

Susquehanna Community Health and Dental Clinic, Inc.
Finance and Audit Committee Meeting Minutes
March 12, 2018

PRESENT: Barbara Barbus, Board Secretary; Dorothy Hilliard, Board Treasurer; Max Houseknecht, Jr., CFO, Phil Allen, Senior Accountant; and Jim Yoxtheimer, (ex-officio), President & CEO

I 403b Fiduciary Responsibility—Presented by Citizens & Northern Bank

Max introduced Michael Hatlee and Josh Sivers from Citizens & Northern Bank to the Board members present. Mr. Hatlee then gave a presentation regarding 403b Fiduciary Responsibility. Plan Fiduciary responsibility includes prudence, loyalty, following plan documents, diversity in plan investments, and paying only the “reasonable” expenses from the plan. The Department of Labor and Internal Revenue Service or the Courts are mainly concerned with proof of established processes to meet fiduciary responsibilities and documentation that proves the processes were followed. Mr. Hatlee and Citizens & Northern bank suggest regular meetings (at least semi-annually) to review documentation. He suggested a written policy or procedure to this affect. Mr. Hatlee and Mr. Sivers answered questions from the Board members throughout the presentation and asked at the end if there were any additional questions. Max thanked Mr. Hatlee and Mr. Sivers for their presentation.

II Financial Review—February 2018

Max reviewed the highlights of the Financial Report for February 2018 as were set forth on the summary provided to the committee, which is hereby incorporated for all purposes herein. He reported that in February the deficiency of revenues over expenses was \$29,381. This takes our YTD deficiency without the Medicaid Settlement to \$83,920. Max then reviewed the Revenue Analysis for the month. Visits throughout the Center were under budget by 445. This is partly due to inclement weather. While Dental visits were under budget by 41 their Gross Dental Revenue was over forecast due to the fee increase approved at the February Board Meeting. Miscellaneous Other Revenue was over forecast by \$16,200 due largely in part to an additional month of Healthy Woman/Wise Woman payments from FHCCP. The Expense Analysis was reviewed to reflect expenses to be under forecast by \$7,710. Salaries and Wages were over forecast by \$12,744 primarily due to increases in PTO/Med Leave Accrual. Total Clinical Supplies were under forecast by \$11,350. The HIIP Grant for Acquisition of PP&E was over forecast by \$5,238 due to drawdown of funds for capital improvements from the HIIP Grant. Balance Sheet Highlights show Accounts Payable at month-end at \$130,365. Accrued PTO Payable increased to \$10,348. Accrued Med Leave Payable increased by \$9,653. The CY17 Employer Pension Match was confirmed and funded in February for \$47,405. Interest accrued on the Super Money Market Fund is \$149.42 which takes the balance to \$500,490.12.

Motion #1 to recommend approval of the February 2018 Financials was made by Barbara Barbus and seconded by Dorothy Hilliard. The motion was passed unanimously.

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III FY17 OIG Letter

Max reviewed with the Board Members the letter RVH&DC received from the Office of Inspector General in reference to the audit report submitted. The audit report was accepted by the Federal Audit Clearinghouse and has met Federal audit requirements. However, they have summarized three findings, which were addressed by Management and return letter to the OIG is attached to show corrective actions made.

IV 330 Grant Remaining Funds

Max reviewed our remaining funds from the 330 Grant indicating the only drawdown this month were for payroll and software approved in the FY17 carryforward prior approval request. Again, the goal is to not need a Carryforward at the end of the Grant cycle.

V 330 Grant Budget Reconciliation

Max reviewed the 330 Grant Budget Reconciliation with the Board Members present.

VI UPMC Susquehanna Grant Application

Max reported an application has been submitted to UPMC Susquehanna for \$500,000 for FY19.

VII FY17 QA/QI Funds

Max reported that our FY17 QA/QI funds need to be used by May 31, 2018. Our team is working on items to purchase which will increase our quality of care to our patients. QA/QI will meet later this month and you will see those items come through. He reported that the management team wanted to make the Finance Committee aware of the expenditures, should they have any concerns with regards to the funds being expended. No concerns were raised by the committee.

Max ended the meeting with assuring each member present if they ever have any questions please do not hesitate to reach out and ask. He will be happy to review the information again.

Next meeting will be April 9, 2018 @ 5 PM in the Conference Room at the Center.