

Board
Information
Packet
April 16, 2018

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A

CEO REPORT (April 2018)

- San Mateo Center staffing is stable at this time
 - Continuous training of staff is ongoing to ensure patient safety and service.
 - Monthly staff meetings are held to address the constant challenge of Denti-Cal billing regulations and systems. These meetings facilitate dissemination of information to all staff members and improve efficiency.
 - San Mateo Center continues to schedule new patients, especially children, who have Denti-Cal coverage, in a manner that will increase visit volume while being mindful of payor mix.

- Coastside Center staffing undergoing changes, but operations are still steady
 - The new dental assistant has been learning quickly and fitting in well.
 - Coastside Center continues to accept new Denti-Cal patients who live in the region.

- NYU Lutheran Residency Program for 2018-2019 underway
 - Coastside Center has accepted its new resident, Riley Bateman, from UCSF
 - A dentist who has been working at Coastside part-time for the past 4 years has committed to working on Fridays beginning in July, in order to supervise the new resident. Dr. Torrey will continue to be the main supervisor and work directly with the resident Mon-Thurs.

- IV Sedation Program update
 - *In March, all forms had been submitted to both the CDPH Central Application Unit (CAU) and the CDPH Regional Office (2 separate agencies, working simultaneously). Another set questions had been faxed to us by the CDPH (this was the 3rd set of questions presented to us since the beginning of this process).*
 - CDPH - All additional questions were answered and hand-delivered to the Brisbane office.
 - CAU – A representative from CAU called me to confirm that they received our application and have assigned it to a case manager.

- Program Development
 - This month, I've been working with Directors and Program Managers of the following organizations to explore potential collaborations or to continue working on existing projects:
 - Self-Help for the Elderly
 - Ravenswood Family Health Center (FQHC)
 - San Mateo Medical Center (County FQHC)
 - Samaritan House
 - Casa de Redwood Senior Housing
 - Senior Focus Program at Mills-Peninsula Medical Center
 - Leslie Senior Communities
 - Chamber of Commerce

B

DIRECTOR OF DEVELOPMENT AND SPECIAL PROJECTS REPORT (April 2018)

- ADP
 - We are in the final stages of converting payroll exclusively to ADP Time and Attendance. Once individual staff training sessions on the new Time and Attendance protocol has been conducted this week, the “spin” will be complete.
 - This will have a minimal impact on staff while increasing the accuracy of paid time off accrual/use. Efficiency will also be increased by automating the process, so that no calculation or entering is needed to be done by the payroll administrator.

- Grants

- Since the previous board meeting Sonrisas has submitted the following grant requests:

City of HMB	Coastside	\$15,000	
Sandhill Foundation	Coastside	\$20,000	
Atkinson Foundation	San Mateo/Coastside	\$15,000	
Delta Dental Foundation	San Mateo/Coastside	\$35,000	

- Among other grant opportunities, Sonrisas is also in the process of pursuing a three-year, \$200,000 grant from the California Wellness Foundation for both San Mateo and Coastside Centers. An update on the proposal will be provided at the May board meeting.
- Check reader installation
 - As part of our banking change from Wells Fargo to Boston Private, we have recently put remote check deposit systems into use in our San Mateo and Coastside offices. These machines allow us to deposit patient and insurance checks on a daily basis. This increases the chances of collecting the money from patients and provides immediate deposits, helping streamline cash flow.
 - Accountant Search
 - We are very happy to announce that after an extensive search that resulted in over 30 submitted resumes and several interviews, an offer has been made to the top candidate. Details to follow, but Sonrisas is very appreciative of PHCD’s Chief Business Officer Vickie Yee for her guidance and participation in the recruitment and hiring process.
 - Updated Handbook
 - The company handbook has been updated with the latest California labor laws and relevant corporation policies for employees. This will help the organization minimize risk of exposure to HR issues. The new handbook has now been rolled out to Coastside and San Mateo staff members during their April staff meetings.

- Open Dental Reports
 - As a solution to the reporting problems that have been experienced, staff has worked with programmers from Open Dental to create several new reports that will ensure data is reported accurately and in a timely matter. This new report templates will identify positive and negative operational trends with consistent results. Open Dental has completed half of the ordered reports with the remaining ones to be completed soon. We have been contacting them daily to expedite the process.
-

C



DATE: April 12, 2018
TO: SDH Board of Directors
CC: Cheryl Fama, CFO
FROM: Vickie Yee, CBO
RE: **FY 2018 February 2018 Unaudited Financials and YTD Performance to Budget**

FEBRUARY PERFORMANCE:

- A. Revenue:** Net Patient Revenue was **\$144,741**
 - 1. Visits consistent with prior month with over 900+ visits.
 - 2. Total deductions from gross revenue were 46%

- B. Grants & Donations:** **\$130,946** (\$75,000 from PHCD) – An adjusting entry was made to Net Assets Released from Restrictions in the amount of **<\$24,800>** to correct over released assets in prior months.

- C. Total Net Income - \$275,687**

- D. EXPENSES:**
 - 1. **Direct were \$121,534** - Down \$1,068 over prior month due to the net of a decrease in lab fees and an increase in salaries. The last incentive payments were paid to the dentists.
 - 2. **Indirect were \$155,975** – Up \$2,945 over prior month. Expenses under Transition Accounting Services were overstated in February in the amount of \$23,503 due to a catch-up of accounting services rendered in November, December, and January. February indirect expenses would have been down **<\$20,000>** from prior month due to Management’s efforts to control cost.

- E. NET ORDINARY INCOME: <\$1,822>** - Up \$6,508 over prior month. A \$40,000 grant was received to operations and less support from PHCD grant funding by **<\$25,000>** compared to prior month.

PERFORMANCE TO BUDGET – YEAR TO DATE (July-February):

