved annual budget, the Board

will need to make a separate determination that the General Exception applies.

Otherwise, these goods and services shall be purchased via a competitive process. The following process is deemed to be competitive: for purchases in excess of $25,000 but less than $300,000, a Request for Proposal ("RFP") shall be circulated to at least two qualified vendors. For purchases in excess of $300,000, an RFP will be circulated to at least three qualified vendors. An award through the competitive process shall award the contract based on the proposal that provides the most cost-effective solution to Washington Health's requirements, based on the following criteria: technical capability, vendor experience and qualifications, including past performance, implementation timeline, service and support commitments, compliance with regulatory and security standards, and compatibility with existing systems, usability, and functionality. To be clear, the selection of a vendor on an objective basis other than cost alone is permitted.

b. Authority to Purchase an Unbudgeted Item.

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Director	$10K
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

c. Authority to purchase/make payment for a Budgeted Item.

CEO	Up to the approved budget
SRVP	$100K
VP	$50K
AVP/Chief/Executive Director	$20K
Sr. Dir.	$15K
Dir.	$10K
Mgr.	N/A

(b) Construction Projects and Change Orders.

a. Procurement.

In general, construction projects shall be awarded pursuant to competitive bidding. The competitive bidding process can include prequalifying bidders to ensure they are qualified to perform the construction work. In some instances, materials and supplies for construction projects may be available through GPOs, which could substantially reduce the overall cost of the construction project. See Appendix 2 for details on the accepted process. Before initiating the procurement process, consult with the Purchasing Department for the availability of purchasing supplies and materials through GPOs. If available, when feasible, contractors should be required to purchase supplies and materials from GPOs, provided that such purchases will not otherwise adversely and materially impact the timing of the project.

In specific circumstances, in consultation with Legal Counsel, an award shall be based on the most responsible "Best Value" bid, which may not be the lowest bid.

Notwithstanding the foregoing, although competitive bidding is generally preferred for construction projects, in certain instances, competitive bidding may not be required when such bidding would not serve the public interest or the underlying purposes of competitive bidding. When, for instance, competitive bidding would be undesirable, impractical, or impossible given time constraints, specialty requirements associated with health care construction requirements, concerns for public health and safety, construction projects may nevertheless be awarded. For clarity, where advantageous, the Design-Build process is allowed. In such instances, it is important to consult with Legal Counsel as early as possible in the process.

Change orders must follow the above processes, unless the following exception applies: WH may negotiate change orders within the scope of lawfully awarded construction contracts up to 5% of their value, provided that such "change order "do[es] not materially change the scope of the work.

b. Authority to Purchase an Unbudgeted Item.

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Director	N/A
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

c. Authority to purchase a Budgeted Item.

CEO	Up $750K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Director	N/A
Sr. Dir.	N/A
Dir.	N/A

(c) Repairs and Maintenance.

a. Procurement.

In general, it is recognized that for Washington Health, most repair and maintenance projects are urgent due to the fact that repairs and maintenance need to be completed as soon as reasonably possible for the safety of the patients and for the quality of their health care. As such, it is expected that competitive bidding may not be required when such bidding would not serve the public interest or the underlying purposes of competitive bidding. When, for example, competitive bidding would be undesirable, impractical, or impossible due to time constraints, specialty requirements related to healthcare construction, or concerns for public health and

safety, repair and maintenance projects may still be awarded. In such cases, it is important to consult with Legal Counsel as early as possible in the process.

In circumstances where the criteria for exempting the competitive bidding process are not satisfied, the procedure outlined in Appendix 2 shall be followed.

b. Authority to Purchase an Unbudgeted Item.

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Director	N/A
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

c. Authority to purchase a Budgeted Item.

CEO	Up to the approved budget
SRVP	$100K
VP	$25K
AVP/Chief/Executive Director	$N/A
Sr. Dir.	N/A
Dir.	N/A

(d) Non-Medical and Non-Surgical Supplies, Non-Medical Equipment, Non-Professional Services, and Miscellaneous Operating Expenses.

(i) Non-Medical and Non-Surgical Supplies and Non-Medical Equipment

a. Procurement.

