



AT THE SOUTHERN NEVADA HEALTH DISTRICT

## MINUTES

### SOUTHERN NEVADA COMMUNITY HEALTH CENTER FINANCE & AUDIT COMMITTEE MEETING

May 15, 2023 – 9:00 a.m.

Meeting was conducted via Webex Event

**MEMBERS PRESENT:** Donna Feliz-Barrows – Consumer, Grief Recovery Nevada  
Father Rafael Pereira – Community Member, All Saints Episcopal Church  
Jasmine Coca – Community Member, Catholic Charities of Southern Nevada

**ABSENT:** N/A

**ALSO PRESENT:** None  
(In Audience)

**LEGAL COUNSEL:** Heather Anderson-Fintak, General Counsel

**EXECUTIVE DIRECTOR:** Fermin Leguen, MD, MPH, District Health Officer

**STAFF:** Tawana Bellamy, Andria Cordovez Mulet, Randy Smith, Fernando Lara, Donnie (DJ) Whitaker, David Kahananui, Justin Tully, Luann Province, Greg Tordjman, Cassius Lockett, Edward Wynder

#### I. **CALL TO ORDER and ROLL CALL**

The Southern Nevada Community Health Center Finance & Audit Committee Meeting was called to order at 9:00 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 First Public Comment portion was closed.

#### IV. **ADOPTION OF THE MAY 15, 2023 MEETING AGENDA (for possible action)**

*A motion was made by Father Rafael, seconded by Member Feliz-Barrows, and carried unanimously to approve the May 15, 2023 Agenda, as presented.*

#### V. **REPORT / DISCUSSION / ACTION**

1. **Approve Finance & Audit Committee Meeting Minutes – March 20, 2023;** direct staff accordingly or take other action as deemed necessary (*for possible action*)

*A motion was made by Father Rafael, seconded by Member Feliz-Barrows, and carried unanimously to approve the March 20, 2023 Finance & Audit Committee Minutes, as presented.*

- 2. Nomination of Chair of the Finance and Audit Committee;** direct staff accordingly or take other action as deemed necessary (*for possible action*)

Randy Smith, FQHC Operations Officer advised that a chair needs to be elected for the committee. The chair will preside over and conduct the agenda for the meetings.

Member Coca joined the meeting at 9:03 a.m.

Mr. Smith introduced Jasmine Coca and asked her to share a little bit about herself. Member Coca provided a brief introduction about herself. Member Coca commented that health care is interesting to her, especially for her clients who do not always have access to health care services. She thanked everyone for the opportunity to serve on the board.

Mr. Smith reiterated the role of the chair for the committee and inquired of a volunteer. Mr. Smith advised that Member Feliz-Barrows currently serves as Vice Chair to the board and Father Rafael's schedule may not allow for him to server as chair. Mr. Smith further inquired if Member Coca would be comfortable being chair, noting that he and Ms. Bellamy will help support her. Member Coca accept the role as chair to the committee. Father Rafael commented that his schedule is difficult and that he is willing to participate and support the Finance and Audit committee and the board anytime.

*A motion was made by Member Feliz-Barrows, seconded by Father Rafael, and carried unanimously to elect Member Jasmine Coca as Chair to the Finance and Audit Committee.*

- 3. Review and Discuss the Finance and Audit Committee Meeting Schedule;** direct staff accordingly or take other action as deemed necessary (*for possible action*)

Mr. Smith advised that the Finance and Audit Committee meets monthly and as deemed necessary. The recommendation from staff is to meet the third Monday of the month from 4-5 p.m., the day before the Governing Board meeting. Mr. Smith further advised if something significant comes up during the committee meeting, staff still has an opportunity to follow up and address those items prior to the Governing Board meeting.

*A motion was made by Member Feliz-Barrows, seconded by Father Rafael, and carried unanimously to meet on the third Monday of the month from 4-5 p.m.*

- 4. Receive, Discuss and Accept the Single Audit Report from Eide Bailly and Approve Recommendation to the Southern Nevada Community Health Center Governing Board on May 16, 2023;** direct staff accordingly or take other action as deemed necessary (*for possible action*)

Donnie (DJ) Whitaker, Chief Financial Officer presented the Single Audit Report from Eide Bailly and advised a non-Federal entity that expends \$750,000 or more in federal awards during its fiscal year is required to obtain a Single Audit. Audit submission is required the earlier of 30 calendar days after receipt of the auditor's report or nine months after the end of the audit period (fiscal year). The June 30, 2022 Single Audit was completed and submitted to the Federal Audit Clearinghouse upon issuance.

Ms. Whitaker advised the final report contained the Independent Auditors Report, (unmodified opinion issued and previously approved), Auditor's Report Government Auditing Standards, and the June 30, 2022 Single Audit Report.

Ms. Whitaker outlined the total federal expenditures included in the Schedule of Expenditures of Federal Awards (SEFA) was \$84,020,096 and the following four programs were audited:

- Epidemiology & Lab Capacity – Assistance Listing 93.323
- Health Department Response to Public Health or Healthcare Crises – Assistance Listing 93.391
- Health Center Program Cluster – Assistance Listing 93.224 & 93.527
- HIV Prevention Activities – Assistance Listing 93.940

Ms. Whitaker advised there were no scheduled finding and questioned costs and Eide Bailly issued an unmodified report. Ms. Whitaker further advised that the communication from Eide Bailly outlined no significant difficulties were identified with management, no misstatements were identified and no disagreements with management during the audit.

Father Rafael inquired about access to the full final report. Ms. Whitaker advised that the report was included as part of committee's packet. Ms. Bellamy advised that the report was available on the Health District's website and that she will send the link to the committee members.

