

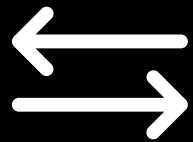


# THE IRIS CENTER

Radically Human Healthcare.

425 W Mulberry Street Suite 112 Fort Collins CO 80521

# THE IRIS CENTER AND THE HEALTH DISTRICT PARTNERSHIP



Champion  
Power Shifting

Advance Health &  
Well-being



Community  
Solutions

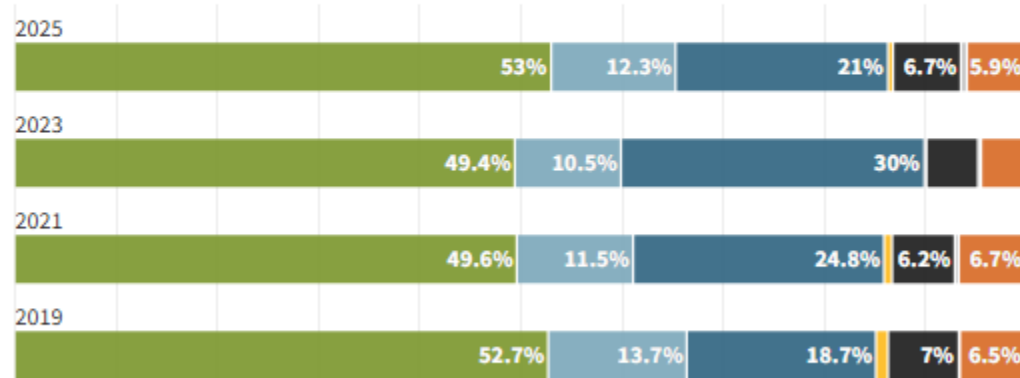
Reimagine  
Systems



# NEED FOR CHANGE

**Topic:** Type of insurance coverage. **Population:** All Coloradans. **Years:** 2019 to 2025

■ Employer-Sponsored Insurance 
 ■ Medicare 
 ■ Medicaid 
 ■ Child Health Plan Plus 
 ■ Individual Insurance 
 ■ Other Insurance 
 ■ Uninsured



Source: Colorado Health Access Survey 2025

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**195,000**  
Coloradans  
with individual  
market health  
insurance will  
lose their  
subsidies in  
2026.

Coloradans with insurance from the individual marketplace, by income

**49.4%**  
~**195,000 people**  
Have incomes  
greater than  
400% FPL.

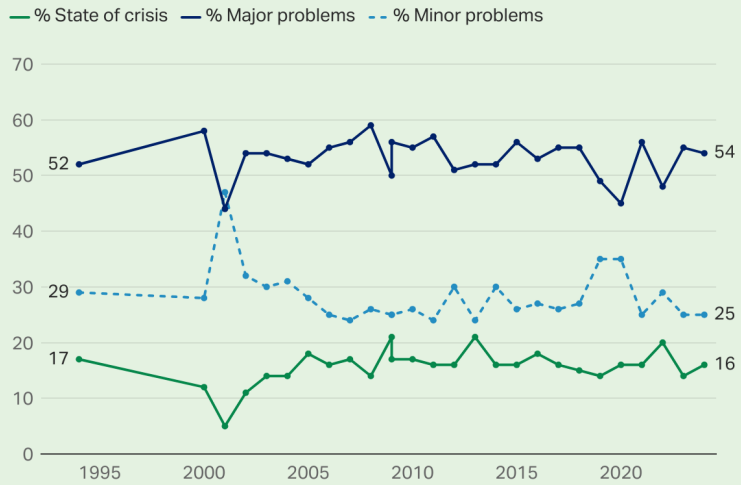
**7.1%**  
~**28,000 people**  
Have incomes at or  
below 138% FPL.



