



Board Meeting May 21, 6:30 PM

Location
Sonrisas San Mateo Conference Room
Zoom Teleconference

MINUTES

1. **CALL TO ORDER AND ROLL CALL** – Chair **Taverner** called the meeting to order at 6:35 pm.
 - A. **Present:** Board Chair Nigel Taverner, Vice Chair Henry Sanchez, Secretary Clyde Hinshelwood (joined later), Board Members: Larissa Cutler, Dennis Kneepfel, Rick Navarro, Paramita Roy, Steve Stielstra.
 - B. **Also Present:** CEO Tracey Fecher, CFO Vickie Yee, Community Resources Director Spandan Chakrabarti, PHCD CEO Ana Pulido, Senior Accountant Tina Wang, Administrative Assistant Veronica Le.
 - C. **Absent:** Larry Cappel.
2. **MISSION MOMENT** – **Veronica Le** highlighted a moment to appreciate Dr. Bonnie Jue, Dr. Laurie Jue, Care Coordinator Janet Tang, Dental Assistants: Suna Wang, Jennifer Lai, and Eva Miao's nine years of service at Sonrisas Dental Health. The Practice Manager, Hiajaira Solorzano, initiated the celebration and brought beautiful bouquets of flowers on their nine - year work anniversary, April 20th.
3. **PUBLIC COMMENTS** - No public in attendance.
4. **APPROVAL OF APRIL BOARD MINUTES**

Vice Chair Henry Sanchez moved to approve the minutes of April 23rd's meeting. Director Rick Navarro seconded the motion and was approved by roll call. Ayes: Nigel Taverner, Henry Sanchez, Larissa Cutler, Dennis Kneepfel, Rick Navarro, Paramita Roy, Steve Stielstra
5. **STRATEGIC PLAN FY23-FY25**
 - A. **DEIJ Business Case Update** – Ms. Bluford attended the staff meeting in April, presented the notes of the DEIJ business case draft and collected the feedback to review with CEO Fecher. A few staff suggestions were made that need to be reviewed by the leadership team.
 - a. Originally, the leadership meeting was scheduled prior to the board meeting but was postponed for **CEO Fecher** and Mr. Chakrabarti to attend the Board of Supervisors meeting. At that meeting, the Board of Supervisors awarded Sonrisas a grant of \$190,000, with Supervisors Dave Pine and Warren Slocum showing strong support for Sonrisas. **CEO Fecher** spoke at the meeting and thanked the board for their support.
 - B. **Sustainable Growth**
 - a. **FQHC Pathways Project Update**
 1. SMMC and Sonrisas have agreed on contract language to expand contract to pediatrics and are in the process of credentialing all three pediatric dentists. As soon as the contract is signed (it's currently with the County's Contracts Legal team), SMMC pediatric patients who see a general dentist at Sonrisas can be converted to FQHC patients.
 - **Vice Chair Sanchez** - Does **CEO Fecher** anticipate any impediments or barriers to the signing?
 - In reply: since the contract does not need to be presented

to the Board of Supervisors, it should go through easily.