Member Coca inquired as to how often are the audits conducted. Ms. Whitaker advised annually. Member Coca inquired about who audits the health center. Ms. Whitaker advised that Eide Bailly did the audit. Ms. Whitaker further advised that Forvis, LLP will be the auditors for the upcoming year. Member Coca inquired if they are an accounting firm. Ms. Whitaker advised that Forvis, LLP is a CPA firm. Member Coca inquired as to how long it takes the health center to be ready for an audit. Ms. Whitaker advised that they have started pre-planning for the audit and will meet with the new auditors soon. It takes a couple of months to prepare. In a normal year, our target is to present in November after year on June 30<sup>th</sup>. Member Coca inquired as to how long it takes the auditors to conduct the audit. Ms. Whitaker advised the auditor schedule 500 hours and ideally start in July and wrap up in early September with the report issued in November.

*A motion was made by Member Feliz-Barrows, seconded by Father Rafael, and carried unanimously to accept the Single Audit Report from Eide Bailly and Approve Recommendation to the Southern Nevada Community Health Center Governing Board on May 16, 2023.*

**5. Receive, Discuss and Accept the March 2023 YTD Financial Report; and Approve Recommendation to the Southern Nevada Community Health Center Governing Board on May 16, 2023; direct staff accordingly or take other action as deemed necessary (for possible action)**

Ms. Whitaker presented the March 2023 YTD Financial Report as of March 31, 2023.

Highlights

- Total FQHC Revenue - \$17.5M budgeted, \$18.8M actuals, variance \$1.2M
  - Charges for Services – \$11.7M budgeted, \$13.3M actual, variance increase mostly related to Pharmacy.
- Total Salaries and Benefits - \$6.7M budgeted, \$5.7M actuals, variance is negative \$975K due to vacancies throughout the year.
- Total Other Operating - \$10.2M budgeted, \$12.2M actuals, variance \$1.9M mostly in supplies
  - Supplies - \$8.8M budgeted and \$11M actual, variance \$2.1M – increase due to Pharmacy activity continues to outpace expected patient encounters and rising cost of prescription drugs led to increase expense
- Total Transfers - \$4.2M budgeted, \$3.4M actuals, variance (\$753K)
- Net Position – Negative \$3.6M budgeted and negative \$2.6M actual, variance of \$983K.

Father Rafael commended the staff on the report and how well it was explained. Father Rafael advised of the ongoing shortage of professionals and employees. He expressed that it is important that human resources create a committee to look at salary and benefit packages and why we are not able to hire people and why we lose employees.

Member Coca inquired about seeing what positions are vacant. Mr. Smith advised that there are notes provided at the bottom of the financial report pertaining to vacancies. Mr. Smith offered to provide the board with the recruitment activity happening at the health center.

Ms. Whitaker reviewed the Patients by Department and advised the Number of Encounters through March 31, 2023 was 19,847. Ms. Whitaker advised that Pharmacy generated most of the revenue.

Ms. Whitaker reviewed the Revenue by Department and Pharmacy was budgeted at \$10.8M and actual was \$12.6 with a variance of \$1.7M. Father Rafael commented about the budget for behavioral health being included in Ryan White. He inquired about a break down or a separate

report that showed what was received for behavioral health. Mr. Smith commented that all the expenses will be broken out in the new fiscal year starting in July. Member Coca inquired about the fiscal year for the program and budget. Ms. Whitaker advised the fiscal year is July 1 through June 30. Mr. Smith further advised that included in the budget are two Licensed Clinical Social Workers (LCSWs) and one psychiatric Advanced Practice Registered Nurses (APRN) and one behavioral health manager position next year. Mr. Smith advised that a complete behavioral health budget will be available starting July 1, 2023.

Father Rafael and Member Coca expressed that it is important to see the behavioral health budget broken out of Ryan White. This will help to analyze how much was spent, how many providers we have and how many patients were seen to be able to plan the budget.

Member Coca inquired about the number of LCSWs budgeted for the behavioral health. Mr. Smith advised that the three behavioral health professional, two LCSWs and one psychiatric APRN funded through the Ryan White program. Mr. Smith further advised that finance could break out that information. Mr. Smith offered to provide the Governing Board more information about how behavioral health needs to look, because it is not a standalone program. Member Coca was interested in receiving more information about how the program would be operated.

Ms. Whitaker reviewed the Expenses by Department. Father Rafael inquired about the \$750 budgeted in behavioral health for salaries and why only that amount was budgeted for the month. Dr. Leguen advised the behavioral health providers are paid through the Ryan White program. That is why it is not budgeted in behavioral health.

Ms. Whitaker further reviewed the:

- Expenses by Department (with and without Pharmacy)
- General Fund – Included information about what is funded by general fund and special revenue.
- Special Revenue by Fund
- Revenue by Fund
- Expenses by Fund

Father Rafael thanked the staff and commented that the report looks good.

Ms. Anderson-Fintak advised the committee that the Finance and Audit committee is where Ms. Whitaker provides detailed information about the financials. Ms. Anderson-Fintak further advised that Ms. Whitaker will provide an abbreviated version to the Governing Board. The expectation of the committee to inform the Governing Board of its recommendations for the items discussed.

*A motion was made by Father Rafael, seconded by Member Coca, and carried unanimously to accept the March 2023 YTD Financial Report; and Approve Recommendation to the Southern Nevada Community Health Center Governing Board on May 16, 2023*

- 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 Second Public Comment portion was closed.

**XIII. ADJOURNMENT**

The meeting was adjourned at 9:46 a.m.

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

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