These purchases should, whenever possible, be made pursuant to existing contracts that Washington Health has in place with Group Purchasing Organizations (GPOs). Leveraging GPO contracts ensures cost-effective procurement, compliance with negotiated pricing from qualified suppliers, and alignment with the Health System's purchasing strategy. However, in instances where the necessary non-medical and non-surgical supplies are not available through a GPO, such purchases may still be made to ensure continuity of patient care. In these cases, a Standing Purchase Order (SPO) or a Purchase Order (PO) is preferred. If neither an SPO nor a PO can be issued in time, purchases by check request are allowed. Such purchases should almost always be budgeted items. In the unlikely event that there is a need to purchase non-medical or non-surgical supplies or non-medical equipment during the fiscal year that were not budgeted, and where no Standing Purchase Order is in place, the purchase may proceed only when absolutely necessary to maintain hospital and clinical operations. The department's purchasing officer, in coordination

with Supply Chain, must still aim to obtain the best possible price for quality supplies from qualified, reputable vendors. All such exceptions must comply with the Health System's competitive bidding or vendor qualification requirements, where applicable. Documentation must clearly indicate the medical or clinical necessity and reason for the exception. Unless an exception applies, procurement of these supplies will be made by competitive bidding as required by Health & Safety Code Section 32132. The procedure described in Appendix 3: shall be followed by the appropriate department. Legal Counsel should be consulted. Any non-GPO or unbudgeted purchases are subject to the following limits. Important note: also, for non-medical equipment (budgeted or unbudgeted), any purchase will also need to proceed via the OCIC process before procurement.

b. Authority to Purchase an Unbudgeted Item.

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Director	$10K
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

c. Authority to purchase a Budgeted Item.

CEO	Up to the approved budget
SRVP	$100K
VP	$50K
AVP/Chief/Executive Director	$20K
Sr. Dir.	$15K
Dir.	$10K
Mgr.	N/A

(ii) Non-Professional Services.

a. Procurement.

Unless an exception applies, procurement of these services will be procured by competitive bidding as required by Health & Safety Code Section 32132. The procedure described in Appendix 3: shall be followed by the appropriate department. Legal Counsel should be consulted.

b. Authority to Purchase an Unbudgeted Item.

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive	$10K

Director	
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

c. Authority to purchase a Budgeted Item.

CEO	Up to the approved budget
SRVP	$100K
VP	$50K
AVP/Chief/Executive Director	$20K
Sr. Dir.	$15K
Dir.	$10K
Mgr.	N/A

(iii) Miscellaneous Operating Expenses.

For the acquisition of any item not described in any previous category above, the process described in Appendix 3 will be followed by the appropriate department. Legal Counsel should be consulted.

a. Authority to Purchase an Unbudgeted Item.

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Director	$10K
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

b. Authority to purchase a Budgeted Item.

CEO	Up to the approved budget
SRVP	$100K
VP	$50K
AVP/Chief/Executive Director	$20K
Sr. Dir.	$15K
Dir.	$10K
Mgr.	N/A

(e) Other Transactions.

Although the following may not be considered purchases per se, for completeness, they are listed below to specify the signature and approval authority.

(i) Leases.

All leases must be approved by the CEO. A PO should be established at the beginning of the fiscal year or at the start of a new lease based on the contractual lease schedule.

(ii) Authorization to Pay Bond Principal and Interest Expense.

The CEO or CFO must approve the scheduled payment of bond principal and interest.

(iii) Insurance premium expenses.

All anticipated insurance premiums must be included in the annual operating budget. The Finance and Compliance teams are responsible for evaluating Washington Health's insurance needs and reviewing proposals solicited from qualified insurance brokers or carriers. This review ensures that coverage options, premiums, deductibles, exclusions, and policy limits represent the most appropriate and cost-effective solution for the organization, and that it aligns with Washington Health's overall risk management strategy. The final selection of the insurance carrier and Policy terms is approved by the CEO on the recommendation of the CFO. Upon receipt of the invoice, the Controller or Treasurer must verify the charges against the approved Policy and the corresponding budget allocation. Payment of the insurance premium shall be made as follows:

a. Authority to purchase an Unbudgeted Item (in extraordinary circumstances when insurance premiums need to be paid, which were not included in the annual operating budget).

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Director	N/A
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

b. Authority to purchase a Budgeted Item.

CEO	Up to the approved budget
SRVP	$100K
VP	$50K
AVP/Chief/Executive	N/A

Director	
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

(iv) Payroll and payroll-related expenses.

All payroll and payroll-related disbursements must be reviewed and approved prior to payment. The CFO, Controller, or designee must approve the final validation checklist and payroll register for each regular bi-weekly payroll cycle before payroll is released.

