



Board Meeting October 24, 6:30 PM

Location
Sonrisas San Mateo Conference Room
430 N. El Camino Real, San Mateo

Join Zoom Meeting
<https://us02web.zoom.us/j/87118371690?from=addon>

Meeting ID: 871 1837 1690

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AGENDA

1. 6:30 CALL TO ORDER AND ROLL CALL – Chair Taverner
2. 6:35 MISSION MOMENT –CEO Fecher
3. 6:40 PUBLIC COMMENTS TABS
4. 6:40-6:45 APPROVAL OF SEPTEMBER BOARD MINUTES – Chair Taverner A
5. 6:45-7:00 STRATEGIC PLAN FY23-FY25
 - A. Sustainable Growth
 - a. FQHC Project Update – CEO Fecher
6. 7:00-7:45 Other Business
 - A. Professional Employment Organization Proposal – Action REQUESTED – CEO Fecher B
 - B. CEO FY24 Goals – CEO Fecher
 - C. FY24 Budget Revision – Action REQUESTED – CFO Yee C
 - D. Investment Account Changes – CFO Yee
 - E. November Board Meeting Date – Chair Taverner
7. 7:45-7:55 REPORTS
 - A. CEO Report – CEO Fecher D
 - B. CFO Report – CFO Yee E
 - a. August and September 2023 Profit and Loss, Balance Sheet, Dashboards F
 - C. Fundraising Report – Spandan Chakrabarti
 - D. Outreach Report – Dr. Bonnie Jue
 - E. Board Nomination Committee – Director Hinshelwood
8. 7:55-8:00 SUGGESTED AGENDA ITEMS FOR NEXT MEETING – Chair Taverner
9. ADJOURN





Board Meeting September 26, 6:30 PM

Location
Sonrisas San Mateo Conference Room
And Teleconference

MINUTES

1. **CALL TO ORDER AND ROLL CALL** – **Chair Taverner** called the meeting to order at 7:02pm. pm.
 - A. **Present:** Board Chair Nigel Taverner, Vice Chair Henry Sanchez, Secretary Clyde Hinshelwood, Board Members: Larry Cappel, Larissa Cutler, Dennis Kneoppel, Sheryl Young
 - B. **Also Present:** CFO Vickie Yee, PHCD CEO Ana Pulido, Community Engagement Director Dr. Bonnie Jue, Community Resources Director Spandan Chakrabarti, Administrative Assistant Veronica Le
 - C. **Absent:** Rick Navarro, Steve Stielstra

2. **MISSION MOMENT** – **Dr. Bonnie Jue** shared a moment at a Self-Help for the Elderly Fair in San Mateo Central Park, where one of the participants rode a bus that stopped suddenly, causing her to bump her face. Outwardly, it looked like a minor bruise but through the screening, it was discovered that her front teeth may have been affected by the incident too; she was found an opening at the San Mateo clinic two days later. Through the screening events, Sonrisas can identify new patients in need of urgent care and benefit patients who may not have known they needed treatment.

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

4. **APPROVAL OF AUGUST BOARD MINUTES**

Vice Chair Henry Sanchez moved to approve the minutes of August 22nd's meeting. Director Dennis Kneoppel seconded the motion and it was approved by a quorum. Ayes: Nigel Taverner, Henry Sanchez, Larissa Cutler, Dennis Kneoppel, Sheryl Young. Abstained: Clyde Hinshelwood, Larry Cappel.

5. **STRATEGIC PLAN FY23-FY25**
 - A. **FY24 Strategic Plan (Year 2) Goals**
Sonrisas' Culture
 - A. Goals for each Focus Area were outlined. The goals – set by the relevant teams – were presented by **Chair Taverner**.
 - B. Specific comments were:
 1. **Director Kneoppel**, speaking from experience, suggested that holding a Staff pulse survey quarterly is too aggressive: there won't be enough time to evaluate the impact of any recommended changes.
 2. **Director Hinshelwood** pointed out that there are a lot of goals proposed, questioning whether teams will be able to achieve them all.
 3. **Financial Management Processes** - looking at improving the tools and having regular reviews with the budget managers: The Board would like CFO Yee's involvement in this area.

 - B. **Sustainable Growth**
 - A. **FQHC Project** - An FQHC Task Force has been created and it involves

people outside of Sonrisas. Originally there were four options to achieve FQ status, but it was soon realized the requirements for one option (direct application to HRSA) could not be met.

1. Great progress is being made in meeting and consulting with stakeholders in the County.
 2. **Director Young** recommended reaching out to Louise Rogers, who is the Head of Health Services - she is informed and will attend meetings. Ms. Pulido mentioned two other Supervisors (Walter Slocombe and one other) are worth involving. **Director Young** confirmed that we should continue to work with Dave Pine until he is termed out next year (**CEO Fecher** keeps him up to date).
 3. **Vice Chair Sanchez** - what would be the timeline to completion and conversion for each option: around 6 months or a year?
 - Depending on each option, the timeline differed.
 - The plan is to have decided the best option for gaining FQ statue by the end of this fiscal year.
- B. Cooking for a Cause Outcomes** – Mr. Chakrabarti gave a recap of the success of this year's Cooking for a Cause and explained how the event could improve.
1. Net Revenue has yet to be determined but the gross revenue at an estimated \$141K was at least 20% higher than last year's.

C. Community and Patient Engagement

A. Patient Survey Data from HMB Pilot and Next Steps

1. Dr. Bonnie presented to the Board the results of and lessons learnt from the pilot patient survey in HMB that was initiated back in June.
 - Surveys were distributed via tablets, smartphones and a paper version which worked well with over 200 patients providing feedback over a two-month period.
 - 84% of patients gave a score of 8-10 when asked how likely they would recommend Sonrisas Dental Health to friends and family.
 - In response to how Sonrisas could improve, the common answer was to have more capacity because of the long wait between appointments.

B. FY24 Plan for Community Outreach

1. **Oral Health Education in Schools** - Dr. Bonnie's goal is to provide 3,000 children with free dental screenings this financial year.
2. **Seniors Program** - Thanks to the grants granted by PHCD, Sequoia Healthcare District and Delta Dental, the Outreach team will see 200 people for screenings and mobile visits.
3. We are currently looking into a new data management system that can track patients and outcomes as well as show trends amongst patients to help efficient follow up with children.
4. Building new partnerships has been underway throughout the summer. The Outreach Team visited libraries and health fairs for connections to other agencies that provide similar services. At libraries, they will meet new families to provide oral education and screen younger children.
5. Dr. Bonnie shared with the Board pictures of the screening at Turnbull Children's Center where 140 children were seen. Two principals of the eight preschool sites in San Mateo-Foster City School Districts, visited the screening along with Supervisor Corzo and her team.
6. **Director Kneappel** congratulated Dr Bonnie on this fabulous work. At the same time, he is concerned about raising false expectations in the community – that we identify the need for treatment but don't have the capacity to deliver it ourselves.
 - HPSM is an invaluable partner for these situations. They are building a list of emergency providers to which to refer patients or we can contact HPSM to assist with looking for dental care.
7. The Board will consider granting the Outreach Program additional funding of \$10k, acknowledging Dr. Bonnie and her team's need for more resources to achieve these goals.

8. **Farmworker Program:** Contracted with San Mateo County, Sonrisas provides dental services to farmworkers in the Pescadero area. Currently, the clinic is located in La Honda but by partnering with Puente, there are plans for a permanent dental clinic in Pescadero.
- One option is obtaining an RV mobile dental clinic with at least two chairs.

6. **Board Cash Reserve Policy and FY24 Reserve ACTION REQUESTED – CFO Yee** recommended to the Board a revision of the Board Cash Reserve Policy and FY24 Reserve request. She recommended removing the requirement to cover complete equipment failure. She suggested that it is unnecessary given our extensive and robust 5-year capital replacement plan designed to minimize any major unplanned equipment failure.
- A. If equipment failure were to happen, the year's budget will be reprioritized and adjusted to cover costs.
 - B. Based on calculation - operational margins vs expenses.
 - C. **Director Kneepfel** asked **CFO Yee** to confirm that the revised policy means we do not have to hold unnecessarily high reserves of cash. This was confirmed.

Vice Chair Henry Sanchez moved to approve the Board Cash Reserve Policy and FY24 Reserve. Director Clyde Hinshelwood seconded the motion and was approved by roll call. Ayes: Nigel Taverner, Henry Sanchez, Clyde Hinshelwood, Larry Cappel, Larissa Cutler, Dennis Kneepfel, Sheryl Young

7. REPORTS

- A. **CEO Report** – No comments or questions.
- B. **CFO Report**
 - A. Less visits helped save on expenses (probably not surprising since we lose money on every patient visit)
 - B. Fundraising is doing better than budgeted to date.
- C. **Fundraising Report**
 - A. Several other grants are in the pipeline.
 - B. 73% of the budget grants for the year are already received and recorded as revenue.
- D. **Outreach Report** – No comments or questions.
- E. **Board Nomination Committee** – **Director Hinshelwood** will follow up with **CEO Fecher** and Ms. Pulido on looking for potential Board Nomination Committee nominees.

8. SUGGESTED AGENDA ITEMS FOR NEXT MEETING

- A. DEIJ Business Case Next Steps
- B. CEO Fecher's goals for the year
- C. November's Board Meeting Attendance
 - A. It occurs two days before Thanksgiving.

9. **ADJOURN** - The meeting was adjourned at 8:38 pm.



DATE: October 16, 2023

TO: SDH Board of Directors

FROM: Tracey Fecher, CEO

RE: Professional Employment Organization Proposal

The team has been exploring moving the Sonrisas team to a Professional Employment Services Organization (PEO) for over a year. In working with PEO vendors, the team has expressed the following goals: giving Sonrisas' employees improved medical, dental and vision benefits, an integrated human resources information systems (HRIS) portal that is intuitive and a PEO vendor with employee self-service elements, improved HR compliance and an improved supervisor and employee experience with HR processes.