6. 7:00-7:35 FY25 Budget Workshop

- A. **CEO Fecher** presented a draft budget for FY25 to the Board. The final draft will be presented at the June meeting for approval. **CEO Fecher** thanked Mrs. Wang for leading the budget process, working closely with Sonrisas supervisors to draft the budget.
- B. Achievements from FY24:
 - a. Sonrisas culture
 - 1. Successful employee events, leadership lab, completed DEIJ business case.
 - b. Sustainable Growth
 - 1. Increased SMMC per visit rate and progress on the expansion of the contract.
 - 2. In conversations with Samaritan House and Ravenswood.
 - 3. Fundraising is projected to end up 29% higher in net revenue and 41% in number of individual donors.
 - 4. Established Quality Committee.
 - 5. Chose Qualtrics as the stakeholder feedback instrument.
 - c. Patient and community engagement
 - 1. Dr. Bonnie created a fellowship program to bring in volunteers to help with the Outreach program.
 - 2. Dr. Bonnie will also be piloting sealants for third graders to be applied at schools.
 - 3. Dr. Bonnie will be collaborating with Ability Path on a special needs program.
- C. FY 25 Budget Focus – Operational Improvements and Continued Growth
 - a. The three areas of focus are Sonrisas Culture, Sustainable Growth and Patient/Community Engagement.
- D. **CEO Fecher** reviewed a draft of the capital and operating budget. Slides (attached to these minutes) of the following were shared with the Board:
 - a. FY25 Capital Budget Draft
 - b. FY25 Clinical Planned Outcomes
 - c. FY25 Clinical Revenue Opportunity
 - d. FY25 Community Outreach Planned Outcomes
 - e. FY25 Fundraising Planned Outcomes
 - f. FY25 Staffing to Support Outcomes
 - g. FY25 Operating Budget Summary Draft
 - h. FY25 Operating Budget Contingencies
- E. **CEO Fecher** will present the final budget to the board for approval at the June meeting.
- F. **CEO Fecher** requested approval to begin posting for the Director of Operation or Chief Operating Officer position immediately to gain traction on the recruiting process. **Vice Chair Sanchez** wanted to confirm the rationale for a COO. Answer: ready for growth, takes over day-to-day operations from the CEO, becomes a repository of knowledge and is on-site (unlike our part-time strategy administrator). Board members informally approved this request.

[Director Clyde Hinshelwood joined the meeting at 6:52 pm.]

7. Discussion of CEO Review Process – Director Stielstra opened the floor to the Board members to discuss how this year's CEO review process should be conducted. Compared to previous years, **Director Stielstra** met with HR Consultants to revise the criteria on which to focus the evaluation and presented the draft results.

- A. **Director Kneappel** commented that, in his experience when rating in large organizations, they need more specifics. **Director Navarro** suggested not more than 15 minutes to complete. **Director Roy** asked if there are specific goals (answer: yes, as agreed in advance). **Director Sanchez** liked the subtopics, but no more than three per criterion; **CEO Fecher** likes the subtopics – easier to respond. **CFO Yee** remarked that subordinates' opinions are important so it's good to canvass them. It was suggested the Board provide comments on the draft by June 15th. An update

will be provided at the June Board meeting.

8. REPORTS

- A. **CEO Report – Vice Chair Sanchez** commented the report is consistently clear and concise.
- B. **CFO Report – No comments or questions.**
- C. **Fundraising Report**
 - a. Great progress on commitments for Cooking for a Cause.
 - b. Coastside Gives went well and raised a little over the targeted amount. As a result, there was an increase of donors while retaining two out of three previous donors.
 - 1. Mr. Chakrabarti thanked the Board members for participating in Coastside Gives by donating and spreading the word.
 - 2. All donors will receive acknowledgement letters as they gave whilst handwritten thank you cards were mailed out.
- D. **Outreach Report – Chair Taverner** praised Dr. Bonnie's hard work with not only expanding the outreach program but creating opportunities for interns and fellows to participate in public health; including conducting oral health education sessions.
- E. **Board Nomination Committee – No comments or questions.**

9. SUGGESTED AGENDA ITEMS FOR NEXT MEETING

- A. FY25 Budget
- B. DEIJ Business Case
- C. Cash Reserve Policy
- D. CEO Review

10. ADJOURN - The meeting was adjourned at 8:19 pm.

Written by
Veronica Le

Approved by




Nigel Taverner, Board Chair



Sonrisas Dental Health

May Board Meeting
FY24 Budget Walk Meetings

FY 24 Strategic Plan Achievements

- **Sonrisas Culture**
 - Employee events, snacks and holiday sweater enjoyed by staff
 - Leadership Lab and coaching
 - Completed DEIJ business case
- **Sustainable Growth**
 -  SMMC per visit rate, progress on contract expansion
 - In conversation with two additional possible FQHC partners
 - Fundraising: 29% higher event revenue and 41% more individual and corporate donors
- **Community and Patient Engagement**
 - Quality Committee Established
 - Stakeholder feedback instrument
 - Outreach program growth and innovation