Payroll-related disbursements include, but are not limited to, benefit premiums, employer payroll tax liabilities, and payments to payroll-related vendors such as retirement plan administrators and insurance providers; as well as one-time or non-recurring payments (e.g., bonuses, retroactive pay, or stipends). Such disbursements require documented approval and may only be approved as specified in the tables below.

a. Authority to Purchase an Unbudgeted Item.

CEO	$300K
SRVP	$50K
VP	$25K
AVP/Chief/Executive Director	N/A
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

b. Authority to purchase a Budgeted Item.

CEO	Up to the approved budget
SRVP	$100K
VP	$50K
AVP/Chief/Executive Director	N/A
Sr. Dir.	N/A
Dir.	N/A
Mgr.	N/A

Note: All one-time or non-recurring payments related to bonuses, retroactive pay, stipends, or other employee-related expenses must first be approved by the SVP, VP and Chief People Officer prior to proceeding through the standard signature approval matrix.

Retroactive payroll disbursements resulting from corrections to employee data (including rate or shift corrections, role changes, and promotions), as well as pass-through employee deductions (such as union dues, flexible or health spending accounts) and employee

payroll-related insurance (including accidental life and legal coverage), will be initiated by the Payroll Manager and must be approved as specified in the tables below.

CEO	$300K
SRVP- CFO	$100K
VP and CPO	$50K
Controller	$20K

(v) Wire and ACH Transactions.

The CEO, CFO, or designee must approve the ACH Wire payment in accordance with the Finance Department's internal Policy.

(vi) Weekly Payment Run.

The CEO, CFO, or designee must approve the weekly payment run.

(vii) Bad Debt Write-Offs.

The Patient Accounting team performs daily collection follow-up on outstanding insurance claims & self-pay accounts. Accounts that remain unresolved after 180 days are sent to a collection agency.

In accordance with the Internal Revenue Cycle Debt Collection policy, self-pay and patient balances are sent a charity application at 150 days, and at 180 days, and upon receipt of a "Goodbye Letter", these accounts are reclassified in EPIC from "AR" (Accounts Receivable) to "BD" (Bad Debt) and included in the month-end electronic file sent to the designated collection agency.

Accounts aged over 365 days are fully reserved by Revenue Accounting in compliance with the internal accounting policy and generally accepted accounting principles.

Bad debt accounts may only be written off after Accounting has confirmed the full amount (100%) has been recorded. Any exceptions to this bad debt write-off process must be approved by the CEO, CFO, or designee.

(viii) Charity Care.

Charity care eligibility is primarily based on income level. Accounts that do not meet the income requirements may be written off as charity, on a discretionary basis, subject to the approval by the VP of Revenue Cycle, CFO, or CEO. All charity write-offs require formal documentation and adherence to the Health System's Patient Financial Assistance and Charity Care Policy.

(ix) Administrative Adjustments and Adjustments to Patient Charges.

Adjustments refer to non-routine and non-clinical adjustments made to patient accounts to correct billing or payment posting errors, resolve system-related issues, apply approved contractual or cash discounts, and process hospital-authorized discretionary write-offs.

All proposed administrative adjustments and adjustments to patient charges must be reviewed by Revenue Integrity or Coding teams to confirm accuracy, appropriateness, and compliance with applicable coding, billing, and regulatory guidelines. All adjustments must be fully documented in the patient's account, including the reason for the adjustment.

Adjustments up to $1,000 are approved by the Manager of Patient Accounting. Adjustments between $1,001 and $75,000 are approved by the VP of Revenue Cycle. Adjustments over $75,000 are approved by the CEO, CFO, or their designee.

All administrative adjustments are subject to routine audit by Compliance or Internal Audit to ensure policy adherence and identify trends or potential misuse.

(x) Patient Refunds.

Insurance and patient overpayments are regularly and expeditiously reviewed by the Director of Patient Financial Services as part of the routine billing and collection process. When an overpayment is identified, appropriate action is taken to reconcile the credit balance.

If the overpayment is recouped directly by the insurance payer (e.g., through an offset or chargeback), no additional action is required beyond appropriate account documentation. However, if a refund must be issued, either to a patient, guarantor, or insurance payer via check, credit card reversal, or electronic payment, it must be reviewed, documented, and approved by the CEO, CFO, or their designee.

(f) Emergencies.

