

OPTN Finance Committee

Meeting Summary

August 23, 2023

WebEx Meeting

Andrea Tietjen, Chair

Introduction

The OPTN Finance Committee met via WebEx teleconference on 08/23/2023 to discuss the following agenda items:

1. Opening Remarks
2. OPTN Finance Committee Orientation

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

1. Opening Remarks

Ms. Andrea Tietjen, Chair of the Finance Committee and Treasurer, welcomed attendees to the meeting. She emphasized the Committee's need for collaboration and noted the importance of their work. She also highlighted the rapidly changing landscape, the Committee's need to make decisions based on the current state, and the need for flexibility to pivot and adapt as necessary. She expressed gratitude to the immediate past treasurer, Mr. Kornfeld, for his leadership over the past two years. Ms. Tietjen encouraged active participation from the Committee members and underscored the responsibility they have to patients and the transplant community.

2. OPTN Finance Committee Orientation

Ms. Tietjen continued the meeting by discussing the Committee's fiduciary role to manage funds for the benefit of patients and ensure fiscal responsibility. She outlined the key annual deliverables, including recommending the budget and registration fee to the Board of Directors, reviewing and approving of the uniform compliance audit, reviewing monthly financial performance, assessing investment strategies, and participating in periodic meetings and budget reviews. She discussed the importance of tracking and adjusting the budget, especially considering the impending changes and transitions. Ms. Tietjen then explained the standard timeline for budget oversight and indicated that modifications might be necessary. The committee asked HRSA about the expectations for submitting an updated budget projection after the initial six months of the fiscal year. HRSA representatives clarified that adjustments to the budget would be critical due to the anticipated changes and emphasized the need for regular monitoring with possible budget revisions throughout the year. HRSA also clarified that the Committee's engagement would be more extensive than in the past, involving a strong understanding of activities funded through the budget. The committee discussed that changes impacting the budget might originate from both the Committee and the Board's decisions.

Ms. Tietjen introduced the audit process, explaining that the Committee will review the annual audit report. Mr. Smith discussed the report for the September 30, 2022 audit, emphasizing the importance of obtaining a clean opinion on financial statements' accuracy. He explained the role of the audit firm in testing and summarizing compliance with government standards regarding federal funds.

Mr. Smith continued the meeting by presenting the Statement of Financial Position. He explained the purpose of the meeting was an orientation to share information and provide insight into the organization's financial position. Mr. Smith mentioned that the July financial performance report would be sent out soon. He invited questions from the attendees. The committee discussed the reserve account and if it was used for new committee projects. Mr. Smith clarified that the reserve account was primarily reserved for emergencies, as specified in the Bylaws. There were provisions for using the reserve account in case the primary account fell below a certain threshold or if both parties agreed on a significant or unique project. However, Mr. Smith noted that during his time, no funds had been withdrawn from the reserve account. Mr. McLaughlin added that the excess funds in the reserve account were collected from fees paid in previous years, and they represented money from all the centers. These funds could potentially be allocated to reduce future fees.

Mr. Smith continued the presentation, discussing the Statement of Activities. He explained that the organization had been running a deficit to budget for most of the fiscal year due to timing differences in spending. He mentioned the importance of budget variance management and expressed a target of keeping it at 2% or less. A committee member asked about the investment philosophy and any restrictions. Mr. Smith stated that there were no formal restrictions at the moment and that the committee could review the philosophy for enhancements or changes.

Mr. Smith discussed Accounts Receivable, highlighting improvements in reducing aged receivables. He mentioned that the goal was to keep the percentage of aged receivables (+120 days) below 5%. He also touched on the topic of collection efforts and whether late fees or interest charges should be considered in the future. Mr. Smith presented a report on the registration fee, emphasizing the impact of registration changes and fee collections on the organization's finances. Ms. Tietjen commended the team's efforts to improve communication and reduce aged receivables.

Mr. Smith continued with the presentation, reviewing the details of the voucher structure and the example of task descriptions. Mr. Smith proceeded to discuss the proposal for fiscal year 2024, estimating the number of people, time, and wages associated with different tasks.

Ms. Tietjen once again stressed the importance of Committee engagement and encouraged members to ask questions on the presented information. Mr. Smith and Mr. McLaughlin echoed this sentiment, emphasizing their openness to feedback and collaboration.

The meeting adjourned.

Attendance

- **Committee Members**
 - Andrea Tietjen
 - Bradley Kornfeld
 - Lloyd Ratner
 - Emily Blumberg
 - Laura Stillion
 - George Surratt
 - Nancy Metzler
 - Stuart Sweet
- **HRSA Representatives**
 - Christopher McLaughlin
 - Frank Holloman
 - Mesmin Germain
 - Vanessa Arriola
 - Daniel Thompson
- **UNOS Staff**
 - Anna Messmer
 - Dale Smith
 - Kasey Darnes
 - Jacquelyn Flannagan
 - Michael Letson
 - Morgan Jupe
 - Susie Sprinson