FY 25 Budget Focus – Operational Improvements and Continued Growth



- **Sonrisas Culture**
 - Strengthening Clinic Operations
 - Incorporating DEIJ Business Case
- **Sustainable Growth**
 - FQHC Pathways Project
 - Major donor program, sustaining institutional funders
- **Patient and Community Engagement**
 - Quality Committee
 - Patient Health Outcomes
 - Outreach Program - Innovation
 - Community Health Worker, sealant program, special needs programming



Capital Budget



FY25-FY29 Sonrisas CAPITAL Budget

DESCRIPTION	FY 25	FY 26	FY27	FY 28	FY 29
IT Equipment	\$23,009	\$19,000	\$19,000	\$19,000	\$19,000
Facility Improvements	\$16,500	\$6,500	\$20,000	\$20,000	\$20,000
New Dental Equipment	\$0	\$0	\$0	\$0	\$0
Replacement Dental Equipment	\$103,240	\$179,295	\$213,240	\$193,240	\$213,240
Community Outreach Equipment	\$55,000				
	\$ 197,749	\$ 204,795	\$ 252,240	\$ 232,240	\$ 252,240

Sonrisas' Cash Reserve Policy calls for \$1M in reserves. Current cash position is \$1.875 M (as of 5/13/24)
 FY25 reserve policy will be presented for approval at June board meeting

Legend:

- IT Equipment: Computers, servers, monitors, etc.
- Facility Improvements: Lease holder improvements, furniture and fixtures
- New Dental Equipment: Equipment needed for expansion of providers/visits
- Replacement Dental Equipment: Items reaching end of useful life.
- Community Outreach Equipment: Van, dental equipment

Capital Equipment TBD

- Build out of 10th operatory in San Mateo
- X-Ray Equipment for Outreach
- IT Equipment

FY 25 Clinical Planned Outcomes

Patient Care Days/Week/Provider Type	FY 24 Projected	FY 24 Budget	FY 25 Budget
Dentist Days/Week SM	13.4	15	14
Pediatric Dentist SM	3	3	3
Hygienist Days SM	14.5	15	15
Dentist Days HMB	6.5	8	9
Hygienist Days HMB	2	4	3
TOTAL PROVIDER DAYS	39.4	45	43
TOTAL VISITS	13,942	16,759	15,984

- PTO Forecast
 - Provider PTO in FY24 estimated at 3%, actual 7%. FY25 uses 7%
- Time-Off without pay:
 - 1.8% of providers days were taken w/o pay
 - Dental assistants and CCC team time w/o pay
 - FY25 estimates 99% of clinical staff in wages

FY 25 Clinical Staff to be recruited

Friday dentist for San Mateo
Coverage for dentist maternity leave
One day a week hygienist in HMB
TBD One Dental Assistant

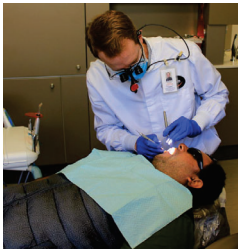
Clinical Opportunities

10th operatory build out in San Mateo
Pescadero Clinic (Measure K)



FY 25 Clinical Revenue Opportunity

Payer Mix	FY 24 Actual	FY 25 Budget	FY 25 Opportunity
Comm/PPO	22%	22%	
Private Pay	2%	3%	
Affordable Scale	4%	4%	
Farmworker	2%	3%	
FQHC	15%	18%	23%
HPSM	47%	41%	37%
Denti-Cal	8%	9%	9%



FQHC Contract Expansion

Budget currently assumes 3% growth in FQHC visits.

With the addition of Pediatrics to the contract, percentage expected to may increase to ~23% for FY25.

FQHC visits pay an average of \$165/visit more than HPSM visits.