Notwithstanding the general requirement regarding competitive bidding, no bidding is required if the Board first determines that an emergency exists warranting the expenditure due to fire, flood, storm, epidemic, or other disaster, and is necessary to protect the public health, safety, welfare, or property. In such circumstances, the Chief Executive Officer will ensure that such purchases shall be made with a view to the needs and advantages of Washington Health under the circumstances prevailing at the time of the emergency.

APPENDIX 1

RESOLUTION NO. 125E PURCHASING POLICY

WHEREAS, California Government Code Section 54202 requires that the Washington Township Health Care District (the "District") adopt policies and procedures, including bidding regulations governing purchases of supplies and equipment by the District; and

WHEREAS, subject to certain exceptions, California Health and Safety Code Section 32132 requires that the District let any contract involving the expenditure of more than Twenty-Five Thousand Dollars ($25,000) for work to be done and Twenty-Five Thousand Dollars ($25,000) for materials and supplies to be furnished, sold, or leased to the District to the lowest responsible bidder who shall give the security the Board requires, or else reject all bids and

WHEREAS, Health and Safety Code Section 32132 includes a list of enumerated exceptions to the competitive bidding requirement, namely medical or surgical equipment or supplies or professional services, certain data processing and telecommunications goods and services, and

WHEREAS, bids need not be secured for change orders that do not materially change the scope of the work as set forth in a contract previously made if the contract was made after compliance with bidding requirements, and if each individual change order does not total more than 5 percent of the contract, and

WHEREAS, notwithstanding the bidding requirements of Health and Safety Code Section 32132, in certain circumstances, based on judicially recognized exceptions, competitive bidding is not required when such bidding would not serve the public interest or the underlying purposes of competitive bidding, and

WHEREAS, notwithstanding the competitive bidding requirements of Health and Safety Code Section 32132, pursuant to Health and Safety Code Section 32136, no bidding is required if the Board first determines that an emergency exists warranting the expenditure due to fire, flood, storm, epidemic, or other disaster and is necessary to protect the public health, safety, welfare, or property.

NOW THEREFORE, IT IS HEREBY RESOLVED by the Board of Directors of Washington Township Hospital District as follows:

SECTION 1. PURCHASES OF $25,000 OR LESS, AND WORK TO BE DONE OF $25,000 OR LESS

All purchases (single items) of supplies and materials involving an expenditure of Twenty-Five Thousand Dollars ($25,000) or less and work to be done involving an expenditure of Twenty-Five Thousand Dollars ($25,000) or less may be made by the Chief Executive Officer without following the competitive bidding requirement. Such purchases, however, shall be made with a view to the needs and advantages of the District under the circumstances prevailing at the time of purchase.

The Chief Executive Officer shall have the authority to approve policies for such purchases and to delegate purchasing responsibilities as the Chief Executive Officer deems appropriate. The policies for these purchases and the delegation of authority shall be documented in a written policy.

SECTION 2. PURCHASES OF MORE THAN $25,000 AND WORK TO BE DONE OF MORE THAN $25,000

A. Enumerated Exceptions.

Medical or surgical equipment or supplies, professional services, and electronic data processing and telecommunications goods and services are not required to be purchased by competitive bidding but the Chief Executive Officer shall approve a written policy, with the Board's consent, that provides for a procedure that will ensure that such purchases shall be made with a view to the needs and advantages of Washington Health under the circumstances prevailing at the time of purchase.

B. Certain Change Orders.

Competitive bids need not be secured for change orders that do not materially change the scope of the work as set forth in a contract previously made if the contract was made after compliance with bidding requirements or other approved process, and if each individual change order does not total more than 5 percent of the contract. The Chief Executive Officer shall approve a written policy, with the Board's consent, that provides for a procedure that will ensure that such change orders shall be made with a view to the needs and advantages of Washington Health under the circumstances prevailing at the time of the award of the change order.

C. Judicial Exception: When Purchase Would Not Serve The Public Interest Or Underlying Purposes of Competitive Bidding.

In certain circumstances, competitive bidding is not required when such bidding would not serve the public interest or the underlying purposes of competitive bidding. The Chief Executive Officer shall approve a written policy, with the Board's consent, that establishes the criteria for such purposes which include but are not limited to: when competitive bidding would be unavailing or would not produce an advantage and therefore would be undesirable, impractical or impossible. The written policy will, nevertheless, ensure that such purchases shall be made with a view to the needs and advantages of Washington Health under the circumstances prevailing at the time of the purchase. The written policy will also specify that the Chief Executive Officer will consult with Legal Counsel when applying this exception to the normal competitive bidding requirement.