**43.5%**  
~**172,000 People**  
Have incomes  
between  
139-400% FPL.

## Americans' Views of U.S. Healthcare System, 1994-2024

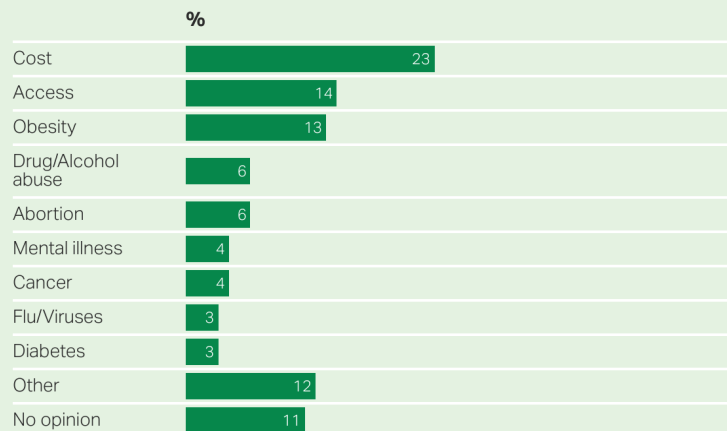
Which of these statements do you think best describes the U.S. healthcare system today -- it is in a state of crisis, it has major problems, it has minor problems, or it does not have any problems?



Those who said the healthcare system does not have any problems or who had no opinion are not shown.

## Cost Tops Americans' Most Urgent Health Problems

What would you say is the most urgent health problem facing this country at the present time? [OPEN-ENDED]



Nov. 6-20, 2024

GALLUP

# NEED FOR CHANGE

# COMMUNITY SUSTAINED CARE

## Optional Donations

Small percentage of patients and/or community commits to donating

\$1000/year = one small weekly habit (coffee, lunch, or a couple drinks)... or one nicer night out per month.

☕ Coffee (~\$5–6) → ~170–200 coffees/year (≈ 3–4/week)

🍴 Casual meal (~\$18–20) → ~50–55 meals/year (≈ 1/week)

🍺 Beer/drink (~\$7) → ~140 drinks/year (≈ 2–3/week)

🍽️ Nice dinner (~\$75–80) → ~12–13 dinners/year (≈ 1/month)

## Radically Human

Comprehensive Primary Care

Quality Care

Innovative

Inclusive

Affirming

Compassionate

Relationship-centered

Evidence-based

Expert care throughout lifetime

## Services & Pricing

30-minute Visit = \$35

60-minute Visit = \$55

Insurance can be used for outside of clinic care i.e. MRI, XR, Specialists

In-House Labs and Phlebotomy i.e. strep, flu, covid, blood work.

