

# **Southeast, Inc. and Affiliates**

**June 30, 2023  
Audit Presentation**

**Wes Ernst, Director  
Rachael Theiler, Senior Manager**

**FORVIS**

# Audit Recap & Status

- / Audit is complete and awaiting final approval by Southeast governance
- / Unmodified (“clean”) opinions anticipated upon issuance
- / Submission of data collection form to FACS will be final step
- / Testing focused on higher risk areas
- / Three major programs tested

# Audit Required Communications

- / No disagreements with management
- / Material weakness in internal control over financial reporting related to prior year restatement and adjustment of patient accounts receivable
- / Focused considerable time on valuation of patient accounts receivable and experienced challenges in obtaining the right data needed to audit these balances
- / Material audit adjustment to reduce patient accounts receivable and related revenue
- / Two passed adjustments
  - To record value of interest rate swap
  - To adjust beginning net assets for prior years' expense associated with the Retention Bonus Plan
- / No compliance findings
- / New accounting standard adopted (Leases)

# Executive Session

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**FORV/S**

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