Estimated additional revenue is \$100,000-150,000

PDI Per Visit Average Reimbursement

Denti-Cal \$147
HPSM \$194
FQHC/SMMC \$360 (9/1/24)

FY 25 Community Outreach Planned Outcomes



Community Outreach	FY 24 Projected Actuals	FY 24 Budget	FY 25
Child Screenings	3,400	3,000	3,500
Senior Screenings	210	165	200
Senior Mobile Visits	13	13	15
Oral Health Presentation Attendees	143	80	100
Special Needs	N/A	N/A	TBD

Revenue Opportunity

Community Health Worker funds for Care Coordinator. Discussions with HPSM to pilot billing. Estimated revenue is \$50-60K/year. Revenue not included.

Planned Innovations

Sealant Program
Larger Senior Events
Special Needs Program

Van for events. Storage space at PHCD building.



FY 25 Fundraising Planned Outcomes



Fundraising Income	FY 24 Projected Actuals	FY 24 Budget	FY 25 Budget
Donations	\$162,000	\$160,000	\$150,000
Events	\$164,000	\$130,000	\$189,000
PHCD Grant	\$800,000	\$800,000	\$800,000
Other Grants	\$1,404,000	\$1,375,000	\$1,591,000
Total	\$2,530,000	\$2,465,000	\$2,730,000

Fundraising Focus

Increased Event revenue, bringing in new donors

Continuing to build major donor program

Sustaining institutional revenue and funder relationships

Total of 11% Growth



FY 25 Staffing to Support Outcomes

	FY25 FTE	FY24 FTE
Administration	6	5
Clinical Staff	24	25
Community Outreach	3.2	3.2
Fundraising	2	2
FTE Total	34.85	35.25
Salary Plus Fringe	\$5.03 M	\$4.65 M

4.5% Merit Increase Pool

Director of Operations

- Larger administrative team
- Focus: Admin side of clinic operations, IT, provider recruiting, program financials



Strategic Plan: FQHC Pathways Investment



FY24 Estimates

- 20% of CEO's Time
- 50% of Strategic Project Manager
- FQHC Consultants

\$69,000 invested

FY25 Estimates

- 40% of CEO's Time
- 20% of Director of Operations
- FQHC Consultants

\$89,000 Planned



FY 25 DRAFT Operating Budget Summary



Summary	FY 25	Projected FY 24	Budget FY 24	Change FY24 to FY25
Total Revenue	6,623,160	5,952,389	6,249,228	373,932
Total Personnel	(4,953,142)	(4,254,509)	(4,746,250)	(206,891)
Total Clinic Expense	(696,323)	(563,790)	(678,935)	(17,388)
Total Overhead Expense	(973,804)	(949,677)	(917,421)	(56,383)
Total Fund. & Outreach expense	(252,778)	(152,979)	(189,416)	(63,363)
NET INCOME	(252,887)	31,435	(282,794)	29,907
Depreciation	318,146	298,557	306,872	11,274
Capital Expenditure	(197,749)	(100,000)	(138,028)	(59,721)
Cash flow	(132,490)	229,992	(113,950)	(18,540)

- Items Not Yet Included**
- FQHC % increase
 - IT Changes
 - 10th Operatory Build Out
 - Community Health Worker Revenue

Sonrisas' Cash Reserve Policy calls for \$1M in reserves

Current cash position \$1.875 M (as of 5/13/24)

FY25 reserve policy will be presented for approval at June board meeting along with final budget



FY25 Operating Budget Contingencies



Area of Risk	Concern	Impact	Mitigation
Clinical Staffing	Provider vacancies affect clinic visit volume	Fewer appointments for existing patients	Establish on-call pool for hygienists and dental assistants
SMMC Contract Expansion	New dentists take 3 months to be credentialed	New dentist cannot treat FQHC patients	Explore longer hiring timelines for dentists
	Expansion % not accurate	Patient revenue target not met	Increase fundraising, accept higher negative cash flow
Director of Operations	Availability of suitable candidates and on-boarding timeline	Less CEO time to work on FQHC pathways project and some strategic goals won't be completed	Strategic Project Manager may be able to stay on as a consultant
Opportunity	Status	Impact	Mitigation
Community Health Worker	Pilot request with HPSM. Will also explore for Medi-Cal Dental	\$50-60K annually	Budget does not assume any revenue