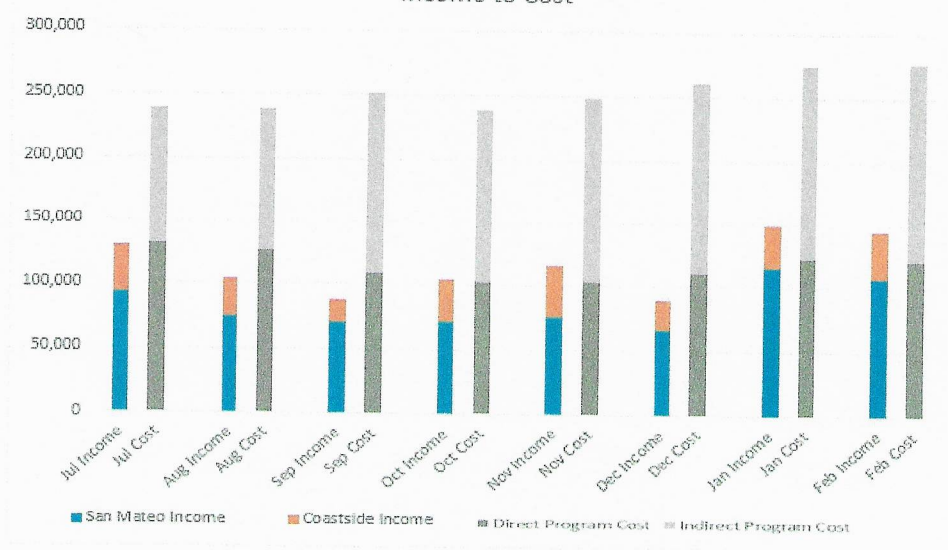
- A. Gross Patient revenue \$206,572 worse than budget
- B. Total deductions from revenue \$196,422 better than budget
- C. Total grants/donations/incentives \$389,947 better than budget
- D. Direct costs: \$191,830 better than budget by 17%
- E. Indirect costs: \$ 16,916 better than budget by 2%
- F. Total costs: \$174,914 better than budget by 8%

NET ORDINARY INCOME YTD: <\$273,327> which is \$554,711 less than the budget of **<\$828,038>**

Sonrisas Dental Health Operations

	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Total
San Mateo Income	93,016	74,506	70,903	71,933	76,633	67,062	116,144	107,669	677,866
Coastside Income	37,432	30,074	16,230	31,735	38,547	21,446	32,289	37,072	244,827
Total Income	130,449	104,581	87,133	103,668	115,180	88,508	148,433	144,741	922,693
Direct Program Cost	133,019	126,931	110,223	102,666	104,044	111,519	122,602	121,534	932,539
Indirect Program Cost	105,238	111,744	141,534	136,011	144,116	149,325	153,030	155,975	1,096,972
Total Cost	238,257	238,676	251,757	238,677	248,160	260,844	275,632	277,509	2,029,511
TOTAL	(107,808)	(134,095)	(164,624)	(135,009)	(132,980)	(172,336)	(127,199)	(132,768)	(1,106,818)
Dividend/Other Income	124	139	1,155	149	148	152	188	21,658	23,713
Donations Received	16,533	18,422	72,802	16,247	29,909	17,764	18,869	34,458	225,003
Settlement	0	1,129,827	0	0	0	0	0	0	1,129,827
Grant from PHCD	0	67,000	120,000	0	75,000	150,000	100,000	75,000	587,000
OTHER INCOME	16,658	1,215,388	193,957	16,395	105,056	167,916	119,057	131,116	1,965,543
NET INCOME	(91,150)	1,081,294	29,333	(118,614)	(27,924)	(4,420)	(8,142)	(1,652)	858,725

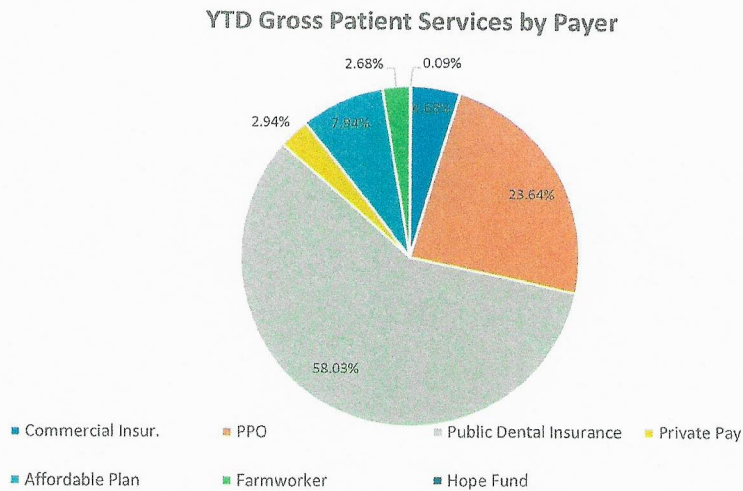
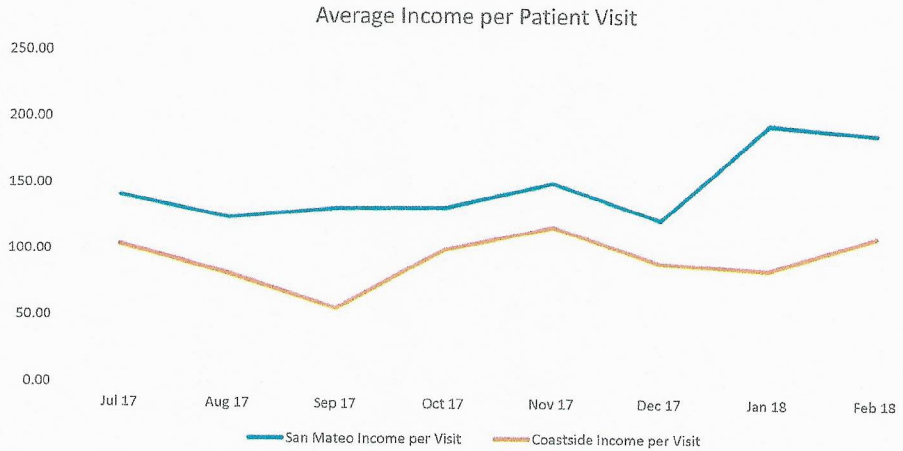
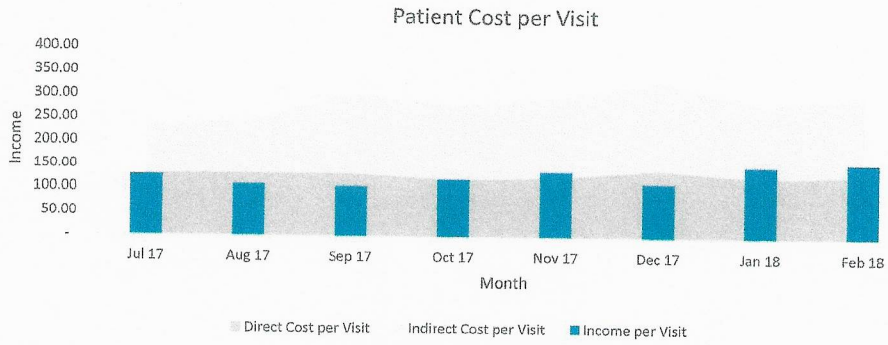
Income to Cost



Patient Visits

	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Total
San Mateo Visits	659	599	537	542	505	541	593	569	4545
Coastside Visits	361	369	289	315	325	237	377	333	2606
Total Visits	1020	968	826	857	830	778	970	902	7151

