



**FINANCE COMMITTEE MEETING  
MINUTES  
January 16, 2020**

<b>Meeting Title:</b> Finance Committee Meeting		<b>Meeting Facilitator:</b> Joyce Wilson – Board Member
<b>Date:</b> 1/16/2020	<b>Time:</b> 3:00 PM	<b>Location:</b> One San Jacinto Plaza 201 E Main Suite 600 – Board Room
<b>Note Taker:</b> Oswaldo Del Rio		
<b>Present:</b> Thomas Goldfarb, Board Member, Joyce Wilson, Board Member, Kristen Daugherty, CEO, Anthony Martinez, Legal Counsel, Ashley Sandoval, Associate CEO, Rene Navarro, Chief Compliance Officer, Chrystal Davis, Chief Clinical Officer, Juan Gonzalez, Chief Information Officer, Matt Zabolotny, Interim CFO, Monica Estrada, Controller, Oswaldo Del Rio, Exec. Asst. to CFO, Jessika Franco, Exec. Asst. to CEO.		
<b>Not Present:</b>		

ITEM	TOPIC	DESCRIPTION/CONCLUSION	REQUIRED ACTIONS	ASSIGNMENT OF RESPONSIBILITY	DATE FOR COMPLETION
I.	<b>Approve November 21, 2019 Finance and Executive Meeting Minutes</b>	Minutes for the October Finance and Executive Committee meetings were reviewed and approved.	Item forwarded to the Board for approval.	Oswaldo Del Rio	
II.	<b>Presentation of a CEO Report regarding EHN Operations</b>	No Report Provided	No action	Kristi Daugherty	
III.	<b>EHN FY2019 External Audit</b>	Mr. Juan Garcia with Beasley, Mitchell & CO. Presented: <ul style="list-style-type: none"> <li>• Provided a Draft Copy of the EHN FY2019 External Audit to the committee.</li> <li>• Mr. Garcia reviewed several sections of the audit with the committee and reported there were no findings for FY2019.</li> </ul>	Item forwarded to the Board for approval in Regular Agenda		
IV.	<b>Discussion on Emergence Health Network</b>	Financials were provided to committee members for review.	No Action	Matt Zabolotny	

	<b>Financials for November 2019.</b>				
<b>V.</b>	<b>Discussion on Emergence Health Network Financials for December 2019.</b>	<p>Mr. Zabolotny provided the following information:</p> <p>December 2019:</p> <ul style="list-style-type: none"> <li>EHN's Balance Sheet reflects \$14.2 Million in cash. Also \$11.1 Million in Accounts Receivable that include our annual contracts for HHSC.</li> <li>For the month of December revenues are down by \$595K largely due to Fee For Service lower than budgeted by \$470K.</li> <li>In Expenses the agency had a positive variance of \$517K largely due to Salaries and Benefits and Contracts. Net Revenue over Expenses for the month came in at a loss of \$702K with a negative variance over budget of \$29K.</li> <li>The Cash Flow forecast was updated and presented.</li> <li>Financial Ratios were updated and presented</li> <li>Health Fund came in at a negative of \$114K for December.</li> </ul>	Item forwarded to the Board for approval in Consent Agenda.	Matt Zabolotny	
<b>VI.</b>	<b>Award RFP #19-004 – Enterprise Resource Planning (ERP)</b>	<p>Mr. Zabolotny provided the following information:</p> <ul style="list-style-type: none"> <li>Provided background information on the situation with our current Accounting Software vendor and the need for EHN to seek a new vendor for an ERP software system.</li> <li>Also provided detail on the process that was taken in completing the RFP and final recommendation to the committee.</li> <li>Provided a cost analysis to compare the recommended vendor cost with that of our current Accounting Software and Human Resources Information System that will be replaced.</li> </ul> <p>The Committee recommended that staff revise the ERP Board Communication document and add additional language to justify supporting the recommended vendor. It was also recommended to have legal review and bring back to Committee next month.</p>	No Action	Matt Zabolotny	
<b>VII.</b>	<b>JPD – MST Interlocal</b>	Mrs. Chrystal Davis provided the following information:	Item forwarded to the Board for	Chrystal Davis	

Finance Committee Meeting

Date: 1/16/2020

		<ul style="list-style-type: none"> <li>• There is an Interlocal with JPD that identifies MST services that shall be provided by EHN and JPD.</li> <li>• The amendment also includes a budget amendment with an increase of \$46,650 for a total contract amount of \$166,650 per county fiscal year. This is to cover salaries and benefits with a 10% Indirect charge.</li> </ul>	approval in Consent Agenda.		
<b>VIII.</b>	<b>UMC -EHN Jail Contract</b>	<ul style="list-style-type: none"> <li>• No Action – Tabled for next month</li> </ul>	No Action	Chrystal Davis	
<b>IX.</b>	<b>FY 2020 Strategic Plan</b>	<p>Ms. Kristi Daugherty reported:</p> <ul style="list-style-type: none"> <li>• Kristi reviewed and provided an update on the items related to Finance Committee.</li> </ul>	No Action	Kristi Daugherty	
<b>X.</b>	<b>Review Board Agenda</b>	The Committee reviewed and provided feedback on items presented to Finance Committee for the Board Agenda for January 30, 2020.	No Action	Jessika Franco	