



Board Meeting November 19th, 2020

Minutes

1. **CALL TO ORDER AND ROLL CALL** – **Chair Taverner** called the meeting to order at **6:37 pm**
 - **Present:** Board Chair Nigel Taverner, Vice Chair Helen Galligan, Board Members: Liz Dodge, Sheryl Young, Clyde Hinshelwood.
 - **Also Present:** CEO Tracey Fecher, CFO Cheryl Fama, Dental Director Dr. Torrey Rothstein, Center Director Pat Kinniburgh, Director of Development Maura LeBaron-Hsieh, Sr. Accountant Tina Wang, Executive Assistant Libby Barnard
 - **Absent:** Larry Cappel, Rick Navarro

[Chair Taverner motioned for an addendum to agenda to include a decision on whether the December board meeting should be cancelled. This motion was seconded by Vice Chair Galligan and approved by roll call]

2. **MISSION MOMENT** – **Dr. Torrey Rothstein** shared how Sonrisas has weathered the pandemic because of the support from the board, the skeleton crew that has been able to stay on during the shutdown, the support from the Peninsula Health Care District (PHCD) in securing adequate PPE and other efforts from the team. While two employees did contract Covid-19, there has been no workplace spread due to Sonrisas’ policies and procedures. He highlighted that patients are impressed and grateful for the care that Sonrisas is taking to keep patients and staff safe. “We couldn’t be where we are without the financial preparations that were made in advance. [...] It is because we are the type of organization that we are that we can do what we’re doing.” **CEO Fecher** thanked CFO Fama and the support of PHCD for their work to secure PPE. **Chair Taverner** complimented the staff on their success and advised them to be prepared for the next round.
3. **PUBLIC COMMENTS**—No public in attendance
4. **APPROVAL OF BOARD MINUTES:** *Helen Galligan motioned to approve the minutes for the board meeting on October 15th, 2020. The motion was seconded by Director Young and approved by roll call. Ayes: Nigel Taverner, Helen Galligan, Liz Dodge, Clyde Hinshelwood, Sheryl Young.*
5. **REPORTS**
 - **CEO Report** – **Director Young** asked about the extra revenue received because FQHC visit volume was higher than budget. **CEO Fecher** responded that Sonrisas receives \$290 per visit through the FQHC contract. **Director Hinshelwood** commented on the farmworker program, wondering how the population’s dental needs will be met if Sonrisas’ contract with the county is not renewed. The Sonrisas team will meet with Puente de la Costa Sur and SMMC to discuss how to transition the farmworker patients from Sonrisas’ care. This is an opportunity for the team and board to strategize about the future of Sonrisas’ mobile equipment. CEO Fecher has reached out to Ayudando Latinos a Soñar (ALAS) to talk about a possible partnership. **CEO Fecher** shared that one of the clinical staff is out with COVID-19 and that may cause the team to have to cancel more provider days. **CEO Fecher** noted that several days have had to be cancelled already. **Chair Taverner** asked about Sonrisas’ affordable

scale patient population on the Coastside to suggest what the demand for services are and whether the demand for senior dental services were being met in that area.

- CEO Fecher and Executive Assistant Libby Barnard will follow up with a report on the patient demographics.
- **CFO Report – CFO Cheryl Fama** reported that YTD patient visit volume is higher than budget. Of the 98 FQHC visits, ten of those were Sonrisas patients migrated of record to FQHC, which increases the organization's revenue per visits. The Sonrisas team has decreased its patient no-show rates. **CFO Fama** requested, with the consent of CEO Fecher, that grants, donations and extra revenue received, be listed below the operating line in the budget to show how much must be raised to cover the business (see Board Packet page 22).
- **Fundraising Report – Maura LeBaron-Hsieh** reported on Sonrisas' fundraising efforts: 26 of the 80 donations that have come in so far have been from new donors. She thanked Director Young for her work with a donor who recently gave \$10,882 from a donor-advised fund. She shared a preview of Sonrisas' FY19-20 annual report, which will be sent out in December. Digital copies will be available and physical copies will be sent out to a targeted group of donors. Postcards will be sent out with a QR code linking to the report. This publication is part of Sonrisas' year-end campaign, Sharing Smiles 2020. **Director Hinshelwood** commented that donors like to see how much of revenue goes to the mission compared to overhead. **Ms. LeBaron-Hsieh** noted that there would be a few more pages with information on donations. **Director Young** recommended sharing information on the sustainability of the organization's business model, noting that Sonrisas has a story and hybrid business model that is appealing to current the donor demographic. **Director Hinshelwood** asked for copies of the Annual Report to share with his network. **Chair Taverner** asked what Sonrisas is planning for Giving Tuesday. **Ms. LeBaron-Hsieh** responded that the report will not be ready at that point, but that Sonrisas would be sharing on social media and via email. **Director Dodge** suggested running Giving Tuesday through Sonrisas' Facebook page. **Ms. LeBaron-Hsieh** reported that Giving Tuesday would be an extension of the overall year-end fundraising campaign. **Director Hinshelwood** offered his CRM expertise as the team continues to develop a system for donor relations.
 - **Director Dodge** and **Ms. LeBaron-Hsieh** introduced year-end peer-to-peer fundraising. They will send a follow-up email with additional information.

