



MINUTES

**Southern Nevada District Board of Health Meeting
Finance Committee Meeting
October 30, 2018 - 10:00 a.m.
Southern Nevada Health District, 280 S. Decatur Blvd., Las Vegas, Nevada 89107
Lake Mead Trail Conference Room**

Members Present Scott Nielson, Chair – At-Large Member, Gaming
Marilyn Kirkpatrick – Commissioner, Clark County

Members Absent Frank Nemeč – At-Large Member, Physician
Dan Stewart – Councilman, City of Henderson

**ALSO PRESENT:
(In Audience)**

LEGAL COUNSEL: Annette Bradley, Legal Counsel

EXECUTIVE SECRETARY: Joseph Iser, MD, DrPH, MSc, Chief Health Officer

STAFF: Sean Beckham, Ernest Blazzard, Michelle Cintron, Andy Glass, Michael Johnson, Jarred Katz, Fermin Leguen, Suzanne Luchs, Dan Martin, Edie Mattox, Tami Miramontes, Hayim Mizrachi, Christopher Saxton, Joanne Rupiper, Richard Walker, Janet Webster, Bill Wells Jacqueline Wells

I. CALL TO ORDER

Chair Nielson called the Southern Nevada District Board of Health Finance Committee meeting to order at 10:00 a.m. and explained that due to lack of quorum, no actions could be taken at this meeting. Member Neilson will remain as Chair for this meeting as no action can be taken.

- II. 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 step up to the speaker's podium, clearly state your name 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 Chairman or the Board by majority vote.

Seeing no one, this portion of the meeting was closed.

III. ADOPTION OF THE OCTOBER 30, 2018 AGENDA (for possible action)

No action could be taken on this item due to lack of quorum.

IV. REPORT / DISCUSSION/ ACTION:

- 1. Nomination of Chair of the Finance Committee:** direct staff accordingly or take other action as deemed necessary (*for possible action*)

No action could be taken on this item due to lack of quorum.

2. Approve Finance Committee Meeting Minutes – September 20, 2018 (for possible action)

No action could be taken on this item due to lack of quorum.

3. Receive/Review/Discuss Audit Report from Eide Bailly; direct staff accordingly or take other action as deemed necessary **(for possible action)**

Tammy Miramontes, Engagement Partner, Richard Walker, Manager and Dan Martin, Senior Manager, Engagement, reviewed the draft Independent Auditor's Report. In their opinion, the District's financial statements have been maintained in accordance with general accounting principles. Ms. Miramontes noted certain errors occurred in the determination or classification of payments to satisfy employee contribution requirements in the adoption, as of July 1, 2016, of GASB Statement No. 82, *Pension Issues – An Amendment of GASB No. 67, No. 68 and No. 73* ("GASB 82"), resulting in the overstatement of amounts previously reported for deferred outflows of resources, net pension liability-related amounts for the year ended June 30, 2017, and were discovered by management during the current year based on communications from the Public Employees' Retirement System of Nevada (PERS), including a restated Schedule of Employer Allocation for GASB 82 Implementation. Accordingly, amounts for deferred outflows of resources, net pension liability-related amounts, have resulted in a restatement of net position as of July 1, 2017. The auditor's opinion is not modified with respect to these matters.

SNHD has adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* which has resulted in a restatement of the net position as of July 1, 2017. The auditor's opinion is not modified with respect to this matter.

There were no material weaknesses, significant deficiencies or material noncompliance indicated in the Government Auditing Standards Report, which is an improvement from 2017.

Ms. Miramontes reviewed the Uniform Guidance Report, which applies to major programs, in this case Public Health Emergency Preparedness, Family Planning Services, National Bioterrorism HPP and HIV Prevention. There were no material noncompliance found that would result in modification of the auditor's opinion.

There were three significant deficiencies reported, none rising to the level of material weaknesses:

1) 2018-001 Program income, repeat of 2017-001

The Family Planning program requires that patients under the federal program may be only charged for services if they are unable to demonstrate the ability to pay. It is the responsibility of the District to obtain verification of ability to pay and to apply a sliding discount to the patient's charges based upon their income as it relates to the Federal Poverty Guidelines. Three encounters were tested in which it was found the patient's income classification was not supported by current proof of income verification support. In one instance the proof of income was not updated within one year of the encounter date. In another instance, the patient's income classification did not agree with the verification form and the patient was incorrectly charged for services. In the final instance, the income classification, while appropriate, did not agree with the patient verification form. It is recommended that management implement stronger patient file review to correct the breakdown in controls over the process, to avoid noncompliance in the future.