	Patient Cost per Visit							
	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18
Income per Visit	127.89	108.04	105.49	120.97	138.77	113.76	153.02	160.47
Direct Cost per Visit	(130.41)	(131.13)	(133.44)	(119.80)	(125.35)	(143.34)	(126.39)	(134.74)
Indirect Cost per Visit	(103.17)	(115.44)	(171.35)	(158.71)	(173.63)	(191.93)	(157.76)	(172.92)
Cost per Visit	(105.69)	(138.53)	(199.30)	(157.54)	(160.22)	(221.51)	(131.13)	(147.19)



SONRISAS DENTAL HEALTH, INC.
Profit & Loss - Monthly
 July 2017 through February 2018

Ordinary Income/Expense	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	TOTAL
Income									
Program Revenue									
Patient Services									
4103 - Commercial Insur.	11,560	7,688	12,261	11,008	9,173	16,801	15,796	12,212	96,499
4102 - PPO	70,697	57,503	51,000	52,492	61,257	67,506	65,664	60,830	486,949
4100 - Public Dental Insurance	175,694	172,937	134,415	158,218	131,348	109,361	147,671	165,631	1,195,275
4106 - Private Pay	14,651	8,091	6,844	5,412	8,104	7,200	5,645	4,525	60,472
4101 - Affordable Plan	30,865	15,230	19,598	17,060	25,227	14,927	22,493	18,147	163,547
4104 - Farmworker	8,311	10,799	825	6,597	4,177	4,829	11,439	8,123	55,100
4105 - Hope Fund	207	251	0	242	123	986	0	123	1,932
4109 - Virtual Dentistry Home	0	0	0	0	0	0	(319)	0	(319)
Total Patient Services	311,985	272,499	224,943	251,029	239,409	221,610	268,389	269,591	2,059,455
Uncompensated Care									
5020 - Prior Period Adjustment	(7,073)	(7,404)	(4,791)	(9,266)	(1,812)	(18,006)	32,150	33,104	16,902
5005 - Commercial Insur.	(357)	(146)	(25)	(21)	(448)	(367)	(650)	(1,247)	(3,261)
5004 - PPO	(26,946)	(20,464)	(21,239)	(20,236)	(22,877)	(26,684)	(24,863)	(20,408)	(183,717)
5009 - Public Dental Insurance	(117,996)	(113,957)	(91,524)	(103,325)	(82,235)	(68,043)	(99,283)	(114,012)	(790,375)
5007 - Affordable Plan	(10,343)	(5,461)	(7,115)	(5,396)	(8,460)	(4,979)	(8,503)	(5,821)	(56,078)
5003 - Farmworker Program	(9,732)	(7,333)	(330)	(3,611)	(4,011)	(5,309)	(4,080)	(6,274)	(40,680)
5002 - Hope Fund	169	(4,172)	(2,608)	0	0	0	(3,970)	0	(10,581)
5001 - Fee Adjustments	(9,371)	(8,981)	(10,178)	(5,506)	(4,386)	(9,714)	(6,768)	(9,902)	(64,806)
5010 - Bad Debt Write-off	113	0	0	0	0	0	(3,989)	(290)	(4,166)
Total Uncompensated Care	(181,536)	(167,918)	(137,810)	(147,361)	(124,229)	(133,102)	(119,956)	(124,850)	(1,136,762)
Total Program Revenue	130,449	104,581	87,133	103,668	115,180	88,508	148,433	144,741	922,693
Donations and Incentives									
5100 - Donations	427	67,368	575	2,066	746	608	1,008	143	72,941
5101 - In-Kind Donations	700	0	0	0	0	0	0	0	700
5103 - Incentives	0	0	0	0	0	0	0	21,488	21,488
5105 - Raffle	820	200	1,410	0	0	0	0	0	2,430
5150 - Unrestricted Grants	0	0	175,500	1,151	75,000	150,000	100,000	115,000	616,651
5199 - Net Assets Released from Restri	14,556	17,855	15,317	13,030	29,163	17,156	17,861	(5,685)	119,283

	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	TOTAL
Total Donations and Incentives	16,533	85,423	192,802	16,247	104,909	167,764	118,869	130,946	833,493
Total Income	146,982	190,004	279,935	119,915	220,089	256,272	267,302	275,687	1,756,186
Expense									
Direct Program Costs									
Personnel									
5250 - Direct Program Salaries	93,323	93,533	80,054	73,093	79,259	85,867	86,410	91,138	682,677
5260 - Payroll Taxes	6,952	6,976	5,674	5,415	5,878	5,678	6,672	6,803	50,048
5261 - Unemployment Taxes	165	147	150	261	159	(76)	1,349	807	2,962
5270 - Benefits	5,515	4,063	3,152	3,242	2,325	4,057	2,047	2,329	26,730
5275 - 401k Match	768	0	0	0	0	0	983	940	2,691
5278 - Worker's Comp.	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	10,120
5280 - Continuing Educ.	50	0	1,307	598	0	0	0	0	1,955
5281 - Licenses and Registrations	0	36	0	0	0	0	0	0	36
Total Personnel	108,038	106,020	91,602	83,874	88,886	96,791	98,726	103,282	777,219
5320 - Dental Supplies	11,817	13,027	11,887	6,433	5,634	9,226	10,598	11,253	79,875
5325 - Small Dental Equipment	0	0	811	0	0	0	362	0	1,173
5326 - Dental Equipment Repair	491	745	705	1,339	1,787	118	785	0	5,970
5330 - Lab Fees	11,997	4,221	4,350	10,345	6,638	3,320	10,504	6,743	58,118
5331 - Uniforms	0	0	0	0	227	1,581	1,371	0	3,179
Contracted Services									
5302 - Interpreters	0	0	0	0	0	(30)	0	0	(30)
5303 - Sterilization Services	613	1,011	806	613	810	420	194	194	4,661
5305 - Shredding	62	62	62	62	62	93	62	62	527
5306 - Dental Specialist	0	1,845	0	0	0	0	0	0	1,845
Total Contracted Services	675	2,918	868	675	872	483	256	256	7,003
Total Direct Program Costs	133,018	126,931	110,223	102,666	104,044	111,519	122,602	121,534	932,537
Indirect Costs									
Administrative Personnel									
5450 - Salaries/Wages	35,943	40,253	42,505	37,726	46,985	57,044	56,968	53,521	370,945
5460 - Payroll Taxes, Admin/Mgmt	2,734	3,072	3,244	2,844	3,572	3,944	4,448	4,077	27,935
5461 - Unemployment Taxes	2	29	133	29	115	2,922	2,634	947	6,811
5470 - Benefits	1,107	277	963	963	963	1,110	833	851	7,067
5475 - 401k Match, Admin/Mgmt.	203	0	0	0	0	0	361	280	844
5478 - Worker's Comp.	316	316	316	316	316	316	316	316	2,528
Total Administrative Personnel	40,305	43,947	47,161	41,878	51,951	65,336	65,560	59,992	416,130
Facilities Expenses									