D. Emergencies

No bidding is required if the Board first determines that an emergency exists warranting the expenditure due to fire, flood, storm, epidemic, or other disaster and is necessary to protect the public health, safety, welfare, or property. The Chief Executive Officer shall approve a

written policy, with the Board's consent, that provides for a procedure that will ensure that such purchases shall be made with a view to the needs and advantages of Washington Health under the circumstances prevailing at the time of the emergency.

Passed and adopted by the Board of Directors of WASHINGTON TOWNSHIP HEALTH CARE DISTRICT on the 8th day of July, 2026, by the following vote:

AYES:

NOES:

_____	_____
William F. Nicholson, MD	Michael J. Wallace
President, Board of Directors	Secretary, Board of Directors
Washington Township Health Care District	Washington Township Health Care District

RESOLUTION NO. 1270

RESOLUTION OF THE BOARD OF DIRECTORS OF WASHINGTON TOWNSHIP HEALTH CARE DISTRICT ADOPTING AN UPDATED SIGNATURE AND SPENDING AUTHORITY POLICY

WHEREAS, Washington Township Health Care District is a local health care district ("District") which owns and operates a general acute care hospital and provides essential healthcare services to the population residing within the District's political boundaries, including the cities of Fremont, Newark, Union City, parts of South Hayward and Sunol;

WHEREAS, the Local Health Care District Law, Health & Safety Code § 32000 *et seq*. empowers the Board of Directors to control and authorize the expenditure of all District funds;

WHEREAS, the Board of Directors has exercised this authority by delegating responsibility for authorizing expenditures to the Chief Executive Officer of the District, subject to specified limits.

WHEREAS, the Board of Directors has determined that it is necessary and in the best interests of the District to adopt an updated Signature and Spending Authority Policy, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference, which shall serve as the policies and procedures that the Board of Directors is required to adopt pursuant to Government Code § 54202.

NOW, THEREFORE, be it resolved that:

1. The Board hereby adopts the Signature and Spending Authority Policy attached hereto as Exhibit A, and

2. The Chief Executive Officer is hereby authorized to take any and all further actions, which in the determination of the Chief Executive Officer, are necessary and proper to effectuate the intent of this Resolution.

Passed and adopted by the Board of Directors of the Washington Township Health Care District this 11th day of December 2024 by the following vote:

AYES: Directors Wallace, Nicholson, Yee, Stewart, Eapen

NOES:

ABSENT:

Signed by:
Michael Wallace
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Michael Wallace
President, Board of Directors
Washington Township Health Care District

DocuSigned by:
Jacob Eapen, MD
07885546742441D...

Jacob Eapen, MD
Secretary, Board of Directors
Washington Township Health Care District

EXHIBIT A
SIGNATURE AND SPENDING AUTHORITY POLICY

Washington Township Health Care District
Board of Directors Policy

Title: SIGNATURE AND SPENDING AUTHORITY	
Category: Governance and General Administration	**Policy No: A-018**
Original Adoption Date: 12-11-2024	
Last Reviewed/Revised Date: [12-11-2024]	
Last Approval Date: [12-11-2024]	

I. PURPOSE:

A. In order to safeguard the District's assets, the Board of Directors has established a set of approval thresholds which must be followed to ensure appropriate review, and approval(s) to spend and/or commit funds.

B. Transactions shall be consummated in accordance with the District's policies and procedures. Certain limits are placed on the authority of individuals to spend and/or commit the District's funds.

II. DEFINITIONS:

A. **Contracting Authority:**
The authority delegated to specified senior management personnel to administer, approve, and execute contracts, and agreements on behalf of the District.

B. **Responsible Leader**:
A responsible leader is the primary contracting officer for the District's external commitments/transactions that the responsible leader administers. A responsible leader may designate other contracting officers in a written plan of delegation that must be provided to and approved by the District's CEO.

C. **Transaction:**
A transaction includes committing the District to spend District assets, receive revenue and/or compensation or otherwise contractually commit to certain actions. The amount of a Transaction is its collective amount over the entire period of commitment.

D. **Claim:**
Any written claim for money or damages presented to the District. This includes claims that must be presented in accordance with the California Government Claims Act as well as claims which are exempt from the California Government Claims Act.

E. **Emergency:**
A sudden, emergent, urgent, and unexpected occurrence beyond the control of the District, that poses a clear and imminent need, requiring immediate action by authorized personnel to prevent, or mitigate, the loss or impairment of life, health, property, essential public services or essential patient care.