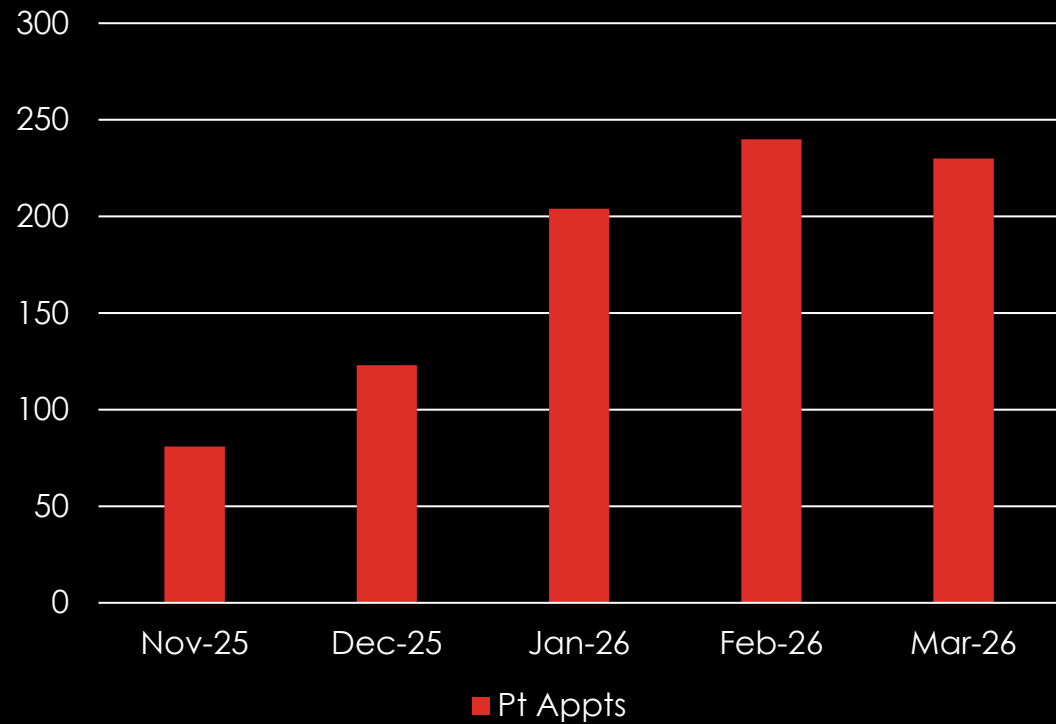
CBC, CMP, a1c, cholesterol –

- Self-pay at UCHHealth = \$109
- Self-pay at The Iris Center = \$20

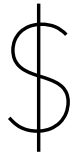
Sliding Scale Policy

# THE IRIS CENTER & THE HEALTH DISTRICT

Patient Appointments



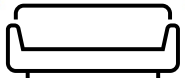
# THE IRIS CENTER & THE HEALTH DISTRICT



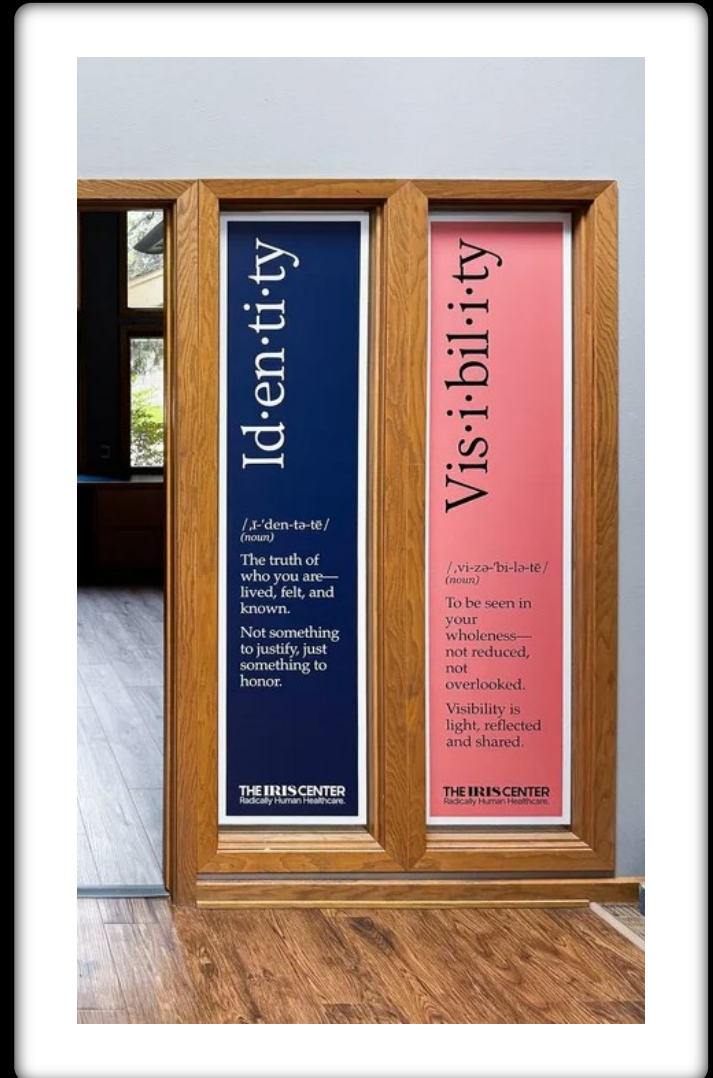
Transparent, Low-cost Care



Longer Visits = Access



Non-Clinical Setting



**THE IRIS CENTER**  
Radically Human Healthcare.

**Health**  **District**



# Forensic Accounting Report

RFP 2025-1005 Forensic Audit

April 22, 2026



**We thank the Board for the opportunity to present the results of this forensic accounting engagement. We also acknowledge the cooperation and assistance of HDNLC employees and external service providers who supported our work by providing documentation, information, and timely responses to inquiries.**

This engagement was not a financial audit and did not result in an audit opinion.