	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	TOTAL
5600 - Auto Expenses	611	(117)	257	99	219	363	446	764	2,642
5610 - Building Maintenance	1,006	616	671	691	511	483	799	787	5,564
5611 - Janitorial Service	1,696	1,696	1,859	1,859	1,909	1,859	1,859	1,859	14,596
5670 - Rent	18,083	18,083	18,083	18,083	18,083	18,083	18,529	18,529	145,556
5672 - Phone / Internet	1,197	925	3,078	1,261	2,254	1,400	1,281	1,105	12,501
5680 - Utilities	1,840	2,083	2,128	2,099	1,901	1,037	4,103	1,986	17,177
Total Facilities Expenses	24,433	23,286	26,076	24,092	24,877	23,225	27,017	25,030	198,036
Transition Costs									
5801 - Transition Accounting Services	0	1,607	15,957	15,772	6,949	6,318	6,623	23,503	76,429
5802 - Transition Billing Services	0	0	0	100	0	0	0	0	100
5803 - Transition Branding/Marketing	0	0	3,500	1,979	8,000	2,718	0	0	16,197
5804 - Transition IT Services	0	3,551	2,623	10,373	10,865	8,297	5,584	4,423	45,716
5805 - Transition HR Services	0	0	1,980	0	0	0	0	0	1,980
Total Transition Costs	0	5,158	23,760	28,224	25,814	17,333	12,207	27,926	140,422
Office Exp.									
5502 - Claims Processing	111	125	114	100	97	39	109	79	774
5504 - Payroll Processing / BG Checks	443	470	586	444	462	507	871	396	4,179
5505 - Collection Agencies	0	0	7	0	0	0	0	0	7
5616 - Patient Notification	495	495	240	495	495	240	495	750	3,705
5655 - Miscellaneous Expense	0	0	60	0	0	0	20	0	80
5660 - Office Supplies	755	650	836	629	1,019	169	1,513	485	6,056
5665 - Postage and Shipping	67	0	209	0	34	71	370	0	751
5668 - Printing Costs	0	0	0	44	91	105	625	321	1,186
Total Office Exp.	1,871	1,740	2,052	1,712	2,198	1,131	4,003	2,031	16,738
Equipment Expenses									
5507 - Computer Support	1,840	1,840	1,840	1,840	2,167	0	0	0	9,527
5608 - Software Support	408	588	588	683	868	277	428	383	4,223
5630 - Office Equip. Maintenance	92	92	240	92	92	92	0	322	1,022
Total Equipment Expenses	2,340	2,520	2,668	2,615	3,127	369	428	705	14,772
Insurance									
5635 - Auto Insurance	437	437	437	437	437	437	437	437	3,496
5636 - Malpractice (Prof. Liab.)	417	417	417	417	417	417	417	417	3,336
5637 - Liability & Property	825	825	825	825	138	825	2,389	732	7,384
5638 - Directors & Officer Liability	265	172	409	295	295	295	295	295	2,321
Total Insurance	1,944	1,851	2,088	1,974	1,287	1,974	3,538	1,881	16,537
Outsourced Services									

	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	TOTAL
5503 - Consultants	375	375	375	0	0	0	0	0	1,125
5510 - Management Fee	0	0	0	0	0	100	100	0	200
Total Outsourced Services	375	375	375	0	0	100	100	0	1,325
Fundraising Expenses									
5632 - Fundraising Expenses	810	110	110	110	110	110	110	110	1,580
5633 - Fundraising Consulting	2,090	1,018	2,230	2,977	1,680	6,497	6,362	5,462	28,316
Total Fundraising Expenses	2,900	1,128	2,340	3,087	1,790	6,607	6,472	5,572	29,896
Fees and Interest									
5605 - Service Charges	35	53	43	28	64	110	106	80	519
5625 - Penalty charges	1,515	0	0	0	468	(468)	0	0	1,515
5641 - Finance Charges	42	22	16	6	6	6	0	92	190
5642 - Loan Interest	5,325	4,556	5,515	4,637	4,542	4,715	4,756	4,382	38,428
5650 - Merchant Processing	918	748	658	711	868	580	691	780	5,954
Total Fees and Interest	7,835	5,379	6,232	5,382	5,948	4,943	5,553	5,334	46,606
5615 - Depreciation Expense	22,299	22,299	22,299	22,299	22,299	22,299	22,279	22,279	178,352
5618 - Dues, Fees & License	0	1,570	400	0	0	350	0	20	2,340
5620 - Employee Goodwill	412	19	380	14	108	92	710	5	1,740
5639 - Recruitment Expense	75	0	366	222	78	393	387	114	1,635
5648 - Marketing Expense	0	2,250	5,250	4,500	4,640	4,948	4,535	4,930	31,053
Meeting & Travel Expenses									
5676 - Travel Costs	335	223	8	13	0	225	0	0	804
5677 - Meals	29	0	64	0	0	0	170	0	263
5678 - Mileage	85	0	15	0	0	0	71	156	327
Total Meeting & Travel Expenses	449	223	87	13	0	225	241	156	1,394
Total Indirect Costs	105,238	111,745	141,534	136,012	144,117	149,325	153,030	155,975	1,096,976
Total Expense	238,256	238,676	251,757	238,678	248,161	260,844	275,632	277,509	2,029,513
Net Ordinary Income	(91,274)	(48,672)	28,178	(118,763)	(28,072)	(4,572)	(8,330)	(1,822)	(273,327)
Other Income/Expense									
6121 - Dividends	124	139	130	149	148	152	188	170	1,200
6130 - Other Income	0	0	1,025	0	0	0	0	0	1,025
6131 - Settlement	0	1,129,827	0	0	0	0	0	0	1,129,827
Net Other Income	124	1,129,966	1,155	149	148	152	188	170	1,132,052
Net Income	<u>(91,150)</u>	<u>1,081,294</u>	<u>29,333</u>	<u>(118,614)</u>	<u>(27,924)</u>	<u>(4,420)</u>	<u>(8,142)</u>	<u>(1,652)</u>	<u>858,725</u>