The Sonrisas board of directors requested that the team get quotes from three PEO providers before choosing a vendor to present to the board. The three PEO providers reviewed in detail were ADP, TriNet and Insperty. Below is a comparison of the three providers compared to Sonrisas' current expenses.

| Sonrisas Dental PEO Comparison | | | | | |
|--|----------------|--|---|--|--|
| | Current | |  BCBS/Kaiser |  Aetna/Kaiser |  Aetna/Kaiser |
| Total Federal Payroll Tax | \$ 317,335 | | \$ 320,806 | \$ 325,865 | \$ 325,865 |
| Total SUTA Tax | \$ 20,000 | | \$ 12,600 | \$ 10,710 | \$ 11,120 |
| Workers Comp | \$ 27,983 | | \$ 26,146 | \$ - | \$ 17,933 |
| Administrative Fee * | \$ - | | \$ 53,280 | \$ 85,002 | \$ 74,154 |
| Co-Employment Risk | \$ - | | \$ - | \$ - | \$ 22,680 |
| Enhanced Talent Suite | \$ 2,592 | | \$ - | \$ 2,592 | |
| Cobra Admin/401K Admin Costs | \$ 2,500 | | \$ - | \$ - | \$ - |
| Time & Attendance | \$ 20,362 | | \$ - | \$ 3,060 | |
| Employee Benefits | | | | | |
| Medical | \$ 146,884 | | \$ 145,344 | \$ 129,669 | \$ 137,392 |
| Employer Contribution - \$350/month | \$ 70,489 | | \$ 67,200 | \$ 67,200 | \$ 67,200 |
| Employee Contribution | \$ 76,395 | | \$ 78,144 | \$ 62,469 | \$ 70,192 |
| Dental | \$ 29,740 | | \$ 25,544 | \$ 20,683 | \$ 22,703 |
| Employer Contribution | \$ 17,595 | | \$ 16,500 | \$ 13,260 | \$ 16,303 |
| Employee Contribution | \$ 12,145 | | \$ 9,044 | \$ 7,423 | \$ 6,400 |
| Vision | \$ 2,460 | | \$ 1,428 | \$ 1,683 | \$ 2,928 |
| Employer Contribution | \$ - | | \$ - | \$ - | \$ - |
| Employee Contribution | \$ 2,460 | | \$ 1,428 | \$ 1,683 | \$ 2,928 |
| Life/ADD/LTD | \$ 15,322 | | \$ 12,000 | \$ 8,173 | \$ 14,147 |
| Total Employer Cost | \$ 494,178 | | \$ 508,532 | \$ 515,862 | \$ 549,402 |
| Total Employee Cost | \$ 91,000 | | \$ 88,616 | \$ 71,575 | \$ 79,520 |
| Combined Cost | \$ 585,178 | | \$ 597,148 | \$ 587,437 | \$ 628,922 |
| Employer Difference w/ \$350/mo medical | \$ - | | \$ 14,354 | \$ 21,684 | \$ 55,224 |
| Employee Difference | \$ - | | \$ (2,384) | \$ (19,425) | \$ (11,480) |
| Employer Difference w/ \$400/mo medical | \$ - | | \$ 23,954 | \$ 2,259 | \$ 43,744 |
| Employee Difference | \$ - | | \$ (11,984) | | |
| Employer Difference w/ \$450/mo medical | \$ - | | \$ 33,554 | | |
| Employee Difference | \$ - | | \$ (21,584) | | |
| Initial Set-up Fee | \$ - | | waived | \$ 2,000 | \$ 20,000 |

Based on overall costs as well as the type of dental insurance available with the three PEOs, the team chose to not move forward beyond initial discussions and pricing with Insperity. While their HRIS system is strong and they have a good reputation for customer support and employer/employee experience, the team chose to not move forward with their services and will not continue to include them in the comparisons below.

Improved Medical/Dental/Vision Benefits for Employees:

While the overall medical and dental costs for ADP are lower than TriNet, the out of pocket (OOP) are lower for the TriNet medical plans. For example, the current OOP expenses for the current Kaiser Silver HMO plan chosen by 5 Sonrisas' staff is \$8,200 individual/\$16,400 family. In the comparable TriNet plan the OOP maximums are \$2,000/\$4000 and with ADP \$6,050/\$12,100. Both are better than the current plan; and the TriNet plan has considerably lower OOP expenses should an employee or their family need to utilize their medical benefits. In this area, our team considers the TriNet plans to be a better choice for Sonrisas' staff. If staff would like lower medical premiums, TriNet offers higher deductible plans for employees to choose from.

Moving to a PEO allows Sonrisas staff to access large group medical insurance. Currently, Sonrisas has a small group medical plan. Employees' premiums are based on their age and the zip code where they live. Sonrisas pays 70% of the lowest bronze HMO insurance premium available to employees. This currently ranges from \$580-260/month per employee. For employees who do not cover their family members, their premiums range from \$150-500/month per employee. Note that employees bear the cost of all family members covered with medical benefits.

With large group medical, Sonrisas would pay \$350/month per employee to cover the cost of any medical plan they chose. The analysis of TriNet services shows that employees would pay \$152-\$400 per month. The amount of premium covered by Sonrisas could be adjusted to \$400 or \$450/month at additional costs if the board chose to make that decision.

Sonrisa pays 100% of employee dental policies and employees cover the cost of covering any family members. Annual premiums for both TriNet and ADP are lower than current employer and employee costs.

Vision insurance is offered to Sonrisas' employees; and they cover the entire cost of the service. The cost will be less with both TriNet and ADP.

Conclusion: Sonrisas' employees will benefit from either TriNet or ADP medical, dental and vision benefit plans. While the employee contribution for TriNet services is \$1,750 higher in total, employees will have lower OOP maximums and will have plans available with have higher OOP maximums and lower monthly costs, if desired. Dental and vision plans improve for staff with either TriNet or ADP.

Improved HRIS Portal and HR Compliance

Currently Sonrisas' employees and administration access 4 systems for HR information. ADP for time and attendance, time off balances, pay/tax statements, onboarding, and performance reviews. BASIC for High-deductible Spending Account (HAS)/Flexible Spending Account (FSA) balances and expense submission. Empower for 401K investments and contributions changes. EASE is used once a year for

benefits enrollment. The four systems make it challenging, both for staff accessing their information and for administrative staff handling compliance. There have been multiple payroll errors with benefits amounts not being properly deducted from employee paychecks, 401K employee changes and loans as well as errors with employee HSA/FSA accounts. It recently took 4 weeks to resolve an employee issue with their HSA account. The current medical insurance (CalChoice) provider requires the administrative team audit their invoice monthly, since CalChoice does not reliably remove employees that have terminated, even with the proper paperwork faxed to them.

The 401K compliance issues have cost Sonrisas a little under \$1,000 in fees to the 401K administrator, unposted earnings for employees and IRS fines. The administrative staff have spent hours working with the various systems to resolve employee issues. For example, the HSA issue, which was a BASIC system error, took the time of the CEO, accountant, administrative assistant, and HR consultant. The employee affected was unable to pay their medical bills with HSA funds until this error was resolved.

The team believes Sonrisas' employees will have an improved HR experience with an HRIS integrated system – a one stop shop for all their HR, benefits, 401K and time and attendance. When employees have a question, they will be able to call a PEO vendor hotline to ask questions and receive self-service.

The Sonrisas' team is recommending TriNet as the vendor for Sonrisas because their HRIS system is more integrated and intuitive to use. ADP's system is based on older technology and there would be at least two systems for employees to access since ADP's 401K is a different website. ADP would have the advantage of already being used for time and attendance and performance reviews; but the team would like to take the opportunity to move to an improved system interface. Employees will be able to access that 401K website from within the TriNet portal. Also, the team did reference checks for both vendors and TriNet receives better reviews for customer service.

Improved Supervisor and Employee Experience with HR

Moving to a PEO does not provide all the HR needs of the organization. For example, if a supervisor needs to have a difficult conversation with an employee or deliver a performance improvement plan (PIP), the PEO team will help write talking points and/or the PIP. The PEO team will not attend the meeting (even virtually) with the employee. The supervisor team currently requires the support of an HR professional for employee relations. Those services are being provided by GroHR at a cost of \$2,600/month or \$31,200/annually. It is possible that after the implementation of a PEO, the HR services provided by GroHR can be reduced or eliminated completely. Currently, the team recommends staying with GroHR to support the development of the management teams' confidence with difficult employee relations issues.

In conclusion, the Sonrisas' team is recommending a move to TriNet services effective January 1st. This will improve the overall employee HR experience as well as the benefits available to employees. There will be times savings for the administrative team not having to ensure the disparate HR systems are accurate as well as reduction in frustration around on-going compliance issues. Attached to this memo is a whitepaper from a PEO broker that the team utilized to get comparative pricing. It provides an overview of what a PEO is as well as industry understandings of the benefits of a PEO. A review of potential disadvantages of a PEO by Forbes can be found [here](#).

To manage the implementation of TriNet, we will be engaging with GroHR on a contract to project manage the process from November 1st, 2023 to the end of implementation in January 2024. The cost

for this service is \$6,000 and is not currently budgeted. The team is meeting with CalWellness on 10/25/23 and will request this expense be added to the grant deliverables.

In summary, the Sonrisas team is recommending a move to TriNet. We believe the benefits include:

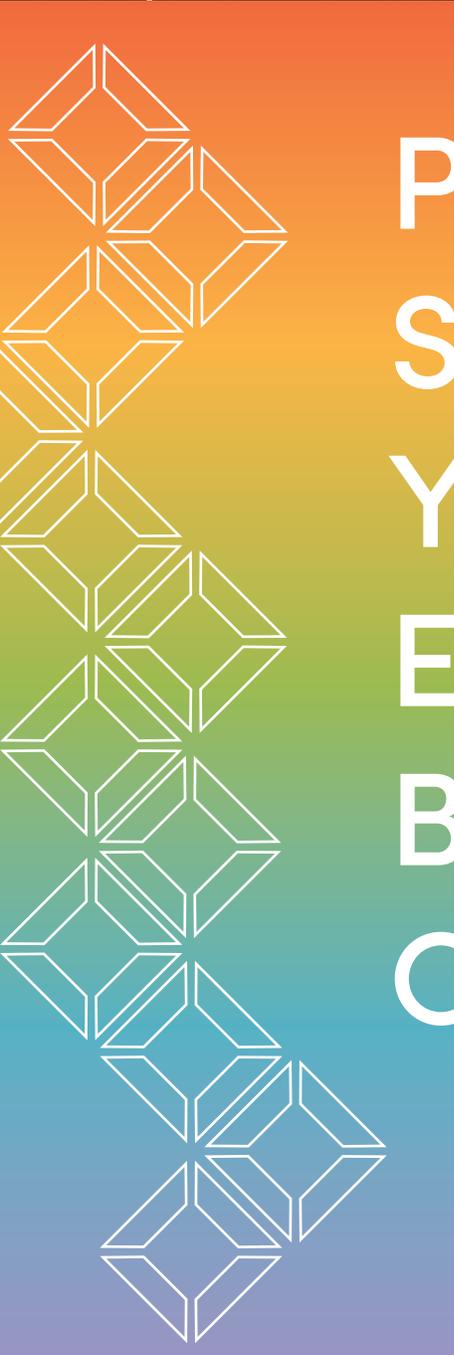
- **Improved benefit options for employees.** The medical plans have lower OOP maximums. Most employees will have a reduced monthly medical premium. Those with increases, with one exception, are less than \$100/annually. Employees covering their families with dental benefits will all see a reduction in their premiums.
- **Improved integrated HRIS system/portal.** Employees and staff administering HR will have a single portal to access HR information.
- **Customer service for HR self-service.** The staff and administration team will have HR specialists and a 1-800 number available 3 a.m. to 9 p.m. Monday through Friday.
- **Improved HR compliance.** The administrative staff believes that handling HR issues will be streamlined with less opportunity for compliance issues, improving their productivity.
- **Improved HR experience for staff.** The Sonrisas' team currently finds HR issues to be a continual thorn in their work life. There are frustrations over processes not being completed properly or on time. The opinion of many staff is low around HR; and this is felt acutely by the supervisors.