This engagement consisted of forensic accounting consulting services designed to identify risk indicators and control gaps.

# Engagement Overview and Executive Summary

# Purpose, Scope, and Overall Conclusions

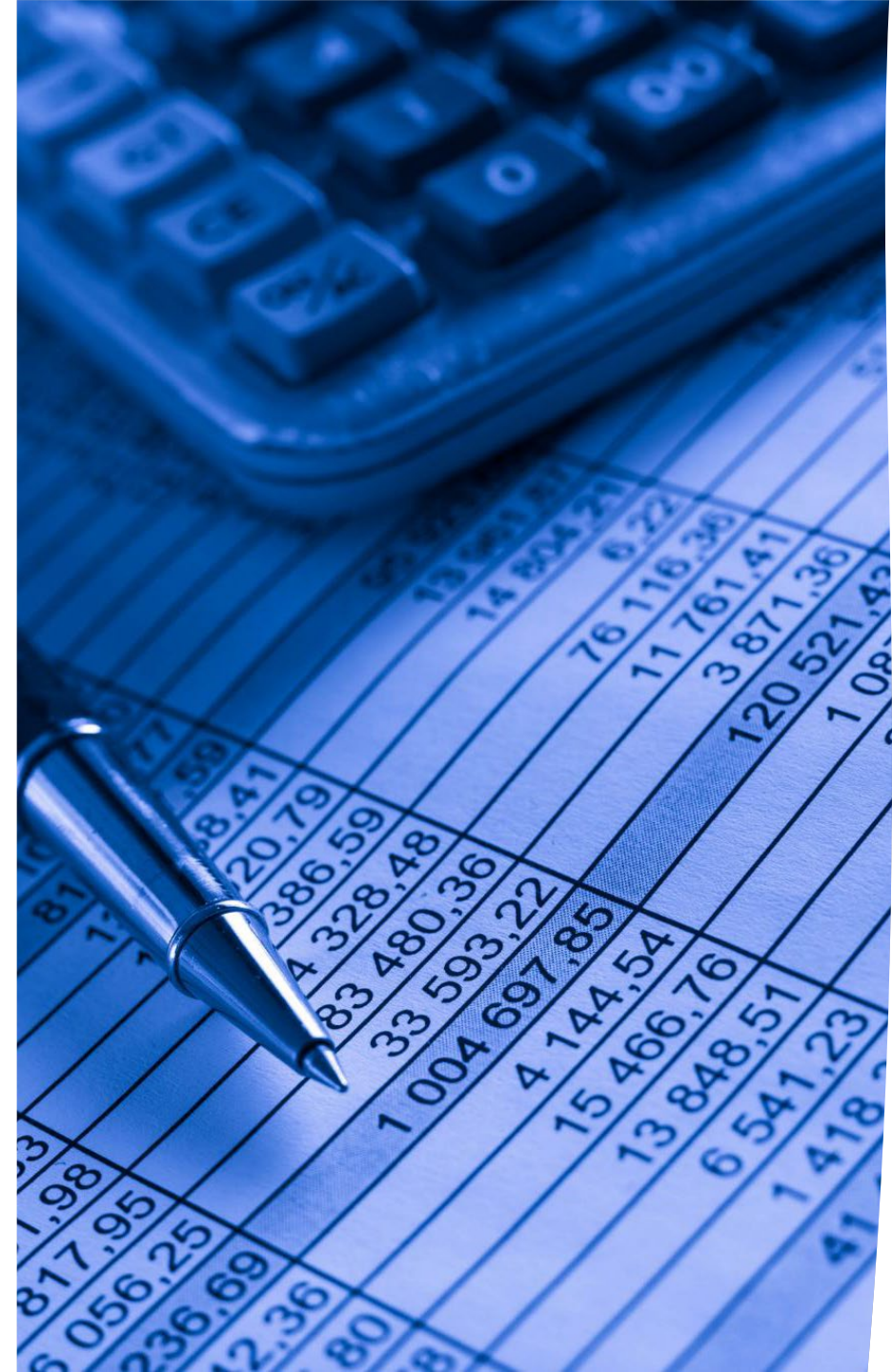


- Engagement Purpose and Scope
  - The forensic accounting engagement consisted of reviewing financial activities from 2022 to 2024 and interviewing **25** HDNLC employees and external service providers to identify indicators of fraud, misuse, or misappropriation of funds and to evaluate fraud risk across key financial and operational processes.
- Observations
  - No fraud or misuse was identified, but multiple internal control weaknesses were found during the review attributable to significant leadership turnover, finance department staffing changes, and evolving processes that were not consistently documented or enforced.
- Recommendations and Improvements