SONRISAS DENTAL HEALTH, INC.
Balance Sheet - Monthly
 As of February 28, 2018

	Jul 31, 17	Aug 31, 17	Sep 30, 17	Oct 31, 17	Nov 30, 17	Dec 31, 17	Jan 31, 18	Feb 28, 18
ASSETS								
Current Assets								
Checking/Savings								
Checking/Savings								
1010 - Boston Private BusinessChecking		336	336	336	336	336	50,059	103,640
1050 - Wells Fargo Checking	63,438	121,378	119,732	84,264	11,220	54,743	44,522	9,803
1070 - Merrill Lynch	196,545	196,685	196,815	196,964	197,111	197,263	197,451	197,621
Total Checking/Savings	260,320	318,398	316,882	281,563	208,667	252,342	292,032	311,064
1175 - Petty Cash - Coastside	400	400	385	381	381	381	381	381
1176 - Petty Cash -San Mateo	200	200	142	128	200	181	200	200
Total Checking/Savings	260,920	318,998	317,410	282,072	209,248	252,904	292,613	311,646
Accounts Receivable								
1210 - Grants Receivable	35,000	0	50,000	0	0	0	0	0
1250 - Accounts Receivable - Services	208,462	171,567	144,836	152,543	162,576	162,803	190,161	225,659
1260 - Accts.Rec.- Other Agencies	14,074	15,819	11,169	3,419	319	(1,231)	25,190	35,495
Total Accounts Receivable	257,537	187,385	206,005	155,962	162,895	161,572	215,351	261,154
Other Current Assets								
1400 - Prepaid Expense	29,300	27,649	29,296	27,522	25,749	26,676	20,590	24,212
1405 - Work Comp Deposit	1,898	1,898	1,898	1,898	1,898	1,898	1,898	1,898
1450 - Allowance for Bad Debt	(18,775)	(18,775)	(18,775)	(18,775)	(18,775)	(18,775)	(18,775)	(18,775)
1499 - Undeposited Funds	2,950	3,115	7,985	6,517	(396)	9,716	3,746	12,566
Total Other Current Assets	14,773	13,888	20,404	17,163	8,536	19,515	7,459	19,901
Total Current Assets	533,229	520,271	543,819	455,197	380,679	433,991	515,423	592,701
Fixed Assets								
1320 - Leasehold Impvmnt. - Coastside	25,886	25,886	25,886	25,886	25,886	25,886	25,886	25,886
1321 - Leasehold Improv. - S. Mateo	1,016,756	1,016,756	1,016,756	1,016,756	1,016,756	1,016,756	1,016,756	1,016,756
1335 - Dental Equipment - Coastside	117,756	117,756	117,756	117,756	117,756	117,756	117,756	117,756
1336 - Dental Equipment - San Mateo	460,259	460,259	460,259	460,259	460,259	460,259	460,259	460,259
1340 - Computers - Coastside	35,726	35,726	35,726	35,726	35,726	35,726	35,726	35,726
1341 - Computers - San Mateo	65,633	65,633	65,633	65,633	65,633	65,633	65,633	65,633
1350 - Mobile Equipment	188,945	188,945	188,945	188,945	188,945	188,945	188,945	188,945
1370 - Furniture/Fixtures - Coastside	8,515	8,515	8,515	8,515	8,515	8,515	8,515	8,515
1371 - Furniture/Fixtures - S.Mateo	109,021	109,021	109,021	109,021	109,021	109,021	109,021	109,021
1380 - Truck	111,934	111,934	111,934	111,934	111,934	111,934	111,934	111,934
Less Accumulated Depr.	(126,524)	(127,781)	(129,038)	(130,295)	(131,552)	(132,809)	(134,045)	(135,281)

	Jul 31, 17	Aug 31, 17	Sep 30, 17	Oct 31, 17	Nov 30, 17	Dec 31, 17	Jan 31, 18	Feb 28, 18
1395 - Accum. Depreciation - San Mateo								
Total Less Accumulated Depr.	(273,003)	(294,045)	(315,088)	(336,130)	(357,173)	(378,215)	(399,258)	(420,301)
Total Fixed Assets	(399,527)	(421,826)	(444,126)	(466,425)	(488,725)	(511,024)	(533,303)	(555,582)
Other Assets	1,740,905	1,718,605	1,696,306	1,674,006	1,651,707	1,629,408	1,607,129	1,584,850
1420 - Security Deposits	14,697	14,697	14,697	14,697	14,697	14,697	14,697	14,697
Total Other Assets	14,697	14,697	14,697	14,697	14,697	14,697	14,697	14,697
TOTAL ASSETS	2,288,831	2,253,574	2,254,822	2,143,900	2,047,083	2,078,096	2,137,249	2,192,247
LIABILITIES & EQUITY								
Liabilities								
Current Liabilities								
Accounts Payable								
2000 - Accounts Payable	248,887	49,239	24,326	25,423	27,150	36,634	44,544	65,636
Total Accounts Payable	248,887	49,239	24,326	25,423	27,150	36,634	44,544	65,636
Credit Cards								
2112 - Wells Fargo Visa-Rothstein	1,315	2,483	1,607	958	333	0	739	252
2114 - Wells Fargo Visa-Kinniburgh	1,779	3,616	6,344	3,686	4,893	0	7,768	222
2115 - Wells Fargo Visa-Cota	53	7	67	0	153	0	0	52
Total Credit Cards	3,147	6,107	8,017	4,644	5,378	0	8,507	525
Other Current Liabilities								
2200 - Accrued Payables	446	0	0	0	0	0	0	0
2205 - Accrued Interest	11,180	781	260	260	260	260	260	260
2210 - NAF Bridge Loan	150,000	0	0	0	0	0	0	0
*Payroll Liabilities								
2300 - Accrued Salaries/Wages	70,265	85,919	89,112	92,071	44,032	69,514	85,616	86,172
2301 - Accrued PTO	43,038	43,038	43,038	43,038	43,038	43,038	43,038	43,038
2302 - Accrued Incentives	18,760	12,507	6,253	0	(6,253)	0	0	0
2321 - 401k Funds Payable	0	0	0	0	0	0	0	0
2383 - Accrued Payroll Taxes	5,414	6,609	6,620	6,781	8,514	0	5,462	10,409
2384 - Accrued PR Taxes on PTO	3,292	3,292	3,292	3,292	3,292	3,292	1,597	1,980
2385 - Accrued PR Taxes on Incentives	1,435	957	478	0	(478)	0	3,292	3,292
2387 - Accrued 401K Match	0	0	0	0	0	0	0	0
Total *Payroll Liabilities	142,205	152,322	148,794	145,182	92,145	115,844	139,147	145,093
Patient Liabilities								
2220 - Patient Prepayments - Coastside	4,586	4,586	4,586	4,586	4,586	0	0	0
2221 - Patient Prepayments - SM	13,869	13,869	12,723	12,835	12,835	4,199	4,199	4,199
2225 - Patient Refunds Payable - SM	12,418	13,423	7,827	13,796	8,311	22,165	21,323	25,230
2226 - Patient Refunds Payable - CSTSE	4,753	3,551	3,797	4,826	1,751	6,321	7,347	5,355
Total Patient Liabilities	35,627	35,429	28,934	36,044	27,484	32,686	32,869	34,783
Total Other Current Liabilities	339,458	188,532	177,988	181,486	119,889	148,791	172,276	180,137