2) 2018-002 Procurement, Suspension, and Debarment – New

2 CFR Part 200 (Uniform Guidance) requires price or rate quotations from an adequate number of qualified sources for all purchases over the micro-purchase threshold. The District's policies do not require quotations, or RFP procedures to be implemented, for certain purchases including professional services, additions to and repairs and maintenance of equipment which may be more efficiently added to, repaired or maintained by a certain person, equipment which (by reason of the training of personnel or of an inventory of replacement parts maintained by the local government) is compatible with existing equipment, perishable goods, insurance, hardware and associated peripheral equipment and devices for computers, software for computers, books, library materials and subscriptions. Under NRS 332, certain exceptions to the State's procurement standards are allowed for local governments. These exceptions are not allowed under Uniform Guidance. The District's policies comply with the standards set by NRS 332 but are not compliant with Uniform Guidance. It is recommended that SNHD implement new procurement policies which incorporate the requirements under Uniform guidance for Federally funded purchases.

3) 2018-003 Allowable Costs

Personnel costs charged to a grant must be for employees budgeted to the program. Certain non-hours based personnel costs, such as longevity pay and cell phone stipends for employees not included in the approved grant budget, or for employees who did not work on the grant during the period tested, were charged to the grants. The District's HR department uses "quickpay" codes within the payroll system to manually assign employees to Federal programs, however when program budgets are changed, the employee adjustments are not always communicated to HR in a timely manner, thus quickpay codes are not being updated in a timely manner. It was recommended that SNHD improve communication and review controls over payroll for employees budgeted to Federal programs.

No action could be taken on this item due to lack of quorum.

4. Receive Update and Discuss Lease/Purchase of Additional Property: direct staff accordingly or take other action as deemed necessary (*for possible action*)

Andy Glass, Director of Administration, introduced broker representatives Hayim Mizrachi and Jarrad Katz, both of MDL Group. Mr. Glass noted the District was given direction by the Board at the September 25, 2018 Board meeting to proceed with real property purchase options and/or negotiated lease space. Space of interest is at Decatur Crossing. MDL has been engaged to look at the property and serve as agents moving forward with lease or purchase.

Mr. Glass outlined the property presentation. ([Attachment 1](#))

No action could be taken on this item due to lack of quorum.

5. Review/Discuss Proposed Revisions to Southern Nevada Health District Clinical Services and Lab Services Fee Schedule: direct staff accordingly or take other action as deemed necessary (*for possible action*)

Mr. Blazzard provided an overview of how the new fees are being calculated. ([Attachment 2](#))

No action could be taken on this item due to lack of quorum.

6. Discuss and Approve Recommendations to the Southern Nevada District Board of Health on November 15, 2018; direct staff accordingly or take other action as deemed necessary (*for possible action*)

No action could be taken on this item due to lack of quorum.

V. 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. No action may be taken upon a matter raised under this item of this Agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken pursuant to NRS 241.020. Comments will be limited to five (5) minutes per speaker. Please step up to the speaker's podium, clearly state your name 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 Chairman or the Board by majority vote.

Regarding the fees, Victoria Harding, SNHD, SEIU noted the issues, from the employee standpoint, is because they are interested in public health. The fee schedule changes and sliding fee scales become very worrisome, as clients may walk out the door or not come to the District because of the payment schedule. This issue has hit TB Clinic hard as approximately sixty people per year get TB, this person then has to come to the clinic daily for treatment for approximately nine months, either in person, via skype or another doctor. This treatment can become very costly and if it becomes unaffordable, it could influence public health. Ms. Harding questions if moving forward with some of the new charges is going to affect the District's public health aspect.

Seeing no one else, the Chair closed this portion of the meeting.

XI. ADJOURNMENT

The Chair adjourned the meeting at 12:42 a.m.

Joseph P. Iser, MD, DrPH, MSc
Chief Health Officer/Executive Secretary

/jw