The additional annual cost of moving to TriNet is \$14,354 in the comparative analysis. The comparative analysis was based on employee data from spring 2023. The actual costs may differ due to the employees who may choose benefits. A new open enrollment will give employees the opportunity to enroll in benefits they are not currently using. The board may also choose to add additional funds to the amount covered by Sonrisas. This change can be made now or in the next budgeting period. See the comparison matrix for the data.

Attached to this memo is a larger copy of the PEO comparative analysis as well as a white paper about PEOs. The team looks forward to discussing this recommendation with the board of directors.

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PEO 101: The Solution to Your HR and Employee Benefits Challenges?



PEOSPECTRUM

WHAT IS A PEO?

Small employers know all too well how HR has changed over the last few decades, growing much more complex and time consuming – especially around compliance and risk management.

Modern human resources challenges have caused many business owners to seek alternative solutions to their HR troubles, with one becoming far more popular – **professional employer organizations (PEO)**.

PEOs are firms that allow employers to outsource many HR tasks and responsibilities. Some of the most common services a PEO offers to clients include *employee benefit services, HR services, and risk and compliance services*.

But besides gaining these services, why do small employers choose PEOs as their HR outsourcing solution? Let's find out!

WHY DO EMPLOYERS WORK WITH PEOs?

Perhaps the biggest advantage smaller employers get from PEO is gaining access to the same health insurance benefits as large organizations, and often at lower rates than what they have now.

Since PEOs pool all their clients together when shopping for health insurance, they are able to offer healthcare options that are usually only available to larger companies.

The result is that small businesses get to offer higher-quality health insurance to their employees – a much needed perk for retaining current staff and recruiting new team members.

But more competitive health insurance isn't the only advantage employers gain from working with a PEO. Clients also get to enhance their entire employee benefits package.

Additionally, a recent report from the National Association of Professional Employer Organizations (NAPEO) revealed statistics that show just how valuable a PEO can be for employers:

- Companies who use a PEO save 35% on HR administration costs
 - Partnering with a PEO lowers employee turnover by 10% to 14%
 - 70% of PEO clients reported revenue increases after their partnership began
 - A PEO can help small businesses grow 7% to 9% faster
 - PEO clients are 50% less likely to go out of business



THE SERVICES OFFERED BY PEOs

PEOs offer many services and products that can help small employers improve their HR practices that tend to fall into one of three main categories: **employee benefit services**, **HR services**, and **risk and compliance services**.

Take a look at a few of the common solutions that make up each of these categories:

1

Employee Benefit Services

- Healthcare Benefits
- Life, Disability, Dental, and Vision Plans
- 401(k) and Other Savings Plans
- Voluntary Benefits
- Complimentary Benefits

2

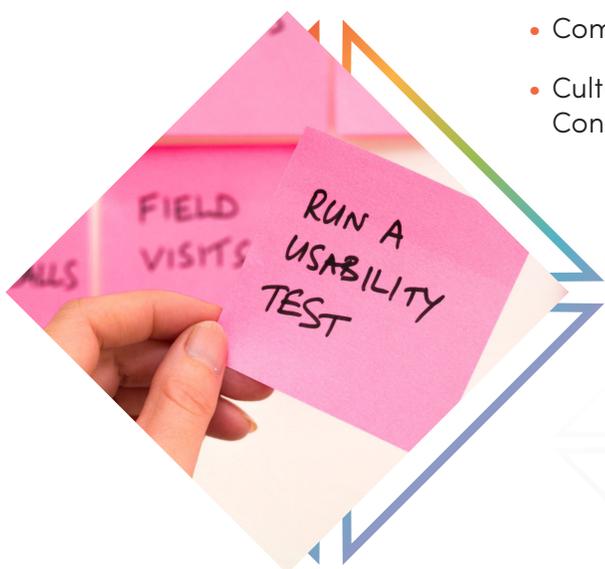
HR Services

- HR Management
- Payroll and Tax Solutions
- Performance Management Solutions
- Recruiting Services
- Training and Development
- Scheduling
- Time and Attendance
- Compensation Consulting
- Culture Building Consulting

3

Risk and Compliance Services

- Workers' Compensation Management
- Workplace Safety Improvements
- Affordable Care Act (ACA) Compliance
- Leave of Absence Management
- I-9 Verification
- OSHA Support
- Employee Policies and Notifications
- Return-to-Work Programs
- Employee Handbooks and Posters



CHARACTERISTICS OF PEO CLIENTS

It's important to know which types of businesses can benefit the most from this kind of solution if you're thinking about using a PEO.

While small and medium-sized employers tend to be the most common clients, there are other factors that may influence whether a company could gain the most from a PEO:

How Many Employees?

PEOs work with start ups with as few as *1 full-time employee* to medium-sized organizations with up to *500 employees*. However, each PEO will have its own threshold.

A Desire for Business Growth

One of the key factors (especially for start-up companies) when thinking about using a PEO is having growth goals for the business. As seen with some of the statistics earlier, PEOs help their clients grow, and business owners with a growth-oriented mindset can get the most out of this solution.

Looking to Offer Enhanced Employee Benefits

One of the main reasons why business owners consider a PEO is to improve the benefits they can offer to their workforce. In addition to tailored health insurance plans, PEO clients also get to offer a wide-variety of voluntary and complimentary benefits that help with recruiting and retaining employees.

Operate in Specific Industries

The services offered by PEOs may be better fits for businesses that operate in certain industries. Some of the most common include professional services, marketing, technology, and financial services. Working with our team at *PEO Spectrum* can help find a PEO that can tailor their services to your business and industry.

WHAT SHOULD YOU LOOK FOR IN A PEO?

NAPEO reports have shown that there are around 907 professional employer organizations in the United States today. But not all PEOs are the same, and there are certain characteristics and designations that should be looked for or considered:

1 National or Regional PEO

Most professional employer organizations tend to be either *national* or *regional*. National PEOs operate throughout the country and have clients across the United States. Regional PEOs are only located in certain areas in the U.S. and tend to focus their services on clients in these areas.

ESAC Accreditation

The Employer Services Assurance Corporation (ESAC) was formed to become the official accrediting agency of the PEO industry. If a PEO has ESAC Accreditation, it means this organization meets the gold standards for industry best practices and financial reliability.

2

HR Technology

Some PEOs provide businesses with access to modern HR technology that helps owners, managers, and employees. Services such as payroll information, PTO, benefits, company communications, and much more can be accessed and managed through the HR technology offered by select PEOs. Some even offer their clients mobile apps to make these HR tasks as accessible and easy as possible!

4

3 IRS Certification

On June 1, 2017, the Internal Revenue Service (IRS) designated a select few PEOs as Certified Professional Employer Organizations (CPEO), the first group to ever be certified. A PEO that is IRS certified meets all the standards and requirements set by the United States government and provides additional financial assurance and peace of mind to business owners.

3

MYTH 1

A PEO WON'T SAVE MY BUSINESS MONEY

A barrier for some business owners to explore PEOs is the thought that they are too expensive and won't save a business money or reduce HR-related costs.

However, this is a common myth about PEOs that isn't true. As we saw earlier in this eBook, NAPEO found that PEOs help their clients save up to 35% on HR administration costs.

Often, small and medium-sized employers stand to save money and become more efficient through a PEO partnership.

3 COMMON PEO MYTHS

MYTH 2

OWNERS LOSE CONTROL OF THEIR BUSINESS

Perhaps the most well-know PEO myth is the idea that this partnership will result in owners losing day-to-day control of their business.

However, this is completely false. Business owners do not lose any control when working with a PEO. They retain day-to-day responsibilities as well as all talent management responsibilities such as *hiring, firing, promotions, and compensation changes*.

In fact, client's ultimately gain from this relationship, with the PEO becoming a valuable partner that handles many HR tasks and responsibilities (while helping to streamline all HR strategies).

MYTH 3

CO-EMPLOYMENT AND EMPLOYEE LEASING ARE THE SAME

Next to losing business control, the next most popular myth involves the arrangement that takes place between a PEO and their clients, called **co-employment**. In this relationship, a client's employees are employed by two different entities – the client company and the PEO. Each is responsible for certain employer rights, responsibilities, and HR tasks.

The myth around co-employment is that it is the same thing as employee leasing – the practice of supplying new workers or contractors to a client, usually on a temporary basis.

However, co-employment and employee leasing are very different from each other. PEOs do not provide workers to their clients and do not control hiring/firing decisions. Instead, these responsibilities stay with the business owner – busting this popular PEO myth.

SAVE ON HR COSTS AND ENHANCE EMPLOYEE BENEFITS WITH A PEO SOLUTION

Working with a PEO can help employers overcome many of the modern HR challenges that can cause frustration and prevent business growth. Our team at *PEO Spectrum* can connect you with a PEO that can help save on costs while offering an HR solution tailored to your company and employees.



PEOSPECTRUM



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tfarrell@peospectrum.com



DATE: October 16, 2023 **TO:**

SDH Board of Directors

FROM: Tracey Fecher, CEO
Vickie Yee, CFO

RE: Budget Revision Request

As shared with the board last month, Sonrisas received a 5-month, \$75,000 grant from Sutter Health for the FQHC Pathways project. The grant will fund work needed to explore various partnerships, pathways and readiness needed to become an FQHC. The grant was applied for and awarded after the budget was finalized.

The team is recommending a budget revision to add the \$75,000 of grants received and released and the associated grant expenses of \$75,000. The Sutter grant will cover the payroll expenses of one employee, which were already budgeted. These funds were added to office expenses and equipment expenses. The remainder of the expenses, \$68,900, are for consulting and additional employee goodwill, which covers the cost of food for meetings.

In addition, the board approved \$10,000 in additional expenses for the Outreach team to add staff to the team for community events. These expenses have been added to the personnel line in the Outreach budget.

The budget revision, except for the \$10,000 for additional Outreach personnel, is a net even adjustment to the budget. The net income changed from **(\$272,794)** to **(\$282,794)**.