	Jul 31, 17	Aug 31, 17	Sep 30, 17	Oct 31, 17	Nov 30, 17	Dec 31, 17	Jan 31, 18	Feb 28, 18
Total Current Liabilities	591,491	243,877	210,332	211,553	152,417	185,425	225,327	246,298
Long Term Liabilities								
2701 - Accrued Rent Expense	466,023	481,406	496,789	512,172	527,555	542,938	558,767	574,596
2702 - PHCD Operating Loan	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
2703 - PHCD T.I. Loan	1,108,354	1,108,354	1,108,354	1,108,354	1,108,354	1,108,354	1,108,354	1,108,354
2705 - Note Payable	770,413	0	0	0	0	0	0	0
2706 - Accr. Interest-TI Loan	66,436	69,260	72,695	75,519	78,252	81,076	83,900	86,451
2707 - Accr. Interest-Def. Rent	15,892	16,816	18,375	19,667	20,955	22,325	23,736	25,047
Total Long Term Liabilities	2,676,918	1,925,836	1,946,213	1,965,712	1,985,116	2,004,694	2,024,758	2,044,448
Total Liabilities	3,268,409	2,169,713	2,156,546	2,177,265	2,137,534	2,190,119	2,250,085	2,290,746
Equity								
3900 - Retained Earnings- Coastsid	349,631	349,631	349,631	349,631	349,631	349,631	349,631	349,631
3901 - Retained Earnings - San Mateo	(1,417,603)	(1,417,603)	(1,417,603)	(1,417,603)	(1,417,603)	(1,417,603)	(1,417,603)	(1,417,603)
3905 - Restricted Net Assets- Coastsid	117,984	103,708	90,996	81,170	55,212	41,137	31,033	41,222
3906 - Restricted Net Assets-S.Mateo	61,558	57,980	55,775	52,571	49,367	46,285	63,719	69,520
Net Income	(91,149)	990,145	1,019,477	900,866	872,943	868,526	860,384	858,732
Total Equity	(979,579)	83,860	98,276	(33,365)	(90,450)	(112,023)	(112,636)	(98,498)
TOTAL LIABILITIES & EQUITY	2,288,831	2,253,574	2,254,822	2,143,900	2,047,083	2,078,096	2,137,449	2,192,247

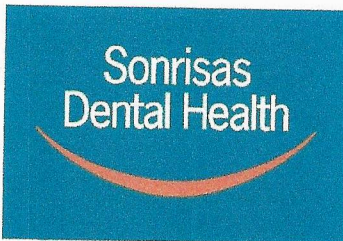
SONRISAS DENTAL HEALTH, INC.
P&L Budget Performance - All Locations
February 2018

Ordinary Income/Expense	Feb 18	Budget	Jul '17 - Feb 18	YTD Budget	Annual Budget
Income					
Program Revenue					
Patient Services					
4103 - Commercial Insur.	12,212	9,000	96,499	71,128	107,128
4102 - PPO	60,830	59,000	486,949	476,497	712,497
4100 - Public Dental Insurance	165,631	180,000	1,195,275	1,380,783	2,100,783
4106 - Private Pay	4,525		60,472		
4101 - Affordable Plan	18,147	37,000	163,547	285,984	433,984
4104 - Farmworker	8,123	0	55,100	51,635	51,635
4105 - Hope Fund	123		1,932		
4109 - Virtual Dentisty Home	0	0	(319)	0	0
Total Patient Services	269,591	285,000	2,059,455	2,266,027	3,406,027
Uncompensated Care					
5020 - Prior Period Adjustment	33,104		16,902		
5005 - Commercial Insur.	(1,247)		(3,261)		
5004 - PPO	(20,408)		(183,717)		
5009 - Public Dental Insurance	(114,012)	0	(790,375)	581	581
5007 - Affordable Plan	(5,821)		(56,078)		
5003 - Farmworker Program	(6,274)	0	(40,680)	(7,599)	(7,599)
5002 - Hope Fund	0	(1,400)	(10,581)	(13,611)	(19,211)
5001 - Fee Adjustments	(9,902)	(160,000)	(64,806)	(1,235,839)	(1,875,839)
5010 - Bad Debt Write-off	(290)	(1,000)	(4,166)	(5,716)	(9,716)
5011 - Misc. Write Offs	0	(9,000)	0	(71,000)	(107,000)
Total Uncompensated Care	(124,850)	(171,400)	(1,136,762)	(1,333,194)	(2,018,784)
Total Program Revenue	144,741	113,600	922,693	932,843	1,387,243
Donations and Incentives					
5100 - Donations	143	0	72,941	68,370	68,370
5101 - In-Kind Donations	0	0	700	700	700
5103 - Incentives	21,488		21,488		
5105 - Raffle	0	0	2,430	2,430	2,430
5150 - Unrestricted Grants	115,000	0	616,651	175,500	175,500
5199 - Net Assets Released from Restri	(5,685)	14,660	119,283	196,546	255,185
Total Donations and Incentives	130,946	14,660	833,493	443,546	502,185
Total Income	275,687	128,260	1,756,186	1,376,389	1,899,428
Expense					
Direct Program Costs					
Personnel					
5250 - Direct Program Salaries	91,138	113,373	682,677	833,777	1,287,270
5260 - Payroll Taxes	6,803	8,673	50,048	62,969	97,662
5261 - Unemployment Taxes	807	35	2,962	636	776
5270 - Benefits	2,329	3,205	26,730	28,756	41,576
5275 - 401k Match	940	800	2,691	4,788	7,968
5278 - Worker's Comp.	1,265	1,270	10,120	10,146	15,226
5280 - Continuing Educ.	0	465	1,955	3,682	5,542
5281 - Licenses and Registrations	0	110	36	586	1,026
Total Personnel	103,282	127,931	777,219	945,320	1,457,046
5320 - Dental Supplies	11,253	12,000	79,875	96,730	144,730
5325 - Small Dental Equipment	0	270	1,173	2,161	3,241
5326 - Dental Equipment Repair	0	625	5,970	5,066	7,566
5330 - Lab Fees	6,743	9,000	58,118	65,568	101,568
5331 - Uniforms	0	0	3,179	0	0
Contracted Services					
5302 - Interpreters	0	0	(30)	0	0
5303 - Sterilization Services	194	850	4,661	6,681	10,081
5305 - Shredding	62	62	527	496	744
5306 - Dental Specialist	0	100	1,845	2,345	2,745
Total Contracted Services	256	1,012	7,003	9,522	13,570
Total Direct Program Costs	121,534	150,838	932,537	1,124,367	1,727,721

