



**Board Meeting
October 15th, 2020**

MINUTES

1. **CALL TO ORDER AND ROLL CALL** – **Chair Taverner** called the meeting to order at **6:40 pm**
 - **Present:** Board Chair Nigel Taverner, Vice Chair Helen Galligan, Board Members: Larry Cappel, Liz Dodge, Sheryl Young, Clyde Hinshelwood, Rick Navarro.
 - **Also Present:** CEO Tracey Fecher, CFO Cheryl Fama, Dental Director Dr. Torrey Rothstein, Community Engagement Director Dr. Bonnie Jue, Director of Development Maura LeBaron-Hsieh, Sr. Accountant Tina Wang, Executive Assistant Libby Barnard

2. **MISSION MOMENT** – **Tracey Fecher** shared a recent video, demonstrating Sonrisas’ impact on the life of a pediatric patient and his father. This video was created in partnership with Peninsula Health Care District and Voler Strategic Advisors.

3. **PUBLIC COMMENTS**—No public in attendance

4. **APPROVAL OF BOARD MINUTES**—**Director Young** requested a revision to an error in the board minutes on page two regarding the frequency of workforce COVID-19 testing. She asked that they be amended to reflect that the majority of staff “are interested in being tested twice a month.”
 - ***Helen Galligan** motioned to approve the minutes for the board meeting on September 18th, 2020 with the requested revision. The motion was seconded by **Director Navarro** and approved by roll call. Ayes: **Liz Dodge, Nigel Taverner, Helen Galligan, Sheryl Young, Larry Cappel, Clyde Hinshelwood, Rick Navarro.***

5. **REPORTS**
 - **CEO Report** – **Chair Taverner** asked for more information on the prospects of hygienists using the Cavitron scaler. **Dr. Rothstein** answered that the leadership team is on constant lookout for solutions to allow Sonrisas’ hygienists to use ultrasonic equipment allowing them to return to the pre-pandemic visit volume capacity. There is not currently a solution available. Hygienists are currently seeing six patients per day.
 - **CFO Report** – **Vice Chair Galligan** commented that CEO Fecher and CFO Fama’s reports demonstrate how Sonrisas have pivoted and commended the team’s work. **Chair Taverner** asked for an update on the implementation of INTACCT. **CFO Fama** reported that the team is getting used to the new system, but she is looking forward to the benefits of INTACCT’s reporting tools. **CEO Fecher** noted that INTACCT has turned printing checks into a streamlined process and Sonrisas will be able to go paperless after the first year. She aims to produce an updated dashboard using the new accounting system by the midyear report. **Director Young** thanked and commended CEO Fecher and CFO Fama for their concise and informative reports.
 - **Community Engagement Report** –**Dr. Jue** reported that Sonrisas will host its first Drive-Through Dental Screening at the San Mateo Center on Saturday October 24th. This event is pilot and has been advertised to families from Belle Air Elementary and Allen Elementary. Assuming this pilot goes well, there is funding available for three or four of these events. **Dr. Jue** will share the event sign-up link with board members.
 - **Fundraising Report** –**Ms. LeBaron-Hsieh** reported that 43 households have registered for Sonrisas’ first Virtual Wine Tasting Event on Friday October 16th. 27 of the registered individuals are new to Sonrisas. The event has raised over \$4,000 including sponsorships. **Director Dodge** thanked the development team for their hard work on the event.

6. **OLD BUSINESS**
 - **FQHC Contract update**—**CEO Fecher** reported that she is expecting contract revisions in the next week and will provide an update at the November board meeting. Sonrisas and San Mateo

Medical Center (SMMC) are in conversation about helping Sonrisas MediCal-Dental patients of record find a primary care physician through SMMC. This will allow Sonrisas to move patients of record into the FQHC contract.