Attached to this memo is the proposed budget revision for board approval.

| FY 23-24 Budget Revision | | | | | |
|------------------------------------|------------------|------------------|------------------|------------------|-----------------|
| Patient Care | San Mateo | HMB | FY 24 | Budget 22-23 | Change |
| Commercial Insur. | 502 | 128 | 631 | 631 | 0 |
| PPO | 2,872 | 556 | 3,428 | 3,428 | 0 |
| Private Pay | 375 | 43 | 417 | 417 | 0 |
| Public Dental Insurance | 6,304 | 2,821 | 9,125 | 9,125 | 0 |
| Affordable Plan | 250 | 299 | 549 | 549 | 0 |
| Farmworker | 0 | 375 | 375 | 375 | 0 |
| FQHC | 1,807 | 427 | 2,235 | 2,235 | 0 |
| Total Visits | 12,110 | 4,649 | 16,759 | 16,759 | 0 |
| Adjustments | (29,000) | (12,000) | (41,000) | (41,000) | 0 |
| Commercial Insur. | 163,535 | 28,942 | 192,476 | 192,476 | 0 |
| PPO | 640,572 | 124,615 | 765,187 | 765,187 | 0 |
| Private Pay | 107,497 | 13,404 | 120,901 | 120,901 | 0 |
| Public Dental Insurance | 1,188,682 | 421,680 | 1,610,362 | 1,610,362 | 0 |
| Affordable Plan | 66,630 | 67,777 | 134,407 | 134,407 | 0 |
| Farmworker | - | 140,423 | 140,423 | 140,423 | 0 |
| FQHC | 572,019 | 135,445 | 707,464 | 707,464 | 0 |
| Total Income | 2,709,935 | 920,286 | 3,630,220 | 3,630,220 | 0 |
| Personnel | 2,498,325 | 949,231 | 3,447,557 | 3,447,557 | 0 |
| Dental Supplies | 198,603 | 107,261 | 305,864 | 305,864 | 0 |
| Small Dental Equipment | 4,800 | 1,000 | 5,800 | 5,800 | 0 |
| Dental Equipment Repair | 30,000 | 8,616 | 38,616 | 38,616 | 0 |
| Lab Fees | 96,880 | 65,603 | 162,482 | 162,482 | 0 |
| Uniforms | 350 | 150 | 500 | 500 | 0 |
| PPE & Covid Related | 60,550 | 28,175 | 88,725 | 88,725 | 0 |
| Contracted Services | 72,460 | 4,488 | 76,948 | 76,948 | 0 |
| Direct Patient Care Costs | 2,961,968 | 1,164,524 | 4,126,492 | 4,126,492 | 0 |
| Administrative Personnel | 393,659 | 162,473 | 556,132 | 556,132 | 0 |
| Business Taxes | 250 | | 250 | 250 | 0 |
| Facilities Expenses | 102,701 | 63,236 | 165,937 | 165,937 | 0 |
| Office Exp. | 40,358 | 6,600 | 46,958 | 38,458 | (8,500) |
| Equipment Expenses | 77,849 | 20,076 | 97,925 | 88,325 | (9,600) |
| Insurance | 26,031 | 0 | 26,031 | 26,031 | 0 |
| Outsourced Services | 216,300 | | 216,300 | 150,400 | (65,900) |
| Fees and Interest | 24,000 | 0 | 24,000 | 24,000 | 0 |
| Depreciation Expense | 264,591 | 42,281 | 306,872 | 306,872 | 0 |
| Dues, Fees & License | | 0 | 0 | 0 | 0 |
| Employee Goodwill | 15,996 | 0 | 15,996 | 12,996 | (3,000) |
| Recruitment Expense | 2,172 | 0 | 2,172 | 2,172 | 0 |
| Marketing Expenses | 500 | 0 | 500 | 500 | 0 |
| Meeting & Travel Expenses | 3,980 | 0 | 3,980 | 15,980 | 12,000 |
| Board Retreat | 10,500 | 0 | 10,500 | 10,500 | 0 |
| Indirect Patient Care Costs | 1,178,887 | 294,665 | 1,473,553 | 1,398,553 | (75,000) |
| Total Patient Care Costs | 4,140,855 | 1,459,189 | 5,600,045 | 5,525,045 | (75,000) |

|  | | | |
|---|------------------|------------------|-----------------|
| Fundraising Program | FY 24 | Budget FY24 | Change |
| Donations Received | 160,000 | 160,000 | 0 |
| Fundraising Event | 130,000 | 130,000 | 0 |
| Grant from PHCD | 800,000 | 800,000 | 0 |
| Grants Received & Released | 1,375,000 | 1,300,000 | 75,000 |
| Total Income | 2,465,000 | 2,390,000 | 75,000 |
| Fundraising Personnel | 283,882 | 283,882 | 0 |
| Fundraising Expenses | 150,101 | 150,101 | 0 |
| Net Fundraising Income | 2,031,017 | 1,956,017 | 75,000 |
| Outreach Program | FY 24 | Budget FY24 | Change |
| Personnel | 458,681 | 448,681 | (10,000) |
| Outreach Supplies | 30,032 | 30,032 | 0 |
| Employee Goodwill | 1,850 | 1,850 | 0 |
| Outreach Marketing Expenses | 2,833 | 2,833 | 0 |
| Meeting & Travel Expenses | 4,600 | 4,600 | 0 |
| Total Program Costs | 497,995 | 487,995 | (10,000) |
| Other Revenue | FY 24 | Budget FY24 | Change |
| Other Income | 154,008 | 154,008 | 0 |
| OTHER REVENUE | 154,008 | 154,008 | 0 |
| Summary | FY24 | Budget FY24 | Change |
| Total Revenue | 6,249,228 | 6,174,228 | 75,000 |
| Total Personnel | (4,746,250) | (4,736,250) | (10,000) |
| Total Clinic Expense | (678,935) | (678,935) | - |
| Total Overhead Expense | (917,421) | (842,421) | (75,000) |
| Total Fund. & Outreach expense | (189,416) | (189,416) | - |
| NET INCOME | (282,794) | (272,794) | (10,000) |
| NET INCOME (Without Incentive) | (417,794) | (407,794) | (10,000) |
| Depreciation | 306,872 | 306,872 | (0) |
| Capital Expenditure | (138,028) | (138,028) | 0 |
| Cash flow | (113,950) | (103,950) | (10,000) |
| Cash flow (Without Incentive) | (248,950) | (238,950) | (10,000) |





DATE: October 16, 2023

TO: SDH Board of Directors

FROM: Tracey Fecher, CEO

RE: CEO Report

1. Clinic Operations:

- Clinic visits were under budget by (161) visits and met the visit forecast. September visits were off budget due to the new dentist in HMB not starting until mid-September, when the plan called for them to start on August 1st. The amount of PTO planned for the providers was budgeted to be 3% per month. In the month of September, providers took 7% PTO and in August they took 11% PTO. The PTO taken should balance out in future months. Note that some of this PTO was unpaid time off due to the staff not having PTO available. The 3% forecast model was based on past historical averages, when many providers were new to Sonrisas and had little PTO. All the current providers have an average of 4.75% PTO available, so the forecasting model will be adjusted to reflect this.
- The payer type is balanced to the budget well, with the percentage of FQHC visits being met overall, even though the total visits are off.

September

| | Budget | Forecast | Actual | Actual vs. Budget | % of Actual Visits | % of Budgeted Visits |
|--------------------------------|--------------|--------------|--------------|-------------------|--------------------|----------------------|
| Comm/PPO | 329 | 265 | 280 | (49) | 23% | 24% |
| Private Pay | 34 | 22 | 25 | (9) | 2% | 2% |
| Medi-Cal Dental | 730 | 640 | 662 | (68) | 55% | 53% |
| Affordable Plan | 45 | 57 | 49 | 4 | 4% | 3% |
| Farmworker | 30 | 29 | 22 | (8) | 2% | 2% |
| FQHC | 197 | 167 | 167 | (30) | 14% | 14% |
| Access to Care Subtotal | 1,003 | 894 | 900 | (103) | 75% | 73% |
| Total Visits | 1,366 | 1,180 | 1,205 | (161) | | |

2. HR and Staffing:

- The team has not been able to actively recruit staff for the 2.5 hygienist days budgeted in October, the care coordinator, and the part time dental assistant. The recruiting strategy has been passive, with paid postings to Indeed. The current job market requires cold calling candidates to inform them about the job opening. The team

continues to see the need for recruiting bandwidth. If Sonrisas moves to a Professional Employment Organization, the freed-up HR administration time will be invested in recruiting.

3. CEO Goals for FY24: The areas of focus for the CEO goals for FY24 are listed below. Details about each area will be shared during the October board meeting:
 - Sonrisa Culture:
 - Leadership and management team development
 - Succession planning for key leadership and Board Chair positions
 - Sustainable Growth:
 - Patient Revenue FQHC Pathways
 - Fundraising Major Donor program
4. Strategic Plan Sustainable Growth Focus Area: FQHC Pathways Project
 - The Sonrisas team met with Samaritan House to discuss the potential of a partnership to become an FQHC Look-Alike. Questions about how to serve patients who make over 200% of Federal Poverty Level (FPL) came up and the Sonrisas team is meeting with FQHC financial consultants to discuss potential solutions.
 - Sonrisas has the possibility of utilizing a dental clinic owned by PHCD that was vacated by a dental tenant. The team discussed moving younger pediatric patients to that space, which would open space at the San Mateo Clinic for adult patients. Without a pathway to higher per patient visit rates, the team has put growth on hold for now.
 - Sonrisas has an outstanding request to SMMC to expand our current subcontract to children. If this request is granted, a larger pediatric clinic business model will be developed to see what the financials of expansion would look like.
5. Strategic Plan – Sonrisas Culture Focus Area:
 - Last week, the management team at Sonrisas kicked off a yearlong Leadership Lab program. A leadership and development coach was contracted to offer monthly work/learning sessions for all managers through the fiscal year. The directors will receive individual monthly coaching as well. A survey will be given to the team now and at the end of the fiscal year to gain insight on their comfort with key management topics, like having difficult conversations, before and after the program. The survey will include feedback on areas of personal growth as a manager as well as areas the management team has grown in together.
6. Financial Update: On October 16th, Sonrisas' current cash position was \$1,947,000





DATE: Oct 16, 2023

TO: SDH Board of Directors

FROM: Vickie Yee, CFO
Tina Wang, Senior Accountant

RE: **August Unaudited Financials and YTD Performance to Budget**

August PERFORMANCE:

- A. Revenue:** Net Patient Revenue was **\$299,172** - \$22K below the budget.
- Total visits were 1,288 - 182 visits below the budget.
 - Total gross revenue was \$603,980– \$34K below the budget. It includes an estimated tobacco tax of \$23,666 and an additional tobacco tax revenue of \$6,776 received from FY23.
 - Total uncompensated care deduction was **(\$304,808)** – 50% of gross revenue.
- B. Expenses:** **\$463,001** – \$79K better than budget.
- Direct Expenses - \$53K better than budget, mainly from \$38k savings in personnel costs. A few clinic positions were not filled. A dentist who was scheduled to start on August 1st did not receive her dental license and it is hoped that they will start in mid-September. The positions for a Saturday hygienist, a full-time care coordinator, and part-time dental assistants are still open.
 - Indirect Expenses -\$26k better than budget, mainly from personnel and fundraising expenses savings. There is a \$10k personnel budget to cover the CEO's bonus. A larger salary increase was given instead of a bonus, and expenses will true-up by the end of the year. The fundraising expenses surplus is a timing difference. More expenses for the event were paid in September.
- C. Donations/Grants & Other Income: \$221.318**
- \$34,521 individual donation, including \$34K received for the Cooking for a Cause event.
 - \$101,610 released from restricted grants, including an estimated \$44K grant from the Sequoia Health District
 - \$80,667 in PHCD estimated grant was recorded for the month.
 - \$4,520 in other income

NET INCOME -\$47,116- \$67K positive variance to budget



DATE: Oct 16, 2023

TO: SDH Board of Directors

FROM: Vickie Yee, CFO
Tina Wang, Senior Accountant

RE: **September Unaudited Financials and YTD Performance to Budget**

September PERFORMANCE:

- B. Revenue:** Net Patient Revenue was **\$269,606** - \$28K below the budget.
- Total visits were 1,205 - 161 visits below the budget.
 - Total gross revenue was \$532,879– \$57K below the budget. It includes an estimated tobacco tax of \$23,666.
 - Total uncompensated care deduction was **(\$263,273)** – 50% of gross revenue.
- B. Expenses:** **\$532,349** – \$18K better than budget.
- Direct Expenses - \$48K better than budget, mainly from \$32k savings in personnel costs. The Half Moon Bay dentist started in mid-September. The positions for a Saturday hygienist, a full-time care coordinator, and part-time dental assistants are still open.
 - Indirect Expenses -\$30k below budget, mainly from fundraising expenses. However, it will be covered by additional funds raised from the Cooking for a Cause event.
- D. Donations/Grants & Other Income: \$305,731**
- \$83,446 individual donation, including \$80K received for the Cooking for a Cause event.
 - \$108,283 released from restricted grants, including an estimated \$44K grant from the Sequoia Health District
 - \$112,467 in PHCD estimated grant was recorded for the month.
 - \$1,535 in other income

NET INCOME -\$42,989- \$33,634 positive variance to budget



YTD PERFORMANCE:

- Performance continues to be favorable to budget primarily due to the following:
 - o While visits are under budget by 11%, total direct care expenses are under budget by 13%.
 - o Fundraising efforts remain strong with a net positive budget variance after fundraising expenses of \$42K.
 - o Cooking for a Cause raised \$143K of the \$130K budget as of September. A few more donations will be recorded in October.
- The current City National Bank balance is \$1,007,930 (our initial investment was \$1M). There is an unrealized loss of \$4,108 due to market fluctuations. The negative unrealized loss is temporary and will disappear once the bond matures.
- The YTD PHCD grant is \$259,800. Grant funding from PHCD differs from the prior year. Funding is no longer at equal amounts each month. The current funding agreement is for \$800K annually based on actual PHCD Public Dental visits and equal releases for School Screenings, Senior Patient programming, and Community Outreach.

YTD PERFORMANCE TO BUDGET: YTD net income is **\$162k** better than the budget. The estimated cash flow is \$163K, better than the budget. PHCD grant to date is \$259.

| | YTD Actual | YTD Budget | Performance |
|---------------------------------|-----------------|--------------------|-------------|
| <i>Visits</i> | 3596 | 4024 | (428) |
| Gross Patient Revenue | \$1,652,221 | \$1,748,552 | (6%) |
| Uncompensated Care (Deductions) | (\$857,671) | (\$867,220) | 1% |
| Grants/Donations/Other Income | \$726,434 | \$657,752 | 10% |
| Direct Cost | (\$933,991) | (\$1,077,068) | 13% |
| Indirect Cost | (\$535,503) | (\$573,136) | 7% |
| Net Income | \$51,489 | \$(111,120) | 146% |
| <i>Non-cash items adj.</i> | | | |
| Depreciation | \$73,603 | \$76,718 | 4% |
| Capital Expenditure | \$31,071 | \$34,506 | (10%) |
| Estimated Cash Flow | \$94,021 | (\$68,908) | 236% |

FINANCIAL OPERATIONS:

- City National Bank updated its fee schedule. PHCD and Sonrisas will be combined to calculate the monthly fee. The first \$10M is at 15 bpts, and the balance is 10 bpts. However, they are unsure if Sonrisas' balance will count as the first or last million. Either way, Sonrisas will see a slight fee reduction as Sonrisas is currently at 15.34bpts.

Sonrisas Dental Health
 Revenues and Expenditures - Budget vs Actual
 As of September 30, 2023

As of Date: 09/30/2023
 Location: Sonrisas Dental Health
 Restriction: Unrestricted

| | Month Ending 08/31/2023 | | | Month Ending 09/30/2023 | | | Year To Date 09/30/2023 | | |
|--|----------------------------|--------------|------------------|----------------------------|--------------|-------------|----------------------------|--------------|-------------|
| | Actual 23 | 2024 BUDGET | ial minus budget | Actual 23 | 2024 BUDGET | Budget Diff | Actual 23 | 2024 BUDGET | Budget Diff |
| Revenue and Expenditures | | | | | | | | | |
| Net Program Income | | | | | | | | | |
| Patient Revenue | | | | | | | | | |
| Patient Services | | | | | | | | | |
| Commercial Insurance | 20,854.00 | 20,358.72 | 495.28 | 11,497.00 | 18,702.87 | (7,205.87) | 47,167.00 | 55,975.63 | (8,808.63) |
| PPO | 81,817.00 | 115,064.69 | (33,247.69) | 96,185.00 | 105,560.12 | (9,375.12) | 267,315.93 | 316,518.68 | (49,202.75) |
| Private Pay | 7,116.00 | 10,756.93 | (3,640.93) | 7,367.00 | 9,792.28 | (2,425.28) | 19,863.00 | 29,669.36 | (9,806.36) |
| Public Dental Insurance | 342,399.00 | 361,351.31 | (18,952.31) | 292,700.00 | 336,160.74 | (43,460.74) | 903,863.00 | 988,304.20 | (84,441.20) |
| Tobacco Tax | 30,442.10 | 0.00 | 30,442.10 | 23,666.00 | 0.00 | 23,666.00 | 77,774.10 | 0.00 | 77,774.10 |
| Affordable Scale | 25,075.00 | 19,937.28 | 5,137.72 | 20,231.00 | 19,232.08 | 998.92 | 69,627.00 | 53,861.53 | 15,765.47 |
| Farmworker | 16,114.00 | 15,050.83 | 1,063.17 | 10,873.00 | 13,484.38 | (2,611.38) | 34,148.00 | 41,738.66 | (7,590.66) |
| FQHC | 80,163.00 | 95,478.32 | (15,315.32) | 70,360.00 | 87,741.90 | (17,381.90) | 232,463.00 | 262,484.07 | (30,021.07) |
| Gross Patient Revenue | 603,980.10 | 637,998.08 | (34,017.98) | 532,879.00 | 590,674.37 | (57,795.37) | 1,652,221.03 | 1,748,552.13 | (96,331.10) |
| Uncompensated Care | | | | | | | | | |
| Prior Period Adjustment | 2,177.36 | (1,000.00) | 3,177.36 | 1,607.34 | (1,000.00) | 2,607.34 | 6,579.69 | (3,000.00) | 9,579.69 |
| Uncompensated Care - Commercial Insurance | (3,782.63) | (3,390.67) | (391.96) | (1,341.40) | (3,166.32) | 1,824.92 | (7,359.03) | (9,268.91) | 1,909.88 |
| Uncompensated Care - PPO | (32,264.28) | (47,346.29) | 15,082.01 | (40,316.48) | (43,449.49) | 3,133.01 | (110,598.76) | (130,224.95) | 19,626.19 |
| Uncompensated Care - Public Dental Insurance | (228,577.64) | (223,352.87) | (5,224.77) | (195,242.69) | (207,774.51) | 12,531.82 | (627,277.01) | (610,883.40) | (16,393.61) |
| Uncompensated Care - Affordable Scale | (11,256.00) | (8,460.51) | (2,795.49) | (8,938.00) | (8,166.47) | (771.53) | (30,266.75) | (22,851.05) | (7,415.70) |
| Uncompensated Care - Farmworker | (2,173.00) | (2,415.10) | 242.10 | 541.00 | (2,163.75) | 2,704.75 | 167.00 | (6,697.52) | 6,864.52 |
| Uncompensated Care - FQHC | (27,773.10) | (29,067.10) | 1,294.00 | (17,254.00) | (25,104.29) | 7,850.29 | (77,987.30) | (78,293.74) | 306.44 |
| Fee Adjustments | (1,158.93) | (2,000.00) | 841.07 | (2,328.84) | (2,000.00) | (328.84) | (10,929.18) | (6,000.00) | (4,929.18) |
| Total Uncompensated Care | (304,808.22) | (317,032.54) | 12,224.32 | (263,273.07) | (292,824.83) | 29,551.76 | (857,671.34) | (867,219.57) | 9,548.23 |
| Net Patient Revenue | 299,171.88 | 320,965.54 | (21,793.66) | 269,605.93 | 297,849.54 | (28,243.61) | 794,549.69 | 881,332.56 | (86,782.87) |
| Total Expenses | | | | | | | | | |
| Direct Expenses | | | | | | | | | |
| Direct Personnel Expense | | | | | | | | | |
| Direct Program Salaries | 231,550.67 | 264,708.23 | 33,157.56 | 238,733.53 | 264,708.23 | 25,974.70 | 702,443.07 | 794,124.69 | 91,681.62 |
| Payroll Taxes | 17,877.16 | 20,250.18 | 2,373.02 | 18,237.10 | 20,250.18 | 2,013.08 | 51,662.29 | 60,750.54 | 9,088.25 |
| Unemployment Taxes | 731.52 | 2,179.68 | 1,448.16 | 573.99 | 2,179.68 | 1,605.69 | 1,457.85 | 6,539.04 | 5,081.19 |
| Benefits | 7,481.11 | 8,400.11 | 919.00 | 8,801.10 | 8,400.11 | (400.99) | 24,291.52 | 25,200.33 | 908.81 |
| 401k Match | 4,769.35 | 6,617.70 | 1,848.35 | 4,286.56 | 6,617.70 | 2,331.14 | 14,563.40 | 19,853.10 | 5,289.70 |
| Worker's Comp | 782.37 | 1,852.95 | 1,070.58 | 782.37 | 1,852.95 | 1,070.58 | 2,347.11 | 5,558.85 | 3,211.74 |
| Continuing Education | 1,340.00 | 150.00 | (1,190.00) | 0.00 | 150.00 | 150.00 | 1,725.00 | 450.00 | (1,275.00) |
| License and Registration | 2,224.24 | 1,000.00 | (1,224.24) | 1,458.24 | 1,000.00 | (458.24) | 5,411.72 | 3,000.00 | (2,411.72) |
| Total Direct Personnel Expense | 266,756.42 | 305,158.85 | 38,402.43 | 272,872.89 | 305,158.85 | 32,285.96 | 803,901.96 | 915,476.55 | 111,574.59 |
| Clinic Expenses | | | | | | | | | |
| Sterilization Services | 841.43 | 841.46 | 0.03 | 841.43 | 841.46 | 0.03 | 2,524.29 | 2,524.38 | 0.09 |
| Shredding | 73.00 | 98.00 | 25.00 | 73.00 | 98.00 | 25.00 | 219.00 | 294.00 | 75.00 |