  - **53** recommendations targeted at strengthening controls, segregation of duties, and process consistency were made.

# Financial Transaction Review and Key Observations

# Banking and P-Card Activity

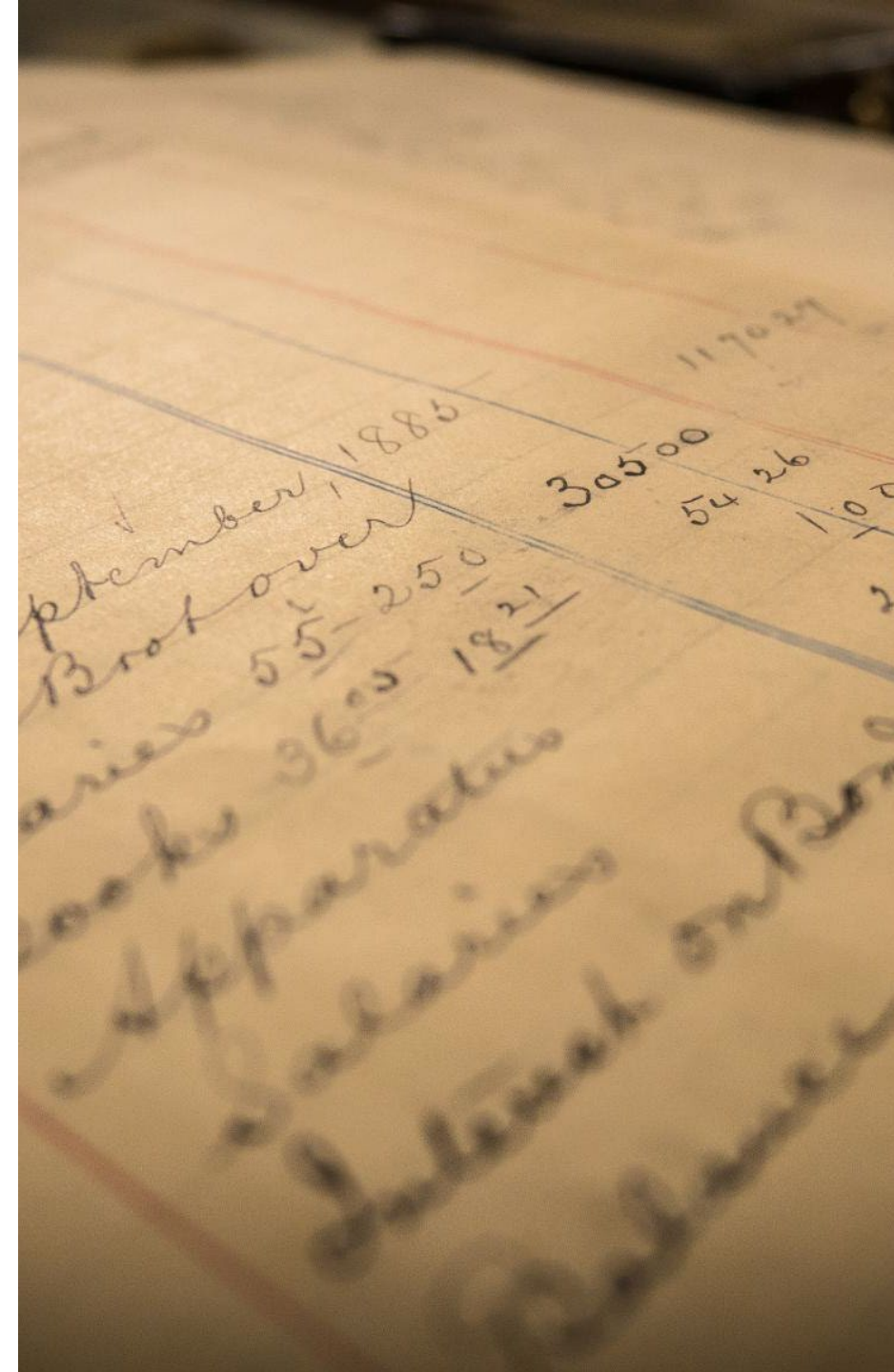
- **Extensive Bank Transaction Review**
  - Over **8,200** bank transactions totaling more than **\$163 million** were thoroughly examined for irregularities and unauthorized activity.
- **Bank Reconciliation Issues**
  - Reconciliations lacked timely preparation, review documentation, and had incompatible duties increasing control risk.
- **P-Card Transaction Analysis**
  - Nearly **5,000** P-Card purchases totaling **\$1.76 million** were reviewed, showing routine spending but control weaknesses were noted.
- **P-Card Control Deficiencies**
  - Inconsistent review, self-approval, missing receipts, and unclear purposes highlighted weaknesses in P-Card usage controls.