7. NEW BUSINESS

- **Unaudited financials for August '20 — Ms. Wang** reported that patient visits were 21% higher than budget and Sonrisas recognized 1/6 (\$65,895) of the total PPP loan. Sonrisas' net income is \$12,590. **Chair Taverner** asked when Sonrisas is likely to close September. The goal is to close the September books by the third Thursday of November. **CEO Fecher** commented that she is working with Sonrisas' Center Director and Senior Accountant to make financial information available sooner—as early as three weeks prior, instead of six.
 - **Financial Projection Model – CEO Fecher** presented Sonrisas' Cash Forecast for the next quarter. For the next three months, Sonrisas will not take the PHCD's grant installment but use the funds available from the PPP loan. The cashflow is estimated to be around \$120K less revenue than expenses, which is close to budget. **CEO Fecher** will be sharing actuals and providing a rolling three-month forecast at future board meetings.
 - **Annual Salary Review, Action from Closed Session – Chair Taverner** reported out from the closed session that the board recommends approving the salary increases in the budget, as proposed by **CEO Fecher**. *Director Cappel moved to approve the salary structure. The motion was seconded by Secretary Hinshelwood and approved by roll call. Ayes: Liz Dodge, Nigel Taverner, Helen Galligan, Sheryl Young, Larry Cappel, Clyde Hinshelwood, Rick Navarro.*
- **401K Safe Harbor Proposal, Action Requested—CEO Fecher** requested that the board consider approving a 401K plan for Sonrisas' employees that would offer up to a 4% match. The current plan is not a benefit to some of Sonrisas' staff and replacing it should encourage staff to engage in retirement saving. It is estimated to be an unbudgeted cost of \$30K, with the actual cost dependent on the number of employees who participate. **Chair Taverner** added that this request has come out of a necessity to make this a viable benefit for employees and should have been done previously. **Secretary Hinshelwood** asked where the funds for the matching program would come from. **CEO Fecher** responded that funds would either come from financial performance outperforming the budget or from the organization's strong cash position. *Chair Taverner moved to approve a new 401K plan for Sonrisas employees. Director Navarro seconded and the motion was approved by roll call. Ayes: Liz Dodge, Nigel Taverner, Helen Galligan, Sheryl Young, Larry Cappel, Clyde Hinshelwood, Rick Navarro.*
- **Building Out Additional Operatory, Action Requested — CEO Fecher** reported that Sonrisas' San Mateo Center is at capacity with four providers and the clinic is one chair short on pediatric days. The Sonrisas team would like to outfit an additional operatory so that a registered dental assistant can do polishing on pediatric patients, which would increase Sonrisas' patient volume. The clinic has an empty operatory that could be build out for \$80K. **Dr. Rothstein** shared that daily pediatric visit volume is down by four a day from pre-COVID capacity despite the pediatric dentist working as hard as ever. Another practitioner is interested in additional days, but the current number of operatories does not allow the addition of another. Building out another operatory would provide some relief to patient overflow.
 - **CEO Fecher** requested that the board discuss using Sonrisas' funds to build out two operatories. This would have a fiscal impact ranging between \$110K-\$10K, depending on available grants from Sonrisas' funders. **CFO Fama** posed that this could be an opportunity for a capital campaign. **CEO Fecher** responded that the board would discuss a capital campaign for the Half Moon Bay Center at the November Board Retreat, though it could be easier to raise funds for an operatory. She commented that Sonrisas is also needs to build its donor base to prepare for a capital campaign. **Secretary Hinshelwood** asked for a cost-benefit analysis. **CEO Fecher** will prepare additional information for the November Board Meeting, while the Sonrisas team will set up the mobile unit in one of the empty operatories to provide some flexibility in the clinic. **Chair Taverner** asked whether Sonrisas would be able to meet its budgeted number of visits without another operatory. **CEO Fecher** responded that the team is looking at solutions to meet the budgeted visit volume. With COVID-19 restrictions on hygienists in particular, it will be a challenge for Sonrisas to meet the budgeted visit volume in the second half of the fiscal year. **CFO Fama** commented that the Cash Flow Analysis presented to the board does not include the PHCD grant and the PHCD grant funds not used for uncompensated care, with the approval of the PHCD board, could be used to build out the operatories if needed. **Chair**

Taverner asked whether secondhand equipment could be used. **Dr. Rothstein** replied that secondhand equipment could be used. **Director Cappel** echoed CFO Fama's idea of a capital campaign. **Vice Chair Galligan** asked that the board continue discussion after additional information was provided.

8. **SUGGESTED AGENDA ITEMS FOR NEXT MEETING**

- Discussion of additional operatories in San Mateo
- Sonrisas Annual Board Retreat will take place on Thursday November 12th 1-4pm
- **Director Navarro** requested that the board review Sonrisas' security system, following the recent UCSF security breach.

9. Meeting was adjourned at 8:04 pm.

Written and Submitted By
Libby Barnard

Approved by
Nigel Taverner

