

**OPTN Finance Committee
Meeting Summary
December 6, 2021
WebEx and Four Season Resort Dallas**

**Brad Kornfeld, Chair
Dale Smith, Director of Finance**

Introduction

The OPTN Finance Committee met in person at the Four Seasons Resort Dallas/Las Colinas and via WebEx teleconference on 12/6/2021 to discuss the following agenda items:

1. Fiscal Year 2021 Financial Statements
2. Accounts Receivable Aging and Cash Positions
3. Fiscal Year 2022 Calendar

The following is a summary of the Committee's discussions.

1. Fiscal Year 2021 Financial Statements

Brad Kornfeld started the meeting by welcoming everyone in attendance and gave a high-level overview of fiscal year 2021, emphasizing the strong financial results despite the challenges of COVID. Mr. Kornfeld then turned the meeting over to Dale Smith, UNOS Finance Director. Mr. Smith shared the current financial position of the OPTN, which continues to be in a strong position with good investment results. Mr. Smith explained the registration budget for fiscal year 2022 is 63,800. To meet that target, we need to average 5,300 registrations per month. The OPTN seems to be on track to meet that target. Mr. Smith reported that over the past 10 years, overall the registration forecasts have been very accurate. He then walked the committee through the investment performance, which has been good. Mr. McLaughlin asked if all of the Accenture work is billed to the OPTN. Mr. Alex Tulchinsky, UNOS CTO, replied that 100% of the Accenture work is billed to the OPTN. Mr. Orłowski asked if the investment management is on an annual contract. Mr. Smith replied that yes, we are on an annual, calendar year contract.

2. Accounts Receivable Aging and Cash Positions

Mr. Smith discussed the accounts receivable aging balances and explained that we have historically had a high collection ratio. However, the aging balances are growing due to billing practices such as sending out paper bills, waiting for hospital accounts payable staff to receive them, and the hospital mails back a paper check. Additionally, beginning in October, the OPTN bill has been a standalone invoice, which has been creating administrative issues and slowing collections. The new invoice format has led to many questions from accounts payable staff at hospitals who are confused. The finance staff have had to redirect efforts from collecting aging balances to answering questions related to the new invoices. Mr. Smith explained that he expects the aging balances to grow in the short term until hospitals have grown accustomed to the new invoices and payments catch up. Mr. McLaughlin explained that the rationale for the standalone invoice was to emphasize that the OPTN fee is mandatory but the UNOS fee is voluntary.

Mr. Smith showed the committee the current cash position, which remains strong. The OPTN operating account is \$1.3M above the minimum reserve and the reserve account is \$1.9M above the minimum.

Mr. Smith asked the committee if they had any suggestions for how to encourage members to pay in a timely manner. Mr. Orłowski stated that this situation is consistent with what he is seeing in the OPOs. Mr. Massa suggested that the OPTN use electronic billing and payments. Ms. Tietjen suggested sending an aging balance to the transplant coordinator who could facilitate timely payment with the accounts payable staff.

3. Fiscal Year 2022 Calendar

Mr. Smith discussed the fiscal year 2022 calendar and explained that we are in the process of wrapping up the external audit and fieldwork has been completed. He also called the committee's attention to the proposed finance committee meetings during the year.

Upcoming Meeting

- January, 2022

Attendance

- **Committee Members**
 - Brad Kornfeld
 - Linda Cendales
 - Robert Goodman
 - Barry Massa
 - Jeffrey Orłowski
 - Andrea Tietjen
- **HRSA Representatives**
 - Chris McLaughlin
- **UNOS Staff**
 - Dale Smith
 - Steve Harms
 - Alex Tulchinsky
 - Matt Rowland
 - David Klassen