	Feb 18	Budget	Jul '17 - Feb 18	YTD Budget	Annual Budget
Indirect Costs					
Administrative Personnel					
5450 - Salaries/Wages	53,521	51,235	370,945	390,203	595,143
5460 - Payroll Taxes, Admin/Mgmt	4,077	767	27,935	14,035	17,101
5461 - Unemployment Taxes	947	0	6,811	164	164
5470 - Benefits	851	1,080	7,067	7,977	12,297
5475 - 401k Match, Admin/Mgmt.	280	210	844	1,253	2,093
5478 - Worker's Comp.	316	320	2,528	2,865	4,145
Total Administrative Personnel	59,992	53,612	416,130	416,497	630,943
Facilities Expenses					
5600 - Auto Expenses	764	200	2,642	1,751	2,551
5610 - Building Maintenance	787	775	5,564	6,169	9,269
5611 - Janitorial Service	1,859	1,859	14,596	14,546	21,982
5670 - Rent	18,529	18,544	145,556	147,386	221,562
5672 - Phone / Internet	1,105	1,050	12,501	11,012	15,212
5680 - Utilities	1,986	2,030	17,177	16,401	24,521
Total Facilities Expenses	25,030	24,458	198,036	197,265	295,097
Transition Costs					
5801 - Transition Accounting Services	23,503	0	76,429	37,264	37,264
5802 - Transition Billing Services	0	0	100	10,000	10,000
5803 - Transition Branding/Marketing	0	0	16,197	32,500	32,500
5804 - Transition IT Services	4,423	0	45,716	14,174	14,174
5805 - Transition HR Services	0	0	1,980	3,980	3,980
Total Transition Costs	27,926	0	140,422	97,918	97,918
Office Exp.					
5502 - Claims Processing	79	120	774	950	1,430
5504 - Payroll Processing / BG Checks	396	500	4,179	5,315	7,315
5505 - Collection Agencies	0	0	7	7	7
5616 - Patient Notification	750	500	3,705	3,784	5,784
5655 - Miscellaneous Expense	0	0	80	59	59
5660 - Office Supplies	485	650	6,056	5,494	8,094
5665 - Postage and Shipping	0	350	751	2,498	3,898
5668 - Printing Costs	321	100	1,186	500	900
Total Office Exp.	2,031	2,220	16,738	18,607	27,487
Equipment Expenses					
5507 - Computer Support	0	1,828	9,527	14,788	22,099
5608 - Software Support	383	630	4,223	4,734	7,254
5630 - Office, Equip. Maintenance	322	125	1,022	1,049	1,549
Total Equipment Expenses	705	2,583	14,772	20,571	30,902
Insurance					
5635 - Auto Insurance	437	437	3,496	3,494	5,242
5636 - Malpractice (Prof. Liab.)	417	417	3,336	3,333	5,000
5637 - Liability & Property	732	825	7,384	6,598	9,897
5638 - Directors & Officer Liability	295	355	2,321	4,203	5,623
Total Insurance	1,881	2,034	16,537	17,628	25,762
Outsourced Services					
5503 - Consultants	0	5,670	1,125	29,475	52,125
5509 - Legal Fees	0	0	0	4,415	4,415
5510 - Management Fee	0	0	200	75,199	75,199
Total Outsourced Services	0	5,670	1,325	109,089	131,739
Fundraising Expenses					
5632 - Fundraising Expenses	110	110	1,580	2,240	2,680
5633 - Fundraising Consulting	5,462	7,225	28,316	51,259	80,134
Total Fundraising Expenses	5,572	7,335	29,896	53,499	82,814
Fees and Interest					
5605 - Service Charges	80	45	519	504	684
5625 - Penalty charges	0	0	1,515	1,515	1,515
5641 - Finance Charges	92	25	190	1,076	1,176
5642 - Loan Interest	4,382	4,321	38,428	49,936	67,219
5650 - Merchant Processing	780	775	5,954	6,232	9,332
Total Fees and Interest	5,334	5,166	46,606	59,263	79,926
5615 - Depreciation Expense	22,279	22,299	178,352	178,509	267,707

	Feb 18	Budget	Jul '17 - Feb 18	YTD Budget	Annual Budget
5618 - Dues, Fees & License	20	241	2,340	3,552	4,516
5620 - Employee Goodwill	5	160	1,740	1,611	2,251
5639 - Recruitment Expense	114	50	1,635	691	891
5648 - Marketing Expense	4,930	4,750	31,053	31,250	50,250
Meeting & Travel Expenses					
5676 - Travel Costs	0	0	804	4,148	4,148
5677 - Meals	0	125	263	1,145	1,645
5678 - Mileage	156	65	327	435	695
Total Meeting & Travel Expenses	156	190	1,394	5,728	6,488
5700 - Management Costs	0	0	0	(131,618)	(131,618)
Total Indirect Costs	155,975	130,768	1,096,976	1,080,060	1,603,073
Total Expense	277,509	281,606	2,029,513	2,204,427	3,330,794
Net Ordinary Income	(1,822)	(153,346)	(273,327)	(828,038)	(1,441,366)
Other Income/Expense					
6121 - Dividends	170	135	1,200	1,160	1,700
6130 - Other Income	0	0	1,025	1,025	1,025
6131 - Settlement	0	0	1,129,827	1,054,338	1,054,338
Net Other Income	170	135	1,132,052	1,056,523	1,057,063
Net Income	(1,652)	(153,211)	858,725	228,485	(384,303)

D



**Meeting of the Board of Directors of Sonrisas Dental Health
March 15, 2018
SDH San Mateo Center Board Room**

MINUTES

1. **CALL TO ORDER:** Chair Taverner called the meeting to order at 18:36 hours.
2. **ROLL CALL: Present:** Directors Taverner, Cappel, Galligan, Hinshelwood, Macias, Navarro, and Young.
Absent: None.
Management: Dr. Bonnie Jue, Cheryl Fama, Dirk Alvarado.
3. **Approval of Agenda:** *It was moved by Director Galligan, seconded by Director Hinshelwood, and approved unanimously to accept the agenda as presented.*
4. **PUBLIC COMMENT:** None offered.
5. **APPROVAL of MINUTES (from November 16, 2017 and January 18, 2018):** *It was moved by Director Cappel, seconded by Director Galligan. Director Navarro abstained from approving the January 2018 minutes, as he was not present. All others approved as presented.*
6. **Welcome and Introduction of Vickie Yee – CFO Fama** introduced Peninsula Health Care District (PHCD) Chief Business Officer, Vickey Yee. Ms. Yee has been providing accounting assistance to SDH, as part of the PHCD/Sonrisas management agreement.
7. **MISSION MOMENT:**
Chair Taverner explained the idea and back ground of mission moments. Dr. Jue presented March's Mission Moment.
8. **OLD BUSINESS:**
 - a. **Accountant Position – Chair Taverner** gave approval in March to recruit a part-time accountant. Ms. Yee reported that there were 17 candidates that applied and asked Mr. Alvarado to schedule 3 for first-round interviews. These interviews will be conducted by Ms. Yee and Alvarado. Second-round interviews will be conducted by CEO Fama and Dr. Jue. Ms. Yee said we could recruit from colleges, if needed, and Account Temps offered to recruit candidates, as well. Ms. Yee concluded by projecting it could be 1-2 months before an accountant will be on board.