III. STANDARDS OF PRACTICE:

A. The CEO of the District is the primary Responsible Leader with Contracting Authority and shall exercise this authority in accordance with the Amended and Restated Bylaws of the District and in accordance with the policies and direction provided by the District Board. Additionally, the CEO shall exercise this authority in good faith and in a manner the CEO believes to be in the best interests of the District.

B. The CEO is authorized to approve any budgeted, non-budgeted, or emergency Transactions in an amount up to and including $300,000.

C. The CEO may approve budgeted Transactions in excess of $300,000 once Board approval has been obtained. Board approval can be in the form of an approved District budget.

D. The CEO may approve non-budgeted or emergency Transactions in an amount up to $750,000. If the need exceeds the CEO limit amount specified in C. above, either the President of the District Board or the Board Treasurer must also approve the Transaction.

E. All non-budgeted or emergency Transactions in excess of $750,000 require approval of the Board.

F. The CEO has been authorized by the District Board to settle any single Claim against the District or one of its affiliates, if the amount paid does not exceed $200,000. Claims in excess of $200,000 must be reviewed with and approved by the Board. All Claims which are settled shall be reported to the Board.

G. The CEO shall report to the Board any emergency, or non-budgeted, Transaction(s) that exceed $150,000.

H. The CEO may delegate to other Responsible Leaders, who shall be members of the

District's C-Suite, approval authority levels for specific types of transactions that do not exceed the authority levels delegated to the CEO under this policy. It is expected that such delegation will be made in writing during instances when the CEO is unavailable due to travel or other reasons.

I. This Policy shall be effective immediately upon approval by the Board.

J. To the extent that any language in this Policy conflicts with the language in existing Resolution 125d or Numbered Memorandum 4-18j, the language in this Policy shall govern and control. Without limiting the generality of the foregoing, the language in this Policy will not be construed to be, in any way, contrary to the requirements of California Health and Safety Code Section 32132.

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Approved:

Signed by: Michael Wallace 48F4090E2EE44B9...	DocuSigned by: Jacob Eapen, MD 07885546742441D...
Michael Wallace	Jacob Eapen, MD
President	Secretary

APPENDIX 2

APPENDIX 2

This procedure is for contracts greater than $25,000 and for which an exception does not apply, or in cases where a decision has been made that, notwithstanding the applicability of an exception, competitive bidding will be followed. Legal Counsel will be consulted in each case of competitive bidding, as it may be that the Design-build contracting or other process could be advantageous. In consultation with Legal Counsel, the procedure described below may be modified consistent with California law.

1. Construction Contracts and Contractors

   (a) Initial Step: Pre-qualification

Overview – This procedure defines the process for screening potential Washington Health construction contractors for any construction project over $25,000 (for which an exception is not applicable).

Applicability – All construction contractors who desire to bid on construction contracts valued in excess of $25,000 for Washington Health construction projects must participate in the pre-qualification process and the annual renewal process.

Pre-Qualification Advertisement – The Director of Construction, or designee, advertises annually for a pre-qualification questionnaire for potential hospital construction projects. The advertisement is published in the local newspaper, as well as in any other publications approved by Washington Health Management.

The advertisement shall include:

- Date and time for submittal of pre-qualification documents
- How to obtain documents

Documents shall be transmitted to bidders using methods allowing for delivery verification, including electronic methods.

Pre-Qualification Questionnaire – The Director of Construction is responsible for the pre-qualification process. The Director of Construction, at his/her own discretion, may utilize outside resources to assist with pre-qualification activities such as distributing questionnaires to prospective construction contractors. The Director of Construction is responsible for maintaining and annually updating the pre-qualification matrix. The pre-qualification matrix is for verification and validation of information provided by the General Contractor via the questionnaire to Washington Health.

Review & Approval or Denial – Written communication is provided to the contractors signifying acceptance of pre-qualification or denial (and the reason why, in the case of denial).

The criteria for denial are: 1) lack of bond capacity, 2) lack of a valid contractor's license, or 3) lack of HCAI experience. Bid documents will only be released to contractors who have been successfully prequalified. (The Senior VP and Chief Operating Officer will review the list of prequalified contractors on an annual basis.)

2. Solicitation to prequalified contractors

Overview - This procedure defines the process for identifying and selecting potential bidders for construction contracts.

