Introduction

The Finance Committee met via Citrix GoToMeeting on 12/03/2020 to discuss the following agenda items:

1. OPTN Financial Statements
2. FY20 OPTN Investment Review
3. FY20 OPTN Reports

The following is a summary of the Finance Committee’s discussions.

1. **OPTN Financial Statements**

Robert Goodman, Treasurer and Chair of the Finance Committee, welcomed everyone and thanked them for their time and participation. Mr. Goodman introduced Dale Smith, UNOS Director of Finance, and asked Mr. Smith to begin his presentation.

Mr. Smith discussed the financial statements, walking through the Statement of Financial Position, specifically highlighting the OPTN strong cash position. Mr. Smith discussed the overall decrease in the cash position when comparing 9/30/2020 to 9/30/2019 balances, which is due to the shortfall in registrations during FY20. With the challenges faced in FY20, Mr. Smith stated that this decrease was in line with expectations.

Mr. Smith then discussed the reserve accounts and the internal goal that the reserve balances are at a minimum equal to three months of expected expenses. As of 9/30/20, the reserve balance was 105% of the goal amount.

For comparison purposes, Mr. Smith discussed the Statement of Financial Position in two formats:

(a) September 30, 2020 & September 30, 2019
(b) September 30, 2020 & August 31, 2020

Mr. Smith then discussed the Statement of Activities, reminding the Committee that the budget amount of OPTN expenses for FY20, was $54.7mm, and the actual expenses were $55.2mm, an increase of approximately $500k over the budget. Mr. Smith provided the variance analysis to the Committee, with several members asking questions related to travel, legal and temporary help expenses.

2. **FY OPTN Investment Review**

Mr. Smith presented the Investment performance for FY20. During the presentation, Mr. Smith shared the actual % return performance, discussed the investment parameters which govern the active management philosophy by Truist, and compared that performance to agreed-upon benchmarks. Mr. Smith also discussed the overall investment strategy for the OPTN, highlighting that the strategy is a long term outlook, investing with a 10-year+ horizon outlook.
3. FY20 OPTN Reports

Mr. Smith shared that in January 2021, he will be meeting with HRSA to present quarterly information from October – December 2020 information. Mr. Goodman asked if there were additional questions, and with no questions being raised, he thanked everyone for their time, and adjourned the meeting.

**Upcoming Meetings (tentative):**

- February, 2021 for audit and investment presentations
- May, 2021 for preliminary budget conversations
- June, 2021 for budget recommendation to the Board
Attendance

- **Finance Committee Members**
  - Robert Goodman
  - James Sharrock
  - Pono Shim
  - Laura DePiero
  - James Gleason
  - Barry Massa

- **HRSA Representatives**
  - Christopher McLaughlin
  - Shannon Taitt
  - Vanessa Arriola

- **UNOS Staff**
  - Brian Shepard
  - Dale Smith
  - Jason Livingston
  - Maureen McBride