- b. **Comments on February Staff Reports – Chair Taverner** reminded the board that in lieu of a February meeting, staff sent out CEO and Director of Development and Special Projects reports. Taverner explained he wanted to give everyone an opportunity to ask questions and give input on the reports. Director Cappel said he appreciated the annotation of it and that reports are important to identify where trends are going.
- c. **Residency Program – Dr. Jue** reported that an offer was made to a former Sonrisas Coastside volunteer and is the husband of a former resident and current Sonrisas dentist. Dr. Jue went on to report that NYU is requiring the residency program to operate at one site 5 days a week. As a result, Coastside will be open five days a week beginning July 2018, when the new resident arrives.
- d. **UOP Extramural Rotation – Dr. Jue** reported that adding Fridays to the residency program will affect the UOP dental student rotation program, as there will not be enough chairs to support both programs and providers. Consequently, the UOP program would be on hiatus during the 2018/2019 academic year.

9. **FINANCIAL REPORT – CFO Fama and Ms. Yee** distributed and reviewed the P&L and Balance Sheet for December 2017 and January 2018. CFO Fama noted that the December visit volume was down and that there was investment in equipment and supplies which were ordered. Indirect costs are higher as Dr. Jue became full-time and Alvarado was added to the team full-time. CFO Fama also reported that IT was high as the last of the transitional IT services was completed, as was Account Temps.

January lost less than what was expected, but were still high. Dr. Jue pointed out that a Care Coordinator was hired in December adding to indirect costs but suggested Care Coordinators be considered as direct costs since they work directly with patients.

10. **FUNDRAISING COMMITTEE REPORT: Committee Chair Hinshelwood**

a. **Cooking for a Cause**

The fourth annual “Cooking for a Cause” will be held from 6-9 on April 19th (6-9 - pm). Director Hinshelwood explained that the event draws 110 people. He went on to say that overhead is low as most of the supplies and ingredients are donated making this a highly effective fundraiser. Case in point, this year, there was an anonymous donor that paid the cost of the venue. This is a great opportunity to tap into our networks and bring them to the event and introduce them to Sonrisas. Board members were encouraged to reach out within their networks to provide silent raffle prizes for the night of the event.

11. **OTHER FUNDRAISING UPDATES: Mr. Alvarado**

- a. **Grant Status** – 3 proposals were submitted to date, Coastside received two grants for a total of \$41,292 and that 4 more submittals would be completed by the end of the month.
- b. **Coastside Gives** – work continues towards the May 1 “Coastside Gives” date and that support of the board will be crucial as we spread the word of the fundraising event.
- c. **Raffle** – raffle items will be needed in support of the raffle and asked that items be something that could be mailed to out-of-area raffle winners

12. KEY INITIATIVES UPDATE – CEO Jue

- a. **IV Sedation** – progress appears to be inherently complex. All applications had been submitted to the California Department of Public Health: Central Application Unit (CAU) and Regional Office; however, additional questions are still being sent for clarification of services. Both departments need to provide approval before any services (i.e., IV sedation) are added to a Primary Care Clinic (Sonrisas). Dr. Jue has been working with both departments concurrently to expedite process, with the invaluable input from Dr. Ricci Chan and Dr. Alex Tarq (anesthesiologist).
- b. **Mobile Services** – Dr. Jue is continuing to seek partnerships with local community organizations, such as the Senior Focus group of Sutter Health. Dr. Jue is also planning adaptations of current mobile models to facilitate easier access of equipment. For instance, instead of needing to bring the large truck each time, a smaller unit can be used for screening and cleaning visits only, which would also decrease the need for a large space within the facility, if space is limited.
- c. **Increasing Revenue** – the new patient campaign had begun on March 1st with ads in the San Mateo Daily Journal and neighborhood mailers. New patient appointments and referral sources are being monitored closely.
- d. **FQHC Partnerships** – a meeting is scheduled on April 5th with the CFO of San Mateo Medical Center (County program) and the Director of their Dental Department to explore possible collaboration and sub-contracting, which would allow Sonrisas to carry out its mission by serving patients who have Denti-Cal, but at a higher rate than what we are currently receiving under a fee-for-service model.

13. MARKETING AND BUSINESS DEVELOPMENT – Mr. Alvarado

- a. Mr. Alvarado reported that we are currently half way through our private patient marketing plan which runs March 1 – March 31, 2018. That plan is utilizing Yelp, Facebook, a direct mailer to 650 homes close to the San Mateo Center and ads running in the San Mateo Daily Journal on Tuesdays and Wednesdays. Initial analytics found on Yelp and Facebook are showing an uptick in viewers and potential new clients.

14. NEW BUSINESS

- a. **Forbearance Agreement – Director Cappel** explained that this extends loan and rent deferral through August 2018. Legal document that says they will delay money owed to the district for a specific amount of time. Taverner motioned to approve the agreement, Macias seconded. Under comments, Director Young asked if there should be a subcommittee of the board to ensure compliance by August stating it was important to show good faith to the district. Director Navarro said by having PHCD board members on the Sonrisas board, we are essentially doing this. Director Cappel agreed with Director Young and said the Sonrisas board needs to come up with a plan that should be presented to PHCD. Chair Taverner said this would be an important topic for a board retreat, and made a motion to approve the agreement. Director Young seconded and unanimous approval.
- b. **Internal Control Policy – CFO Fama and Ms. Yee** stated said that an Internal Control Policy is something that needs to be accepted to ensure proper money handling and accounting procedures were in place and to provide confidence to the board. The policy is modeled after the PHCD policy that has been reviewed by auditors. Director Cappel moved to approve the policy, Director Hinshelwood seconded and all approved.

- c. **Need for Board Planning Retreat** – Chair Taverner inquired about the need for an April board meeting since it is supposed to take place on the same date as the “Cooking for a Cause” event. He suggested that a board retreat could take the place of the board meeting. Board members agreed and suggested three-hours minimum on a weekday. CFO Fama stated she will send out a doodle poll.

15. OTHER BUSINESS:

- a. Suggested agenda items for April meeting – Chair Taverner

16. ADJOURNMENT: There being no further business, the meeting was adjourned by Chair Taverner at 21:18 hours.

Written by Dirk Alvarado, Director of Development and Special Projects

Approved: Clyde Hinshelwood, Secretary

Approved: Nigel Taverner, Board Chair