Assembly of Bid Documents - Bid Documents will be assembled by the Director of Construction or designee. All bid packages will include bid invitation letters, bid forms, bid schedules, reference agreements, and other attachments as necessary. The "Basis of Award" will be clearly stated within the bidding documents.

Pre-Bid Meeting and "Job Walk" - The Director of Construction or designee must schedule a pre-bid meeting. Attendance at a pre-bid meeting shall be required in order to submit a bid. The Director of Construction, along with a designee, will attend the pre-bid meeting to take notes for possible addenda items. Notes should include any questions from the audience and answers by the PM/CM and/or the A/E. All questions and answers from the pre-bid meeting shall be issued as an RFI Log addendum.

3. Bid Opening & Protests

Overview – Washington Health will manage its process for bid submittal and opening to ensure compliance with applicable statutes and to provide equitable treatment to all potential bidders.

Applicability – This procedure applies to all solicitations that require sealed bids or proposals with prices, and the award is made on the basis of the lowest responsible bidder.

Timing – The contract documents for all contracts and purchases will specify the deadline for receipt of bids. Changes to the bid deadline will be made only by a written addendum. For purposes of bid submittal, the clock at the Washington Health Construction Office shall be the standard of time.

Receipt of Bids – Washington Health follows the Public Bid Opening process outlined in the Construction Office's policies, which shall apply to all publicly bid contracts. It is the Director of Construction's responsibility to ensure that all prospective bidders are provided with clear instructions regarding the delivery of their bids. Visitors inquiring about bid openings or bid submittals shall be directed to Washington Health's Construction Office.

Bids shall be submitted at the Construction Office on or before the date and time specified in the contract documents. The Director of Construction or designee shall maintain the security of all bids received until the time of bid opening.

When receiving bids, Washington Health employees will not disclose information to bidders about the names of bidders or the number of bids received until after the bid opening. Questions related to the bid submittal deadline or number of addenda shall be referred to the Director of Construction. A bid may be withdrawn by an authorized representative of the bidder at any time up until the deadline for bid submittal.

Bid Opening – All bids shall be sealed and shall be publicly opened and read at the time set forth in the solicitation. No bids shall be considered that have not been received in the office of the Department prior to the closing time for bids set forth in the invitations to bids. The Department shall maintain confidentiality regarding each bid until the public opening and reading takes place.

When the clock shows the deadline for bid submittal, the Director of Construction will confirm that bids are closed. The Director of Construction shall publicly open bids as soon as practicable

after the bid submittal deadline in a pre-determined location. The original bids shall then be verified for completeness, and the originals securely filed for review by Washington Health staff or others upon request.

For a fixed fee lowest responsible bid project, the bid opening will be held in the construction office. The CM/PM Owner Representative will validate the packages for completeness and will create a matrix. The General Contractors' names, prices are announced and recorded, and a statement will be read identifying the apparent low responsible bidder. No further details will be communicated.

For Best Value Bids, presentations will be made to a Qualifications Committee, and a ranking process will be undertaken by providing qualification points as to the various aspects of the bids. Qualification points will be summed to a total qualification score. The Qualifications Committee will use the total qualification score as a basis for the award of the project.

If a bid is submitted after the deadline, the Director of Construction will advise the bidder that the bid is late and it will be rejected. Late bids are not accepted and are returned to the General Contractor. Rejected bid package, if late, is returned immediately to the General Contractor—it is not held by WH nor is it opened.

Review & Approval

Bid Verification & Distribution – Immediately after bid opening, the Director of Construction will prepare a bid tabulation utilizing the format showing the names of each bidder, the lump sum or unit prices, any third-party estimate, and any other information related to the determination of the low bidder. Corrections of mathematical errors shall be noted with an asterisk. When completing a bid tabulation analysis that includes add alternates, it is important to perform the bid tabulation analysis only on the "Basis of Award." All bids are reviewed for reasonableness and compliance with the bid requirements.

The Director of Construction shall compare the bids with the final construction estimate. If all bids exceed the final construction estimate, an irregularity in the bidding process is discovered, or it appears that Washington Health will not obtain the best value by award of the contract, the Director of Construction may recommend to the Board of Directors rejection of all bids. If the Board accepts the recommendation to reject all the bids, the contract may then be re-bid using a revised scope of work. If a bidder claims a mathematical error in its bid and Washington Health finds that the error was not due to negligence, Washington Health may allow the bidder to withdraw its bid without penalty. If the bidder states that the error is an inadvertent error and the bidder stands by the bid submitted, the uncorrected bid will be included. The bid may not be corrected.

