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Sponsor:	Alexander Fernandez: SVP, CHIEF FINANCIAL OFFICER
Section:	GA-Corporate Resources and Materials Management
Manuals:	General Administrative

## GA-001-020 Review, Approval, and Administration of Contracts

### I. Purpose

The purpose of this Policy is to set forth the general guidelines for the submission, approval, and administration of contracts, in conjunction with the Master Procurement Code, GA-001-150 (the "Code") of North Broward Hospital District (the "District").

### II. Definitions

The words and acronyms defined in this Policy shall have the meanings set forth in the Code regardless of whether they are capitalized, unless:

- a. The context in which they are used clearly requires a different meaning; or
- b. A different definition is prescribed for a particular section of this Policy.

Words not defined shall be given their common and ordinary meaning unless the context in which they are used requires otherwise.

For purposes of this Policy, the below terms shall have the following meanings associated with them:

**"Arrangement"** means every District Contract, arrangement, procurement, or transaction, whether set forth in writing or otherwise, with another person, party, or entity that involves, directly or indirectly, the offer of payment, solicitation, or receipt of anything of value.

**"Contract"** means all types of contractual agreements and Arrangements of the District, regardless of what they may be called or referred to, for the procurement or disposal of goods or services of any kind.

**"Contract Initiator"** means an authorized employee of the District who initiates the contracting process.

**"Contracts Administration"** means the District department responsible for overseeing the review and administration of the District's Contracts.

**"Contracts Management System"** means the District's electronic contracting system that serves as the centralized repository for all District Contracts and which contains all Contract reviews, approvals, and supporting documentation.

**"Contracting Process"** means the process followed, in accordance with Contracts Administration's Standard Operating Procedure, in the Contracts Management System when the District is entering into a Contract.

**"Corporate Executive Management"** means the District's President/Chief Executive Officer, the District's Chief Financial Officer, their designees, or any other individuals authorized by the Board to bind the District to Contracts as provided in Section XVI. of the Code.

**"Department Authority"** means the relevant individual in the District's Corporate Executive Suite who, as provided within the District's Organizational Chart, (1) possesses authority over the District or over a particular District hospital, facility, department, or division; and (2) with the exception of the President/Chief Executive Officer, reports directly to the President/ Chief Executive Officer. Such individuals include, without limitation, the District's (a) President/Chief Executive Officer, (b) Chief Financial Officer, (c) Chief Administrative Officer, (d) SVP, Operations, (e) Chief Medical Officer, (f) Chief Human Resources Officer, (g) any other individual who meets the criteria for being deemed "Department Authority," and/or (h) any other individual or position delegated such "Department Authority" from time to time by the President/Chief Executive Officer.

**"Focus Arrangement"** means a Contract with an actual source of health care business or referrals to the District and involves, directly or indirectly, the offer, payment, or provision of anything of value; or is between the District and any physician (or a physician's immediate family member as defined in 42 C.F.R. § 411.351) who makes a referral to the District for designated health services (as defined in 42 U.S.C. § 1395nn(h)(6)).

### III. Policy

This Policy governs the review, approval, and administration of the District's Contracts. All of the District's Contracts must be procured in accordance with the provisions of the Code and/or any applicable policy in the Procurement Policy Table that governs the procurement of goods and/or services.

### IV. Procedure

- A. Every Arrangement Procured and entered into by the District shall follow the provisions of the Code or, to the extent the Arrangement is exempted from the Code, any applicable policy in the Procurement Policy Table, relevant Broward Health policy, or Standard Operating Procedure.
- B. Every Arrangement entered into by the District shall be reviewed by the District's Compliance and Ethics Department to determine whether such Arrangement is a Focus Arrangement. To the extent an Arrangement is deemed a Focus Arrangement, such Focus Arrangement shall always be in the form of a written Contract signed by both parties to the Contract and shall always conform to the requirements of Policy GA-004-441: Physician and Non-Physician Financial Arrangement Review, Approval, Tracking and Monitoring and Section III.D. of the Corporate Integrity Agreement entered into on August 31, 2015 between the District and the Office of Inspector General, U.S. Department of Health and Human Services ("CIA").
- C. Unless an exception otherwise exists as defined in Section V., Exceptions, below, all Contract requests shall be submitted by the Contract Initiator in the Contracts Management System where it will be reviewed and approved prior to its execution.
- D. Contracts Administration shall supervise and oversee the Contracting Process to ensure that all Contracts are properly routed to all applicable departments, divisions, and employees to receive the proper reviews and approvals.
- E. The Contracting Process procedure is set forth in Contracts Administration's Standard Operating Procedure (a link to the Standard Operating Procedure can be found below).
- F. Following the Contracting Process, all Contracts shall be executed by Corporate Executive Management.

### V. Exceptions

The following two (2) exceptions apply to temporarily exempt a District hospital, facility, department, or division from the Contracting Process:

- A. An actual or perceived threat or emergency exists whereby strictly adhering to the Contracting

Process may result in (1) a negative effect to patient care; (2) a threat to the life, health, welfare, or safety of patients, employees, or the public; (3) the District failing to comply with regulatory requirements or its CIA; (4) severe financial consequences; or (5) adverse effects or negative consequences to the operations of any District hospital, facility, department, or division. To the extent such a perceived or actual threat or emergency exists, it must be communicated to the Department Authority before proceeding forward without adhering to the Contracting Process. The Department Authority possesses the ultimate authority to decide whether or not a Contract may proceed forward without following the Contracting Process. To the extent such an exception is granted, the relevant circumstances of the perceived or actual threat or emergency and the approval of the Department Authority must be documented within the relevant Contract file in the Contracts Management System.

- B. The General Counsel's Office may draft, negotiate, and review Contracts and legal terms outside the Contracts Management System to ensure that all relevant reviews are being done in an effective and timely manner.

Notwithstanding the two (2) exceptions above, any and all documentation and completed reviews must be properly documented within the relevant Contract file in the Contracts Management System following such reviews and approval. In no event shall any of the exceptions above apply to exempt a Focus Arrangement from adhering to the requirements of Section III.D. of the CIA.

**VI. Related Policies**

GA-001-150, Master Procurement Code

GA-001-151, Procurement Policy Table

Contracts Administration Standard Operating Procedure (the Standard Operating Procedure may be found by clicking this link: [Standard Operating Procedure](#))

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## Attachments

No Attachments

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## Approval Signatures

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Step Description	Approver	Date
	David Clark: SVP, OPERATIONS	08/2021
	Tia Bowman: AVP, CORP SVC&CONTRACTS ADMIN	08/2021

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