

**Healthy Start Coalition of Flagler and Volusia Counties, Inc.  
FINANCE AND ADMINISTRATIVE OVERSIGHT COMMITTEE MEETING**

Date: Friday, November 13, 2015

Start Time: 10:11 a.m.

End Time: 11:55 a.m.

Location: 109 Executive Circle, Daytona Beach, FL 32114

Members Present: Tyler DeBord, Paul Lane, Eric Goire

Staff/Guest Present: Dixie Morgese, Carrie Wilson, Buddy Hall

Members Absent:

Agenda Item	Summary	Action	Follow-Up	Date
I. Welcome	The meeting convened at 10:11 a.m. Members present included Tyler DeBord, Paul Lane and Eric Goire.	N/A	N/A	N/A
II. Approval of minutes	The minutes of the 08/14/15 meeting were approved by consensus as presented.	Minutes approved	None required	N/A
III. FY14/15 Audited Financial Statements	Buddy Hall provided a review of the FY14/15 audited financial statements.  He noted that there was one additional correction needed to the final draft. On page 6, in the 2014 column, the Program Expenses for Healthy Start and Healthy Families are inverted: (Healthy Start = \$1,980,647 and Healthy Families = \$599,922).  Mr. Hall reported that the type of Auditor's report issued was unmodified, with no material weaknesses or	FY14/15 audited financial statements approved with noted corrections	Present to Board of Directors for Ratification	12/08/15

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	<p>significant deficiencies identified, and no findings or questioned costs. He then provided an overview of the financial statements, noting the following:</p> <p>Statement of Financial Position:</p> <ul style="list-style-type: none"> <li>- Total assets had increased by approximately \$117,000, most of the increase attributable to cash;</li> <li>- Change in classification for unspent Medicaid earnings from deferred revenue to temporarily restricted assets;</li> <li>- Resulting decrease in liabilities of approximately \$200,000;</li> <li>- Medicaid holdback – new long term asset;</li> </ul> <p>Statement of Activities:</p> <ul style="list-style-type: none"> <li>- Total support increased by about \$229,000, primarily due to recognition of prior year deferred revenue as temporarily restricted</li> <li>- New line item – HSMCN</li> <li>- Total G &amp; A expenses still less than 6%</li> </ul> <p>Statement of Functional Expenses:</p> <ul style="list-style-type: none"> <li>- Change in categorization of some program expenses;</li> <li>- Third program category changed to Outreach &amp; Family Engagement</li> </ul> <p>Notes:</p> <ul style="list-style-type: none"> <li>- Not a lot of changes from prior year</li> <li>- One addition to Note 1 regarding HSMCN Medicaid holdback of up to five years.</li> </ul> <p>Mr. Hall briefly discussed the DOH fiscal monitoring that had been conducted in May 2015 to ensure that the committee and the board were aware of the monitoring results and that the agency was following up accordingly with a time study in order to have full documentation of</p>			

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	<p>compliance with OMB A-122 with regards to allocation of salary &amp; fringe expenses. Ms. Morgese confirmed that this had been discussed previously with the committee, and that the agency was currently undergoing a three-month time-study that had started on 10/05/15 utilizing a web-based software called Toggl.</p> <p>Mr. Hall then distributed the Internal control letters and confirmed that there were no issues identified in the management letter.</p> <p>Ms. Wilson explained to the committee that the financial policy and procedure regarding approval of the audited financial statements needed to be updated. She requested confirmation from the committee regarding moving forward with approval in accordance with how the committee has been operating. The consensus of the committee was to continue operating in this manner, and then move forward with updating the policy.</p> <p>Accordingly, Mr. Lane made a motion to approve the audited financial statements with the correction on page 6 as identified by Mr. Hall. Mr. DeBord seconded the motion, and the financial statements were approved by consensus.</p>		Draft revised financial policy & procedure	By next committee meeting
IV. 2014 Tax Return	<p>As Mr. Young was unable to attend today's meeting, Mr. Hall then provided an overview of the final draft of the 2014 tax return (990).</p> <p>Mr. Lane made a motion to approve the 2014 tax return as presented. Mr. DeBord seconded the motion, which passed by consensus.</p>	Approved	Present to Board of Directors for ratification	12/08/15

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<p>V. FY15/16 YTD Financial Reports</p>	<p>Ms. Wilson started to review the first quarter financial reports, and explained that after discussion with Don Young and Mr. Goire, the plan was to move from monthly to quarterly CPA reports to the Finance Committee in future quarters. Mr. Young will still be reviewing the books on a monthly basis, but will compile his review into a single quarterly report at the conclusion of each quarter.</p> <p>The committee also discussed the current engagement with the CPA, and made recommendations regarding next year's letter of engagement.</p> <p>Ms. Wilson reported that the agency's cash flow steadily continued to improve.</p> <p>Ms. Wilson asked if the committee wanted to continue with the prior year comparison format of the quarterly financial reports, and the consensus of the group was to continue using this format.</p> <p>There was a brief discussion regarding the line of credit, and that the agency had not had to draw on it so far this fiscal year. The committee recommended that a brief draw be made before the end of the year in order to ensure that the line of credit be maintained.</p> <p>At the end of the first quarter the budget was 21% expensed.</p> <p>Ms. Wilson reported that a budget amendment was needed in order to adjust projected spending and incorporate new funding sources, and shared with the committee the new funding of approximately \$400,000 that had been awarded for the period December 2015 – June 2016.</p>	<p>None required</p>	<p>Present financial reports to the Board of Directors</p>	<p>12/08/15</p>

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VI. Old Business	There was no old business to discuss.			
VII. New Business A. FY15/16 Updated Revenue Summary  B. FY15/16 Proposed Budget Amendment #1  C. Travel Advance Policy & Procedure	A. Ms. Wilson reported that staff was still working on an updated revenue summary, and hoped to have it completed by the December board meeting.  B. Ms. Wilson reported that staff was still working on a proposed budget amendment, and hoped to have it completed by the December board meeting.  C. Ms. Wilson presented a draft Travel Advance Policy for review. After in-depth discussion of the policy and possible alternate policies, the policy was recommended for approval by consensus.  Ms. Wilson reported that due to an increase in employees and increases in employees attending conferences and out of area training, consideration needed to be given to increasing the agency's overall credit card limit and/or the number of cards issued.	Policy recommended for approval	Staff to complete updated Revenue Summary  Staff to completed proposed budget amendment  Forward to Board of Directors for approval  Draft revised business credit card policy & procedure	12/08/15 Board meeting  12/08/15 board meeting  12/08/15 board meeting  By next committee meeting.
VIII. Adjournment	The meeting was adjourned at 11:55 a.m.	N/A	N/A	N/A