| | | | | | | | | | |
|---|------------|------------|------------|------------|------------|-------------|------------|--------------|-------------|
| Dental Specialist-Claims Processing | 4,863.08 | 5,692.12 | 829.04 | 5,139.48 | 5,275.84 | 136.36 | 13,698.31 | 15,635.53 | 1,937.22 |
| Dental Supplies | 19,339.97 | 26,634.21 | 7,294.24 | 17,690.62 | 24,991.25 | 7,300.63 | 58,570.27 | 72,656.39 | 14,086.12 |
| Equipment Maintenance | 0.00 | 0.00 | 0.00 | 926.43 | 0.00 | (926.43) | 1,013.09 | 0.00 | (1,013.09) |
| Small Dental Equipment | 0.00 | 400.00 | 400.00 | 1,618.91 | 400.00 | (1,218.91) | 2,391.14 | 1,200.00 | (1,191.14) |
| Dental Equipment Repair | 694.95 | 3,218.00 | 2,523.05 | 947.70 | 3,218.00 | 2,270.30 | 4,159.82 | 9,654.00 | 5,494.18 |
| Lab Fees | 9,468.84 | 14,076.04 | 4,607.20 | 9,595.64 | 13,302.92 | 3,707.28 | 30,117.64 | 38,300.43 | 8,182.79 |
| Uniforms | 0.00 | 0.00 | 0.00 | 83.99 | 50.00 | (33.99) | 924.17 | 150.00 | (774.17) |
| PPE& Covid Related | 8,592.10 | 7,750.81 | (841.29) | 2,646.10 | 7,240.26 | 4,594.16 | 16,471.72 | 21,177.14 | 4,705.42 |
| Total Clinic Expenses | 43,873.37 | 58,710.64 | 14,837.27 | 39,563.30 | 55,417.73 | 15,854.43 | 130,089.45 | 161,591.87 | 31,502.42 |
| Total Direct Expenses | 310,629.79 | 363,869.49 | 53,239.70 | 312,436.19 | 360,576.58 | 48,140.39 | 933,991.41 | 1,077,068.42 | 143,077.01 |
| Indirect Expenses | | | | | | | | | |
| Indirect Personnel Expenses | | | | | | | | | |
| Salaries/Wages | 77,219.19 | 87,703.14 | 10,483.95 | 78,393.26 | 77,703.14 | (690.12) | 209,334.42 | 243,109.42 | 33,775.00 |
| Payroll Taxes | 5,581.72 | 6,424.92 | 843.20 | 4,991.62 | 5,659.92 | 668.30 | 15,632.65 | 17,744.76 | 2,112.11 |
| Unemployment Taxes | 0.00 | 777.25 | 777.25 | 0.00 | 677.25 | 677.25 | 0.00 | 2,131.75 | 2,131.75 |
| Benefits | 295.90 | 1,875.31 | 1,579.41 | 564.44 | 1,659.31 | 1,094.87 | 3,295.06 | 5,193.93 | 1,898.87 |
| 401k Match | 1,304.81 | 2,631.09 | 1,326.28 | 1,041.10 | 2,331.09 | 1,289.99 | 3,183.26 | 7,293.27 | 4,110.01 |
| Worker's Comp | 352.88 | 613.91 | 261.03 | 352.88 | 543.91 | 191.03 | 1,058.64 | 1,701.73 | 643.09 |
| Total Indirect Personnel Expenses | 84,754.50 | 100,025.62 | 15,271.12 | 85,343.30 | 88,574.62 | 3,231.32 | 232,504.03 | 277,174.86 | 44,670.83 |
| Facility Expenses | | | | | | | | | |
| Building Maintenance | 1,256.99 | 1,830.00 | 573.01 | 1,671.99 | 1,830.00 | 158.01 | 4,731.52 | 5,490.00 | 758.48 |
| Janitorial Service | 3,248.00 | 2,638.00 | (610.00) | 2,638.00 | 2,668.50 | 30.50 | 7,914.00 | 7,944.50 | 30.50 |
| Rent | 3,484.00 | 3,484.00 | 0.00 | 3,484.00 | 3,484.00 | 0.00 | 10,452.00 | 10,452.00 | 0.00 |
| Phone/Internet | 939.82 | 1,820.25 | 880.43 | 918.09 | 1,820.25 | 902.16 | 3,842.95 | 5,460.75 | 1,617.80 |
| Utilities | 4,221.50 | 4,000.00 | (221.50) | 4,151.43 | 4,000.00 | (151.43) | 12,401.82 | 12,000.00 | (401.82) |
| Total Facility Expenses | 13,150.31 | 13,772.25 | 621.94 | 12,863.51 | 13,802.75 | 939.24 | 39,342.29 | 41,347.25 | 2,004.96 |
| Office Expenses | | | | | | | | | |
| Claims Processing | 565.22 | 470.00 | (95.22) | 586.06 | 470.00 | (116.06) | 1,836.06 | 1,410.00 | (426.06) |
| Patient Notification | 798.00 | 800.00 | 2.00 | 798.00 | 800.00 | 2.00 | 2,394.00 | 2,400.00 | 6.00 |
| Office Supplies | 3,092.87 | 1,550.85 | (1,542.02) | 1,299.94 | 1,550.85 | 250.91 | 7,009.04 | 4,652.55 | (2,356.49) |
| Postage and Shipping | 216.55 | 384.00 | 167.45 | 421.29 | 384.00 | (37.29) | 844.84 | 1,152.00 | 307.16 |
| Property Taxes | 0.00 | 0.00 | 0.00 | 0.00 | 250.00 | 250.00 | 0.00 | 250.00 | 250.00 |
| Employee Goodwill | 1,223.55 | 1,353.00 | 129.45 | 313.66 | 1,163.00 | 849.34 | 2,436.81 | 3,994.00 | 1,557.19 |
| Recruitment Expense | 0.00 | 181.00 | 181.00 | 682.00 | 181.00 | (501.00) | 848.35 | 543.00 | (305.35) |
| Total Office Expenses | 5,896.19 | 4,738.85 | (1,157.34) | 4,100.95 | 4,798.85 | 697.90 | 15,369.10 | 14,401.55 | (967.55) |
| Insurance | | | | | | | | | |
| Insurance - Malpractice | 779.00 | 780.00 | 1.00 | 779.00 | 780.00 | 1.00 | 2,337.00 | 2,340.00 | 3.00 |
| Insurance - Liability & Property | 551.00 | 552.00 | 1.00 | 551.00 | 552.00 | 1.00 | 1,653.00 | 1,656.00 | 3.00 |
| Insurance - Directors & Officer Liability | 804.00 | 804.00 | 0.00 | 804.00 | 804.00 | 0.00 | 2,412.00 | 2,412.00 | 0.00 |
| Total Insurance | 2,134.00 | 2,136.00 | 2.00 | 2,134.00 | 2,136.00 | 2.00 | 6,402.00 | 6,408.00 | 6.00 |
| Fundraising Department | | | | | | | | | |
| Fundraising Expenses | 620.00 | 3,659.00 | 3,039.00 | 38,938.87 | 15,675.00 | (23,263.87) | 39,638.87 | 28,452.00 | (11,186.87) |
| Fundraising Consulting | 7,970.00 | 15,117.00 | 7,147.00 | 27,860.00 | 15,467.00 | (12,393.00) | 45,140.00 | 35,901.00 | (9,239.00) |
| Total Fundraising Department | 8,590.00 | 18,776.00 | 10,186.00 | 66,798.87 | 31,142.00 | (35,656.87) | 84,778.87 | 64,353.00 | (20,425.87) |
| Professional fee | | | | | | | | | |
| Consultant - General | 10,875.00 | 9,750.00 | (1,125.00) | 5,100.00 | 9,750.00 | 4,650.00 | 26,525.00 | 29,250.00 | 2,725.00 |
| Consultant - HR Professionals | 2,600.00 | 2,600.00 | 0.00 | 2,600.00 | 2,600.00 | 0.00 | 9,400.00 | 7,800.00 | (1,600.00) |
| Consultant - Legal | 0.00 | 0.00 | 0.00 | 154.00 | 0.00 | (154.00) | 154.00 | 0.00 | (154.00) |
| Consultant - Leadership Coaching | 0.00 | 0.00 | 0.00 | 4,125.00 | 0.00 | (4,125.00) | 4,125.00 | 0.00 | (4,125.00) |
| Total Professional fee | 13,475.00 | 12,350.00 | (1,125.00) | 11,979.00 | 12,350.00 | 371.00 | 40,204.00 | 37,050.00 | (3,154.00) |