# Accounting, Assets, and Receivables

# General Ledger and Assets

- **Journal Entry**
  - Testing focused on non-routine and unusual journal entries to detect potential management override risks. Some entries lacked supporting documentation.
- **Petty Cash**
  - Petty cash accounts showed minimal recorded activity despite replenishments coded to expenses, causing reconciliation issues.
- **Capital Asset Controls**
  - Inconsistent physical inventory counts and discrepancies in asset records weakened capital asset controls. Certain expenditures met capitalization thresholds but were expensed.



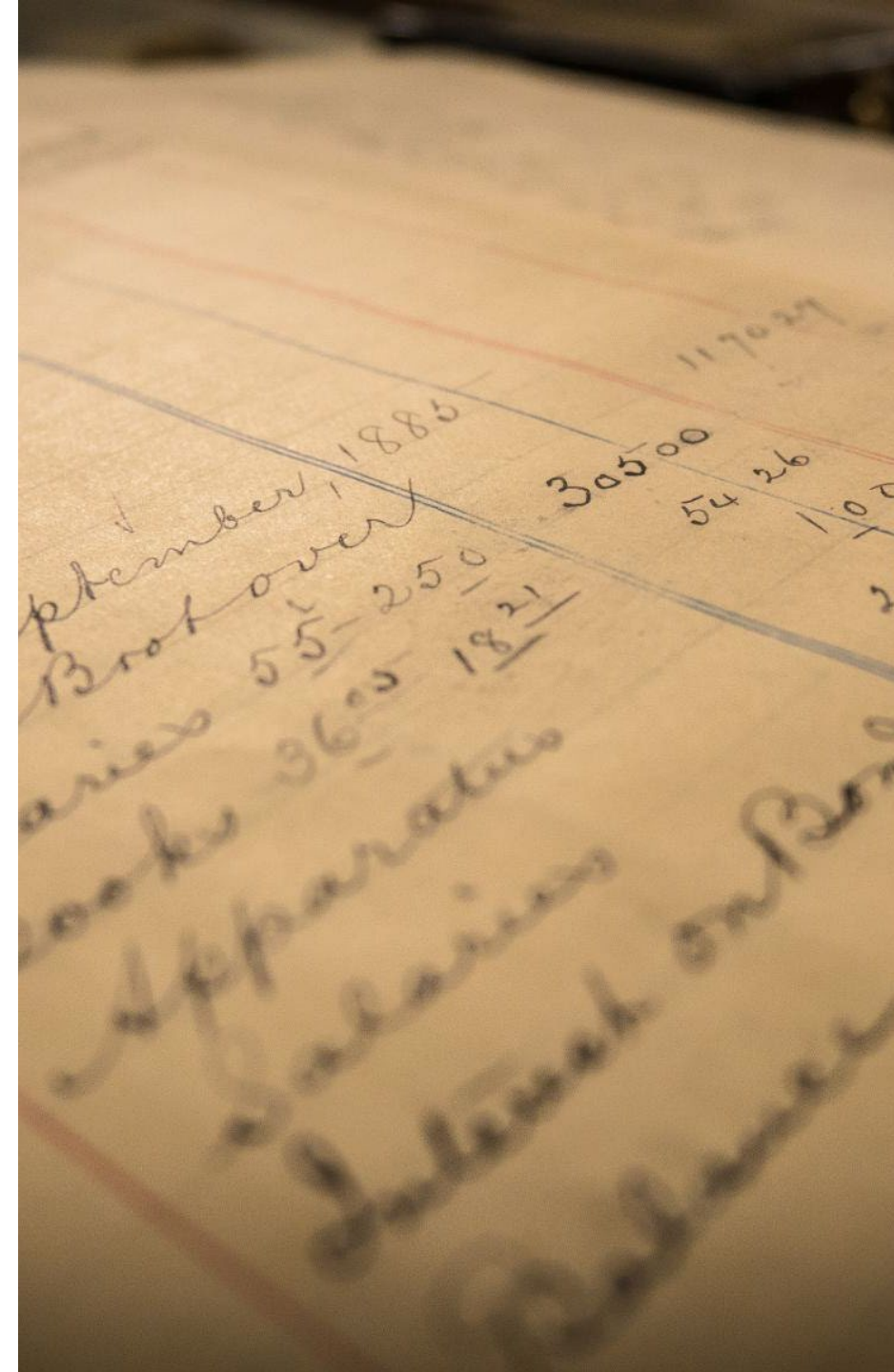
# Receivables and Reimbursements

- **Accounts Receivable Risks**

- Significant overdue receivables and delayed GAAP-compliant allowance for bad debts highlighted financial reporting risks.

