

OPTN Finance Committee

Meeting Summary

May 14, 2024

WebEx

Andrea Tietjen, Chair

Dale Smith, Chief Financial Officer

Introduction

The OPTN Finance Committee met via WebEx teleconference on 5/14/2024 to discuss the following agenda items:

1. Opening Remarks
2. Investment Portfolio Strategy Update
3. OPTN Reserve Account
4. FY25 Budget Preparation Plan
5. Adjourn

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

1. Opening Remarks

Andrea Tietjen, Chair, welcomed the committee and walked members through the planned agenda. Ms. Tietjen asked HRSA representatives if they had any updates to share with committee. Mr. Chris McLaughlin updated the committee on the separation of the OPTN Board and the OPTN contractor's board and the impact the separation has on the OPTN Finance Committee's fiduciary duties to the OPTN during budget preparation. Ms. Tietjen thanked Mr. McLaughlin and reminded the committee of their duty to consider the OPTN modernizations efforts, Expeditious Task Force work, and upcoming policy prioritization enhancements when preparing the Fiscal Year (FY) 2025 Budget recommendation. The committee discussed the opportunity to build a matrix of responsibilities and financial decision making through the transition to multiple contractors.

2. Investment Portfolio Strategy Update

Rob Norfleet, portfolio investment manager from Truist Financial, presented the environmental, social, and governance (ESG) alignment exposure metrics of the OPTN investment portfolio to the committee. He noted that the OPTN investment portfolio's exposure to non-socially responsible investments is relatively low. The committee discussed their ability to adjust and customize the portfolio based on specific preferences. Mr. McLaughlin noted that he is not aware of any specific restrictions on government contractor investments. Ms. Tietjen thanked Mr. Norfleet for providing the portfolio summary.

3. OPTN Reserve Account

Joe McCollum, Assistant Director of Finance and Accounting, presented the current OPTN cash reserve strategy to the committee as 3 months of operating expenses equating to approximately \$18 million. The committee reviewed and discussed the need for additional cash in the operating account due to projected shortfalls. Based on the projected shortfalls in OPTN cash, the committee discussed the appropriate amount of funds to keep in the reserve account ranging from 2 months of operating

expenses to 15% of the overall budget. To change the percentage of OPTN funds in the reserve account, the Board would need to consider and approve a bylaw change. Mr. McLaughlin emphasized the importance of providing detailed information on how funds will be used when requesting an increase in accessible OPTN cash. The committee reviewed and discussed the current avenues for access to the cash in the reserve account and Mr. McLaughlin confirmed their interpretation of the bylaws.

4. FY25 Budget Preparation Plan

Discussion surrounding the funding in the OPTN operating account led to discussion of the preparation plan for the FY25 OPTN operating budget. The contractor will provide detailed analysis of streams of work when preparing the FY25 budget for HRSA and committee members to review. The committee will also review the budget in a categorized model of funds that are required to maintain a steady state versus funds that would support enhancements to the system or other additional efforts.

5. Adjourn

Ms. Tietjen thanked the committee for their time and the meeting was adjourned at 12:02pm ET.

Attendance

- **Committee Members and Advisors**
 - Andrea Tietjen
 - Barry Massa
 - Brad Kornfeld
 - Lloyd Ratner
 - Stuart Sweet
- **HRSA Representatives**
 - Aite Aigbe
 - Chris McLaughlin
 - Adrienne Goodrich-Doctor
 - Frank Holloman
 - Mesmin Germain
 - Steve Keenan
- **UNOS Staff**
 - Anna Messmer
 - Emy Trende
 - Jacqui O'Keefe
 - Joe McCollum
 - Julie Nolan
 - Kasey Darnes
 - Liz Robbins Callahan
 - Michael Letson
 - Morgan Jupe
 - Susie Sprinson
- **Other Attendees**
 - Rob Norfleet