



AT THE SOUTHERN NEVADA HEALTH DISTRICT

MINUTES

SOUTHERN NEVADA COMMUNITY HEALTH CENTER FINANCE & AUDIT COMMITTEE MEETING

July 26, 2022 – 11:00 a.m.

Meeting was conducted via Webex Event

- MEMBERS PRESENT:** Scott Black – Chair, Community Member, City of North Las Vegas
Scott Garrett – Consumer Member (*Call-in User 4,6,8*)
Father Rafael Pereira – Community Member, All Saints Episcopal Church
- ABSENT:** N/A
- ALSO PRESENT:** None
(In Audience)
- LEGAL COUNSEL:** Heather Anderson-Fintak, General Counsel (*Call-in User 7*)
- EXECUTIVE SECRETARY:** Fermin Leguen, MD, MPH, District Health Officer (*absent*)
- STAFF:** Tawana Bellamy, Andria Cordovez Mulet, Cassius Lockett, Randy Smith, Edward Wynder (*Call-in User 5*), Mark Pasek (*Call-in User 2*), Donna Buss (*joined at 11:23 a.m.*)

I. CALL TO ORDER and ROLL CALL

The Chair called the Southern Nevada Community Health Center Finance & Audit Committee Meeting to order at 11:04 a.m. Tawana Bellamy, Administrative Secretary, administered the roll call and confirmed a quorum.

II. PLEDGE OF ALLEGIANCE

- III. FIRST PUBLIC COMMENT:** A period devoted to comments by the general public about those items appearing on the agenda. Comments will be limited to five (5) minutes per speaker. Please clearly state your name and address and spell your last name for the record. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chair or the Board by majority vote.

Seeing no one, the Chair closed the First Public Comment portion.

IV. ADOPTION OF THE JULY 26, 2022 MEETING AGENDA (*for possible action*)

A motion was made by Chair Black, seconded by Member Garrett, and carried unanimously to approve the July 26, 2022 Agenda, as presented.

V. REPORT / DISCUSSION / ACTION

1. Approve Finance & Audit Committee Meeting Minutes – June 21, 2022; direct staff accordingly or take other action as deemed necessary (*for possible action*)

A motion was made by Chair Black, seconded by Member Garrett, and carried unanimously to approve the June 21, 2022 Finance & Audit Committee Minutes, as presented.

2. Receive, Discuss and Accept the June Financial Report and Approve Recommendations to the Southern Nevada Community Health Center Governing Board on July 28, 2022; direct staff accordingly or take other action as deemed necessary (*for possible action*)
Randy Smith, FQHC Operations Officer, informed the committee that Karen White is no longer with the organization. Mark Pasek will provide the financial report today and at the Governing Board

Meeting. Mr. Pasek is knowledgeable of the various reports and has worked with Ms. White to produce them each month. Mr. Pasek will provide some additional reports the committee has not looked at before and might be interesting.

Father Rafael asked if the board will be informed why Ms. White left. Mr. Smith did not have additional information to share with the committee. Chair Black suggest that Father Rafael set up a meeting with Dr. Leguen or Human Resources to discuss it further.

Mark Pasek, Financial Analyst provided a brief introduction on his experience. Mr. Pasek explained everything for the meeting was pulled as of July 12, 2022. Mr. Pasek further explained the end of the month is also the end of the fiscal year and they are still in the process of doing the final closeout.

Mr. Pasek outlined the June Financial Report and provided the following highlights:

- YTD Total Revenue was \$23.8M and the YTD Total Expenses was \$25.3M. This is about 1% over on total revenue against budget.
- YTD General Fund Revenues was Budgeted at \$17.2M and YTD actuals of \$17.4M.
- YTD Grant Revenues was \$6.5M

Mr. Pasek outlined the largest contractual expenses for Charges for Services are Equipment Rental, Other Professional Services and Temporary Agency Services. The largest Grants Contractual Expenses are Laboratory Services, Other Professional Services, Subscriptions and Temporary Services.

Mr. Pasek explained the different types of adjustments, and currently all get categorized under adjustments. The adjustments include items such as bad debt and sliding fee.

Mr. Pasek summarized the different types of adjustments in the system. Five are for the FQHC program and the others are for different insurance adjustment based on contracts. Mr. Pasek explained the sliding fee had 7,900 adjustments and the total amount of the sliding fee discount was \$2.4M, which is 94.6% of the total write off adjustment.

Mr. Smith explained the sliding fee write off adjustment of \$2.4M are charges that have been, reduced, or taken away from the patient. If that wasn't available, those patients, 7900 visits, would be responsible for those fees. Mr. Smith commented that this will be an important indicator of what the FQCH is doing – reducing the financial barrier to care. Mr. Smith pointed out the low number of denials and errors and mentioned that although our billings services were recently brought in house, they are doing a good job of ensuring the claims going out are accurate and current.

Member Garrett thanked Mr. Pasek for the explanation, insight, and presenting the report.

Mr. Smith noted that having a CFO is requirement of a community health center. There will be an endeavor to identify someone to fill the role. As Ms. White was serving in a larger capacity, the CFO will also support the Health District's needs. Mr. Smith conveyed his confidence in Mr. Pasek and the entire finance team in helping to stay on track and keep things moving.

Father Rafael thanked Mr. Smith for supporting Mr. Pasek and thanked Mr. Pasek for giving the presentation.

Father Rafael inquired about the Total Grant Expenses YTD Actuals to YTD Budget percent being 54% and believes it is incorrect. Father Rafael noted it has been accurate since the adjustment during the augmentation. Mr. Pasek commented he knows how the calculation happened and will make the adjustment prior to the Governing Board meeting.

A motion was made by Member Garrett, seconded by Father Rafael, and carried unanimously to accept the June Financial Report, as presented, and recommend acceptance to the Southern Nevada Community Health Center Governing Board on July 28, 2022

3. Review and Discuss the Financial Management Policies and Procedures; direct staff accordingly or take other action as deemed necessary (*for possible action*)

Mr. Smith shared we had a very successful HRSA On-Site Visit (OSV) and there were no compliance findings related to any of the financial pieces. There was a compliance finding related to conflicts of interest in our procurement policy. Mr. Smith explained it was missing language that states employees or agents must disclose conflict of interests. Mr. Smith advised we added language to the policy that any workforce member participating in the procurement process must disclose any real or apparent conflict of interest and submitted it HRSA to resolve the compliance finding.

Mr. Smith made a request to the Finance and Audit Committee to accept and make a recommendation to the Governing Board to approve the changes to the Procurement Policy adding the language, any workforce member participating in the procurement process must disclose any real or apparent conflict of interest. Mr. Smith commented that having the change on record would be good documentation if HRSA comes back and ask if it was a board approve change.

Chair Black agreed with Mr. Smith to put it on record.

A motion was made by Chair Black, seconded by Father Rafael, and carried unanimously to accept the Financial Management Policies and Procedures, as presented, and recommend acceptance to the Southern Nevada Community Health Center Governing Board on July 28, 2022.

- VI. **SECOND PUBLIC COMMENT:** A period devoted to comments by the general public, if any, and discussion of those comments, about matters relevant to the Board's jurisdiction will be held. Comments will be limited to five (5) minutes per speaker. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chair or the Board by majority vote.

Seeing no one, the Chair closed the Second Public Comment portion.

- XIII. **ADJOURNMENT**

The Chair adjourned the meeting at 11:32 a.m.

Fermin Leguen, MD, MPH
District Health Officer/Executive Secretary/CHC Executive Director

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