| | | | | | | | | | | |
|------------------------------------|--------------|--------------|------------|--------------|--------------|-------------|--------------|--------------|-------------|--|
| General | | | | | | | | | | |
| Depreciation Expense | 24,579.30 | 25,572.67 | 993.37 | 24,652.64 | 25,572.67 | 920.03 | 73,603.20 | 76,718.01 | 3,114.81 | |
| Marketing Expense | 100.00 | 800.00 | 700.00 | 0.00 | 1,500.00 | 1,500.00 | 100.00 | 2,675.00 | 2,575.00 | |
| Meeting & Travel Expenses | 245.53 | 1,165.00 | 919.47 | 729.21 | 1,165.00 | 435.79 | 1,060.49 | 4,095.00 | 3,034.51 | |
| Fees and Interest | 1,996.60 | 2,000.00 | 3.40 | 1,693.91 | 2,000.00 | 306.09 | 5,857.97 | 6,000.00 | 142.03 | |
| Outreach Supplies | 646.33 | 0.00 | (646.33) | 2,787.51 | 0.00 | (2,787.51) | 5,491.86 | 12,737.00 | 7,245.14 | |
| Board Expense | 60.42 | 875.00 | 814.58 | 46.97 | 875.00 | 828.03 | 107.39 | 2,625.00 | 2,517.61 | |
| Total General | 27,628.18 | 30,412.67 | 2,784.49 | 29,910.24 | 31,112.67 | 1,202.43 | 86,220.91 | 104,850.01 | 18,629.10 | |
| Computer expense | | | | | | | | | | |
| Computer Support | 6,306.26 | 5,380.00 | (926.26) | 6,045.73 | 5,380.00 | (665.73) | 18,488.99 | 16,140.00 | (2,348.99) | |
| Software Support | 810.00 | 706.00 | (104.00) | 737.00 | 706.00 | (31.00) | 12,193.04 | 11,411.00 | (782.04) | |
| Total Computer expense | 7,116.26 | 6,086.00 | (1,030.26) | 6,782.73 | 6,086.00 | (696.73) | 30,682.03 | 27,551.00 | (3,131.03) | |
| Total Indirect Expenses | 162,744.44 | 188,297.39 | 25,552.95 | 219,912.60 | 190,002.89 | (29,909.71) | 535,503.23 | 573,135.67 | 37,632.44 | |
| Total Total Expenses | 473,374.23 | 552,166.88 | 78,792.65 | 532,348.79 | 550,579.47 | 18,230.68 | 1,469,494.64 | 1,650,204.09 | 180,709.45 | |
| Total Net Program Income | (174,202.35) | (231,201.34) | 56,998.99 | (262,742.86) | (252,729.93) | (10,012.93) | (674,944.95) | (768,871.53) | 93,926.58 | |
| Grants and Other Income | | | | | | | | | | |
| Grants and Donations | | | | | | | | | | |
| Fundraiser | 34,285.68 | 35,000.00 | (714.32) | 80,461.61 | 85,000.00 | (4,538.39) | 143,906.53 | 125,000.00 | 18,906.53 | |
| Donations | 235.45 | 500.00 | (264.55) | 2,984.00 | 500.00 | 2,484.00 | 4,884.68 | 3,000.00 | 1,884.68 | |
| Grants | 101,610.64 | 108,333.00 | (6,722.36) | 108,283.00 | 108,333.00 | (50.00) | 307,209.64 | 324,999.00 | (17,789.36) | |
| PHCD Grants | 80,666.67 | 66,667.00 | 13,999.67 | 112,467.33 | 66,667.00 | 45,800.33 | 259,800.00 | 200,001.00 | 59,799.00 | |
| Total Grants and Donations | 216,798.44 | 210,500.00 | 6,298.44 | 304,195.94 | 260,500.00 | 43,695.94 | 715,800.85 | 653,000.00 | 62,800.85 | |
| Other Income | | | | | | | | | | |
| Interest Income-Heritage | 252.10 | 42.00 | 210.10 | 209.48 | 42.00 | 167.48 | 600.84 | 126.00 | 474.84 | |
| Other Income | 0.00 | 0.00 | 0.00 | 32.27 | 0.00 | 32.27 | 32.27 | 0.00 | 32.27 | |
| Unrealized gain(loss)-CityNational | 1,780.79 | 0.00 | 1,780.79 | (1,048.41) | 0.00 | (1,048.41) | 2,825.43 | 0.00 | 2,825.43 | |
| Investment Income | 2,486.70 | 1,542.00 | 944.70 | 2,342.08 | 1,542.00 | 800.08 | 7,131.89 | 4,626.00 | 2,505.89 | |
| Interest Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 42.47 | 0.00 | 42.47 | |
| Total Other Income | 4,519.59 | 1,584.00 | 2,935.59 | 1,535.42 | 1,584.00 | (48.58) | 10,632.90 | 4,752.00 | 5,880.90 | |
| Total Grants and Other Income | 221,318.03 | 212,084.00 | 9,234.03 | 305,731.36 | 262,084.00 | 43,647.36 | 726,433.75 | 657,752.00 | 68,681.75 | |
| Net income | 47,115.68 | (19,117.34) | 66,233.02 | 42,988.50 | 9,354.07 | 33,634.43 | 51,488.80 | (111,119.53) | 162,608.33 | |

Sonrisas Dental Health
Balance Sheet

As of Date:

09/30/2023

Location:

Sonrisas Dental Health

Year To Date

09/30/2023

Current Year Balance**Assets**

Current Assets

Cash and Cash Equivalents

11218 - Heritage -Operating 915,272.49

11600 - Petty Cash 198.84

Total Cash and Cash Equivalents 915,471.33

Accounts Receivable, Net

Accounts Receivable

12100 - Accounts Receivable 285,346.33

12210 - Accounts Receivable - Grants 259,801.00

12218 - Contra Acct - Allowance for Bad Debt (21,248.65)

12220 - Accounts Receivable - Other Agencies 187,207.28

Total Accounts Receivable 711,105.96

Total Accounts Receivable, Net 711,105.96

Other Current Assets

51,533.82

Total Current Assets

1,678,111.11

Long-term Assets

Property & Equipment

17300 - Improvements 1,202,486.39

17400 - Equipment 1,508,521.77

17500 - Furniture/Fixtures 134,795.71

17999 - Accum Depreciation (1,982,542.25)

Total Property & Equipment 863,261.62

Other Long-term Assets

16,297.00

Total Long-term Assets

879,558.62

Investments

Long Term Investments

11410 - Investment Acct. - Merrill Lynch 10,793.17

11412 - Investment Acct. - City National 1,007,929.77

11415 - Unrealized Gain(loss) on Investment (4,108.29)

Total Long Term Investments 1,014,614.65

Total Investments

1,014,614.65

Total Assets**3,572,284.38****Liabilities and Net Assets**

Liabilities

Short-term Liabilities

Accounts Payable

21110 - Accounts Payable 102,919.57

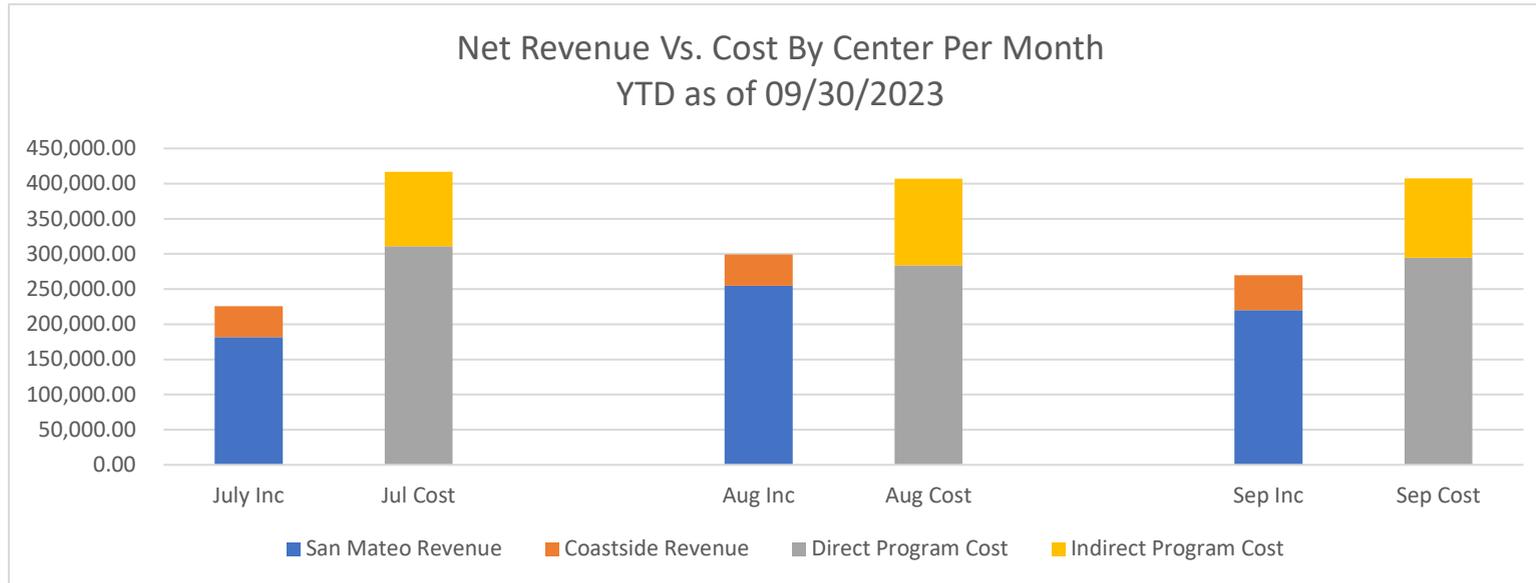
23100 - Patient Prepayments 20,066.07

23200 - Patient Refunds Payable 2,320.82

| | |
|---|-----------------------------------|
| Total Accounts Payable | 125,306.46 |
| Accrued Liabilities | |
| 22210 - Accrued Payroll | 96,010.63 |
| 22220 - Accrued PTO | 83,587.86 |
| 22250 - Accrued 401k Funds Payable | 10,555.43 |
| 22260 - Accrued HSA Fund Payable | (1,108.10) |
| 22320 - FSA Employee Account | 2,838.79 |
| Total Accrued Liabilities | 191,884.61 |
| Withholding Tax Payable | |
| 22230 - Accrued Payroll Taxes | 54,848.96 |
| Total Withholding Tax Payable | <u>54,848.96</u> |
| Total Short-term Liabilities | 372,040.03 |
| Long Term Liabilities | |
| Other Long-term Liabilities | 4,885.93 |
| Total Long Term Liabilities | <u>4,885.93</u> |
| Total Liabilities | <u>376,925.96</u> |
| Net Assets | <u>3,195,358.42</u> |
| Total Liabilities and Net Assets | <u><u>3,572,284.38</u></u> |

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| Sonrisas Dental Health Operations | | | | | | |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|----------------|
| | Jul 23 | Aug 23 | Sept 23 | Total | Budget | B(W) |
| San Mateo Revenue | 181,811 | 254,513 | 220,223 | 656,546 | 681,629 | (25,083) |
| Coastside Revenue | 43,960 | 44,659 | 49,383 | 138,002 | 199,703 | (61,701) |
| Total Net Revenue | 225,771 | 299,172 | 269,606 | 794,549 | 881,332 | (86,783) |
| Direct Program Cost | 310,925 | 310,629 | 312,436 | 933,990 | 1,077,068 | 143,078 |
| Indirect Program Cost | 152,847 | 162,745 | 219,912 | 535,504 | 573,136 | 37,632 |
| Total Cost | 463,772 | 473,374 | 532,348 | 1,469,494 | 1,650,204 | 180,710 |
| TOTAL | (238,001) | (174,202) | (262,742) | (674,945) | (768,872) | 93,927 |
| Dividend/Other Income | 4,578 | 4,520 | 1,535 | 10,633 | 4,752 | 5,881 |
| Donations Received | 128,140 | 136,132 | 191,729 | 456,000 | 453,000 | 3,000 |
| Grant from PHCD | 66,666 | 80,667 | 112,467 | 259,800 | 200,000 | 59,800 |
| OTHER INCOME | 199,384 | 221,318 | 305,731 | 726,433 | 657,752 | 68,681 |
| NET INCOME | (38,617) | 47,116 | 42,989 | 51,488 | (111,120) | 162,608 |



| | 31-Jul | 30-Aug | 30-Sep | Total | Budget | Variance |
|----------------------|-------------|-------------|-------------|--------------|--------------|--------------|
| San Mateo Visits | 872 | 989 | 871 | 2,732 | 3,023 | (291) |
| Half Moon Bay Visits | 231 | 299 | 334 | 864 | 1,001 | (137) |
| Total Visits | 1103 | 1288 | 1205 | 3,596 | 4,024 | (428) |