[Steve Almes, IT Contractor entered the Zoom room at 7:25]

6. OLD BUSINESS

- **FQHC Contract Update** – Sonrisas had 98 visits, including ten patients who were previously seen under Medi-Cal Dental fee-for-service. Sonrisas' team, led by Center Director Pat Kinniburgh, is working on ensuring that all Medi-Cal Dental patients have a primary care physician and will continue to move eligible patients into the contract from the San Mateo center. This will also take place at the Coastside center after IT issues are resolved. Contract amendments are almost finalized with the county. Sonrisas staff continue to experience some IT complications related to connecting to the county's server.
- **Additional San Mateo Clinic Operatories** – No update provided. **Chair Taverner** asked for an update on storing the mobile equipment. **Ms. Kinniburgh** responded that the equipment is being used in one of the operatories. It has helped workflow, particularly on pediatric days. **Dr. Rothstein** added that having the mobile equipment has worked as an overflow for simple procedures, but it is not enough for the team to be able to bring in additional providers. It does give insight into what could be achieved with another operatory or two. These rooms would need to be outfitted and set up for other procedures.
 - **CEO Fecher** will prepare a report on this topic and present it at the January

board meeting.

7. NEW BUSINESS

- **Financial Review—Unaudited financials for September '20 – Sr. Accountant Tina Wang** reported that patient visits volume was 27% more than budget. \$65,895 or 1/6 of the total PPP loan amount (\$395,365) was recognized as other income in September. Two new dental assistants were onboarded, bringing salary expenses closer to budget. Sonrisas net income in this month was negative \$46,729, while no cash support from PHCD was requested. This is \$13k better than budget. Sonrisas will apply for full forgiveness of the PPP loan in December. **Chair Taverner** asked for clarification on the true income (loss) for public dental insurance visits (see Board Packet page 18). **CEO Fecher** will look at allocations for public dental insurance overhead to assess whether they are accurately distributed. Ms. Wang took the outreach and fundraising budgets out of direct cost calculations, which reduces the attributable costs of all visits.
 - **Financial Projection Model – CEO Fecher** presented the estimated financial model through January. **Vice Chair Galligan** expressed her appreciation that the board is able to see Sonrisas' rolling financial forecast. **Director Young** asked how staff salaries would be affected by patient visit volume. **CEO Fecher** responded that salary expenses may go down if a staff member must take time off for COVID-19 and is using their emergency sick leave. It was not included as an assumption because it is difficult to predict.
- **Cyber Security –** At the October board meeting, Director Navarro asked that the Sonrisas team present their strategy to combat potential ransomware attacks. **CEO Fecher** presented security recommendations from ZDNet against which to review Sonrisas' security. Sonrisas' IT Consultant **Steve Almes** reviewed a visual representation of the security measures that are in place. The IT committee has taken steps to ensure the safety of Sonrisas' data, such as making it more difficult to roam across Sonrisas' network. **Director Young** asked Mr. Almes to provide an explanation on how our security system compares to other organizations that have been hacked. **Mr. Almes** replied that he does not have insight into specific measures that these organizations have taken. Sonrisas has a triple protection before emails get inside of the network. **CFO Fama** recommended that the team look at the 2020 grand jury report. **Mr. Almes** gave a high-level breakdown of Sonrisas' physical data back-up.
 - **Mr. Almes** will price out an air gap backup, following up from **Director Hinshelwood's** request.
 - In the coming months, Sonrisas' staff will be trained to identify potential security risks and use the right follow-up protocol.
 - **CEO Fecher** and the team will present an estimate for a backup restoration test.
 - A committee will be formed to review Sonrisas' security system every six months.
- **Board Retreat Recap – Chair Taverner** reviewed topics from recent board retreat (See November 12th Board Retreat Minutes for details and follow-up items). **Dr. Rothstein** asked what the original price was to open the San Mateo center. **CFO Fama** responded that it was \$1mil for the renovations, and \$600K for the equipment. **Director Dodge** asked whether the team has a price estimate to operate a new facility on the Coastsides. The team's next step is to conduct a market research analysis of the demand in Half Moon Bay, the cost to run the office and the potential revenue. **Vice Chair Galligan** added that the team should be looking at the county waitlist to help assess the need.

8. SUGGESTED AGENDA ITEMS FOR NEXT MEETING – Chair Taverner

- **Cancelling the December Board Meeting – Director Young** asked if there are any items that need approval in December. Sonrisas will need a new compressor at the

San Mateo center before the January meeting. This is a capital expense, not a budgeted expense. **Director Dodge** asked whether the team anticipates stricter COVID-19 guidelines that would affect Sonrisas. Dentistry is deemed an essential service but, if that changes, the board can call an emergency meeting. **CFO Fama** commented that if the compressor is an essential piece of equipment, the board chair can add it as an emergency item to this agenda for approval.

- **Emergency Agenda Item—Chair Taverner** motioned to add an action item to the agenda to approve the purchase of a new compressor. The motion was seconded by **Director Dodge**, and unanimously approved by the roll call. Ayes: Nigel Taverner, Helen Galligan, Liz Dodge, Clyde Hinshelwood, Sheryl Young.
- **Chair Taverner** motioned that, subject to approval from the Board Chair, the board approves the replacement of the compressor at the San Mateo center not to exceed \$15K. The motion was seconded by **Director Dodge**, and unanimously approved by the roll call. Ayes: Nigel Taverner, Helen Galligan, Liz Dodge, Clyde Hinshelwood, Sheryl Young.
- **FQHC Contract Renewal—CFO Fama** suggested that if CEO Fecher has already presented the amendments to the board, the December meeting can be cancelled. The board determined that CEO Fecher has the authority to sign the contract amendment for the FQHC program without board approval. The board can call an emergency meeting if other amendments need to be discussed.
- **Vice Chair Galligan** motioned that the board cancel the December meeting. The motion was seconded by **Chair Taverner** and unanimously approved by the roll call. Ayes: Nigel Taverner, Helen Galligan, Liz Dodge, Clyde Hinshelwood, Sheryl Young.

9. Meeting was adjourned at 8:52 pm.

Written and Submitted By
Libby Barnard

Approved by Board Chair

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