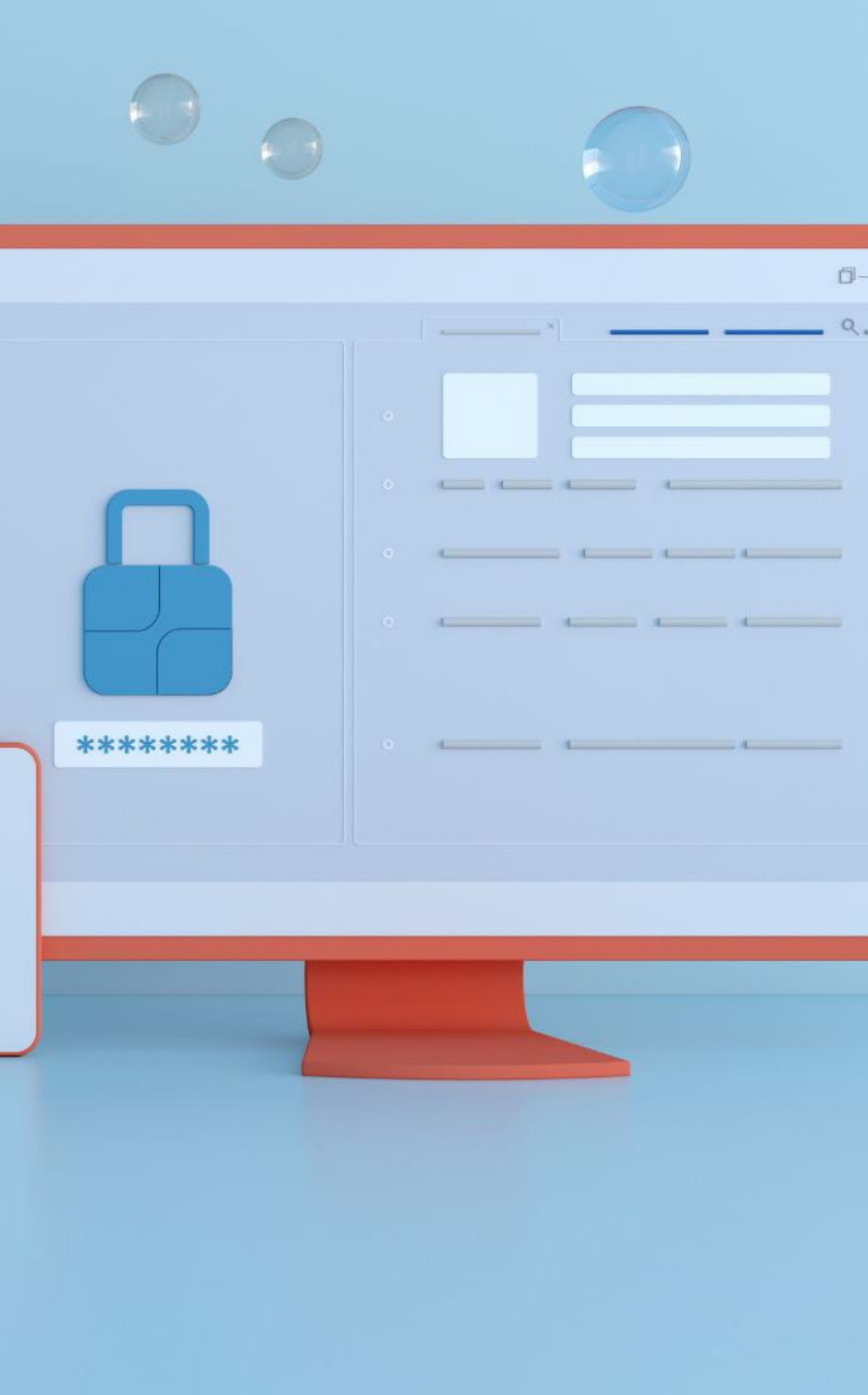
- **Employee Reimbursements**

- Identified instances of missing supporting documentation, self-approval of claims, and the absence of a formal relocation expense policy.



# Procurement, Payroll, and Information Technology

# Procurement, Payroll, and System Access



- Procurement Oversight Issues
  - Changing purchasing thresholds lacked timely policy updates and required competitive quote documentation was sometimes missing.
- Payroll Control Gaps
  - Salary changes were supported by approvals, but payroll change reports lacked independent review for authorization and accuracy.
- Information Technology
  - Shared user credentials and inconsistent workflow approvals increased risk, with limited audit trails in the financial system.
- Improvements Through New Systems
  - New ERP and payroll systems implemented in 2025 enhanced access controls and auditability, improving risk management.

# Fraud Risk Assessment and Recommendations

# Fraud Risk Evaluation

- Control Environment Risk
  - Moderate risk due to leadership turnover and inconsistent policy enforcement.
- Preventative Controls
  - Moderate risk from segregation of duties issues and procurement weaknesses.
- Detective Controls
  - Low to moderate risk with inconsistent monitoring and documentation practices.
- Overall Fraud Risk
  - Moderate risk

# Recommendations and Improvements

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- **53** recommendations focus on segregation, approvals, reconciliations, documentation, and access control improvements.
  - **3 of 53 (6%)** have been opted not to move forward
  - **6 of 53 (11%)** are under consideration
  - **44 of 53 (83%)** are in progress or have been implemented



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# Thank you

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