Aug-23

Visits by Payer -San Mateo

| | 31-Aug | Budget | Variance | YTD | YTD Budget | Variance |
|---------------------------------|------------|-------------|--------------|-------------|-------------|--------------|
| Commercial Insurance | 39 | 45 | (6) | 66 | 84 | (18) |
| PPO | 182 | 258 | (76) | 399 | 485 | (86) |
| Private Pay | 20 | 34 | (14) | 39 | 64 | (25) |
| Affordable Scale | 24 | 22 | 2 | 49 | 42 | 7 |
| Farmworker | | | 0 | 0 | 0 | 0 |
| FQHC | 139 | 180 | (41) | 273 | 338 | (65) |
| Public Dental | | | | | | |
| Insurance(Adult) | 199 | 180 | 19 | 367 | 338 | 29 |
| Public Dental Insurance (Child) | 386 | 371 | 15 | 668 | 696 | (28) |
| Total Visits | 989 | 1090 | (101) | 1861 | 2046 | (185) |

Visits by Payer -Coastside

| | 31-Aug | Budget | Variance | YTD | YTD Budget | Variance |
|---------------------------------|------------|------------|-------------|------------|------------|-------------|
| Commercial Insurance | 5 | 10 | (5) | 7 | 16 | (9) |
| PPO | 32 | 45 | (13) | 68 | 71 | (3) |
| Private Pay | 4 | 3 | 1 | 5 | 5 | (0) |
| Affordable Scale | 34 | 24 | 10 | 64 | 38 | 26 |
| Farmworker | 32 | 34 | (2) | 56 | 64 | (8) |
| FQHC | 38 | 35 | 3 | 66 | 55 | 11 |
| Public Dental Insurance (Adult) | 93 | 128 | (35) | 154 | 203 | (49) |
| Public Dental Insurance (Child) | 61 | 100 | (39) | 110 | 159 | (49) |
| Total Visits | 299 | 380 | (81) | 530 | 611 | (81) |

Sep-23

Visits by Payer -San Mateo

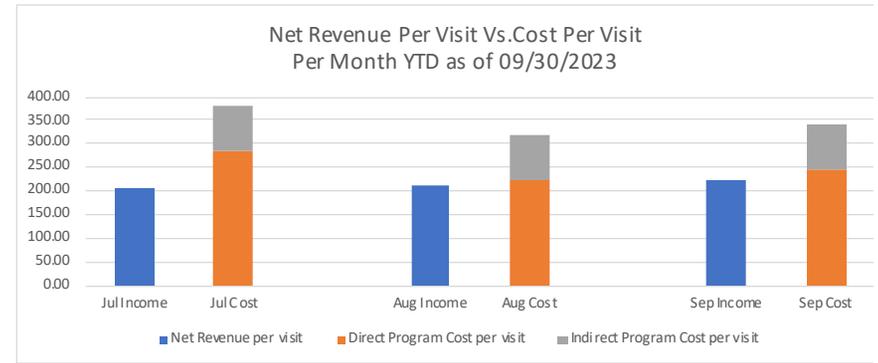
| | 30-Sep | Budget | Variance | YTD | YTD Budget | Variance |
|---------------------------------|------------|------------|--------------|-------------|-------------|--------------|
| Commercial Insurance | 20 | 40 | (20) | 86 | 125 | (39) |
| PPO | 218 | 232 | (14) | 617 | 717 | (100) |
| Private Pay | 21 | 30 | (9) | 60 | 93 | (33) |
| Affordable Scale | 15 | 20 | (5) | 64 | 62 | 2 |
| Farmworker | | | 0 | 0 | 0 | 0 |
| FQHC | 115 | 161 | (46) | 388 | 499 | (111) |
| Public Dental | | | | | | |
| Insurance(Adult) | 155 | 161 | (6) | 522 | 499 | 23 |
| Public Dental Insurance (Child) | 327 | 332 | (5) | 995 | 1028 | (33) |
| Total Visits | 871 | 976 | (105) | 2732 | 3023 | (291) |

Visits by Payer -Coastside

| | 30-Sep | Budget | Variance | YTD | YTD Budget | Variance |
|---------------------------------|------------|------------|-------------|------------|-------------|--------------|
| Commercial Insurance | 5 | 11 | (6) | 12 | 27 | (15) |
| PPO | 37 | 47 | (10) | 105 | 118 | (13) |
| Private Pay | 4 | 4 | 0 | 9 | 9 | 0 |
| Affordable Scale | 34 | 25 | 9 | 98 | 64 | 34 |
| Farmworker | 22 | 30 | (8) | 78 | 93 | (15) |
| FQHC | 52 | 36 | 16 | 118 | 91 | 27 |
| Public Dental Insurance (Adult) | 122 | 133 | (11) | 276 | 336 | (60) |
| Public Dental Insurance (Child) | 58 | 104 | (46) | 168 | 263 | (95) |
| Total Visits | 334 | 390 | (56) | 864 | 1001 | (137) |

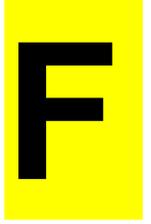
| Avg. Income (Loss) per Visit | | | |
|------------------------------|-------------|-------------|------------|
| | YTD | Budget YTD* | FY23 |
| Net Revenue per Visit | \$ 212.36 | \$ 219.02 | \$204.01 |
| Direct Cost per Visit | \$ (247.38) | \$ (254.34) | (\$234.27) |
| Indirect Cost per Visit* | \$ (94.97) | \$ (90.20) | (\$79.46) |
| Net Income per Visit | \$ (129.99) | \$ (125.53) | (\$109.72) |

* Indirect cost excludes costs in outreach program and fundraising department



| Sonrisas Dental Health Operations Aug 23 VS. Aug 22 | | | |
|---|------------------|------------------|-----------------|
| | Aug-23 | Aug-22 | Variance B(W) |
| Visits | 1288 | 1323 | (35) |
| San Mateo Revenue | 254,513 | 223,898 | 30,615 |
| Coastside Revenue | 44,659 | 43,060 | 1,599 |
| Total Net Revenue | 299,172 | 266,958 | 32,214 |
| *Direct Program Cost | 310,629 | 282,233 | (28,396) |
| *Indirect Program Cost | 162,745 | 155,564 | (7,181) |
| Total Cost | 473,374 | 437,797 | (35,577) |
| TOTAL | (174,202) | (170,839) | (3,363) |
| Dividend/Other Income | 4,520 | 665 | 3,855 |
| Donations Received | 136,132 | 158,009 | (21,877) |
| Grant from PHCD | 80,667 | 75,000 | 5,667 |
| Grants and Donations | 221,318 | 233,674 | (12,356) |
| NET INCOME | 47,116 | 62,834 | (15,718) |

| Sonrisas Dental Health Operations Sept 23 VS. Sept 22 | | | |
|---|------------------|------------------|-----------------|
| | Sep-23 | Sep-22 | Variance B(W) |
| Visits | 1205 | 1112 | 93 |
| San Mateo Revenue | 220,223 | 184,183 | 36,040 |
| Coastside Revenue | 49,383 | 66,935 | (17,552) |
| Total Net Revenue | 269,606 | 251,118 | 18,488 |
| *Direct Program Cost | 312,436 | 277,006 | (35,430) |
| *Indirect Program Cost | 219,912 | 179,014 | (40,898) |
| Total Cost | 532,348 | 456,020 | (76,328) |
| TOTAL | (262,742) | (204,902) | (57,840) |
| Dividend/Other Income | 1,535 | 704 | 831 |
| Donations Received | 191,729 | 131,839 | 59,890 |
| Grant from PHCD | 112,467 | 75,000 | 37,467 |
| Grants and Donations | 305,731 | 207,543 | 98,188 |
| NET INCOME | 42,989 | 2,641 | 40,348 |





DATE: October 16, 2023
TO: SDH Board of Directors
FROM: Spandan Chakrabarti, Community Resources Director
RE: **Development Update**

Cooking for a Cause Update: Sonrisas had the highest-grossing Cooking for a Cause event in September, raising \$146,600. Total expenditure for the event was \$70,145, resulting in a net revenue of \$76,455. Due to the staffing transition in Fundraising, these expenses include consulting expenses for functions that would normally be operated by in-house Fundraising staff (and thus not included as a line-item event expense).

General Fundraising Update: As of the submission of this report, Sonrisas has accounted for 81% of total budgeted fundraising revenue of the 2024 Fiscal Year. These figures include the FY24 commitments from both the Peninsula and the Sequoia Health Care Districts. Revenue from the recently concluded Cooking for a Cause: Visions of Valencia fundraiser is largely accounted for in this report, with \$5,000 outstanding in accounts receivable.

In the last month, Sonrisas secured grant awards from Stanford Health Care (\$74,800), Stanford Children's Health (\$75,000), the Woodlawn Foundation (\$35,000), and the Millbrae Community Foundation (\$7,500). Of these, Stanford Health Care and Woodlawn have increased their awards from last year, and Millbrae CF's award is a new addition to this fiscal year. This brings our total awarded or secured grant total for FY24 to \$1.86 million. An additional \$180,000 worth of grant applications have been submitted, and an additional \$200,000 in grant fund applications are in the process of being completed.

The largest share of Sonrisas' fundraising revenue continues to come from the critical support provided by the Peninsula Health Care District and the Sequoia Health Care District. As demonstrated above, Sonrisas continues to generate healthy interest and investment in our work from foundations, which account for a little over 75% of non-HCD revenue for the current fiscal year (as of this report).

Gifts from individuals and corporations account for the remaining quarter of Sonrisas' non-HCD fundraising revenue. Visuals are presented on the next page.

Sonrisas' Community Resources team is excited to pursue a path to broaden and diversify our funding sources and donor base, engage staff, community, and board, and work with our partners to serve our community.