Upon approval by the CEO and Board of Directors of Washington Health, the Director of Construction shall prepare a notice of award and take the necessary steps to finalize and execute the final contract for construction.

4. Construction Related Services (Architects & Engineering and Other Related Professional Services).

(a) Vendor Identification

The Director of Construction, with assistance from the CM/PM Owner Representative, is responsible for identifying and selecting potential firms for construction services contracts. This procedure defines the process for developing Request for Proposals (RFPs) and Pricing Requests/Quotes for construction goods and services.

Formal Requests for Proposals shall be utilized for all construction service contracts anticipated to exceed the amount of $25,000, unless an exception is justified or considered appropriate. (For construction service-related contracts that have an expected value less than $25k, a pricing request/quote is sufficient.) The Director of Construction, with assistance from the CM/PM Owner Representative, is responsible for developing RFPs.

All RFPs are to be submitted to the Senior Vice President, Chief Operating Officer, for review and approval prior to the distribution of the RFP to prospective vendors.

(b) Proposal Analysis

Professional Services Proposal/Qualifications Analysis – Solicitations may be based on proposals or statements of qualifications submitted by vendors. Proposal qualifications analysis is the responsibility of the Director of Construction. For statements of qualifications, the Director of Construction should attempt to identify areas of strength, weakness, and non-responsiveness.

When reviewing proposals or statements of qualifications, the Director of Construction will develop a proposal analysis template prior to the receipt of proposals or statements of qualifications to help ensure the analysis is not predisposed or biased. The Director of Construction should prepare the proposal analysis template so that it is consistent with the scope of work. The Director of Construction should identify whether the criteria are weighted or weighed equally.

(c) Contract Approval & Execution

Award Process – The Director of Construction shall prepare the authorization award Memorandum. Once approved by the CEO and, if necessary, the Board of Directors, the Director of Construction will assemble the contract documents that are ready for signature into a package to include the vendor's proposal, authorization document, and two original contracts. Upon formal approval of any agreement, the Director of Construction is responsible for ensuring that a purchase order is placed for the agreed-upon services. All unsuccessful firms that have submitted formal bids, proposals, or qualifications in response to Washington Health solicitations will be sent a letter notifying them that their firm was unsuccessful.

APPENDIX 3

APPENDIX 3

1. Purpose

This procedure is for purchases greater than $25,000 and for which an exception does not apply, or in cases where a decision has been made that, notwithstanding the applicability of an exception, competitive bidding will be followed. Legal Counsel will be consulted in each case of competitive bidding.

2. Scope

Please refer to Appendix 2 for the competitive bidding process for construction work, whether new or classified as repair or maintenance. This policy applies to purchases of non-medical and non-surgical supplies and non-medical equipment, non-professional services, and miscellaneous operating expenses exceeding $25,000, unless an exception applies or an alternative procedure applies as specified in the Purchasing Policy and Delegation of Signature and Purchasing Authority.

3. Competitive Bidding Requirement

Purchases covered by this policy must be procured through a competitive bidding process. The District shall award the contract to the lowest responsible bidder, unless a statutory exemption applies and it is documented.

4. Bid Specifications

Departments must prepare clear, complete, and non-restrictive specifications that accurately describe the goods required. Specifications must encourage open competition and avoid unnecessary limitations.

5. Notice Inviting Bids

A Notice Inviting Bids shall be published at least once a week for two consecutive weeks in a newspaper of general circulation within the District. The notice must include:

- A description of the goods
- Instructions for obtaining bid documents
- Submission deadline and method
- Date, time, and location of the public bid opening

6. Bid Submission and Opening

Bids must be submitted in sealed form and opened publicly at the specified time and place. Late or non-responsive bids shall be rejected. A bid log shall be maintained documenting all bids received.

7. Evaluation and Award

Bids shall be evaluated for responsiveness and bidder responsibility, including experience, financial capacity, and ability to meet specifications. The District Board (or CEO, if within her authority) shall award the contract to the lowest responsible bidder,

8. Contract Execution

A written contract shall be executed with the awarded vendor, incorporating all bid terms and required compliance documents. No work or delivery may begin until the contract is fully executed.

9. Recordkeeping

All procurement records—including notices, bid documents, evaluations, and contracts—shall be retained in accordance with district retention schedules and applicable law.