



## **Valleywise Community Health Centers Governing Council Finance Committee Charter**

### **Purpose**

The purpose of the Finance Committee (Committee) of the Valleywise Community Health Centers Governing Council (Governing Council) is to: (1) recommend an annual operating budget for the Valleywise Health Federally Qualified Health Center (FQHC) Clinics; (2) provide oversight of the financial performance of the Valleywise Health FQHC Clinics; and (3) review the annual audit performed by an independent, external auditor.

### **Membership**

The Committee shall consist of a Chair, who is the Treasurer of the Governing Council, a Vice Chair, and no more than three (3) additional Governing Council members. The Committee Chair will recommend, and the Committee will appoint a Vice Chair. The Chief Executive Officer of the FQHC Clinics is an ex-officio, non-voting member of the Committee. In addition, the following Valleywise Health staff members will serve on the Committee as non-voting members: Chief Financial Officer, Vice President of Financial Services, and Director of Financial Planning and Decision Support. In accordance with the Governing Council Bylaws, voting members are appointed by the Governing Council. The Governing Council shall seek voting members preferably with knowledge in the area of accounting, finance, or business. Voting members shall serve for a four (4) year term.

### **Responsibilities**

In conjunction with Valleywise Health staff, the Committee will:

1. Review and make recommendations to the Governing Council to approve additional health services to offer in order to meet the health needs of the patient population served by the FQHC Clinics.
  - Review quarterly referral report

2. Review, evaluate, and make recommendations to the Governing Council to approve a sliding fee discount program for the FQHC Clinics at least every three (3) years. Evaluation should include the effectiveness of the sliding fee discount program in reducing financial barriers to care, and the rate which patients within each discount category are accessing services.
  - Review monthly financial performance and payor mix information
3. Annually review and make recommendations to the Governing Council to approve a sliding fee discount schedule for the FQHC Clinics based on the most recent Federal Poverty Guidelines.
  - Review annual Federal Poverty Guidelines
  - Review monthly financial performance and payor mix information
  - Review sliding fee discount program
4. Track the financial performance of the FQHC Clinics, including identification of trends or conditions that may warrant action to maintain financial stability.
  - Review monthly financial performance and payor mix information
  - Review annual fiscal year audit
  - Review annual profitability/cost accounting report
5. Review and make recommendations to the Governing Council to accept the annual fiscal year audit of the District, which includes certain financial information about the FQHC Clinics.
  - Review annual fiscal year audit
6. Maintain control over, and accountability for, all funds, in order to adequately safeguard and ensure that they are used solely for authorized purposes.
  - Review monthly financial performance and payor mix information
  - Review quarterly Governing Council department budget
  - Review quarterly capital expenditures report
  - Annual review of fiscal year audit
7. Review and make recommendations to the Governing Council to approve an annual operating and capital budget for the FQHC Clinics to be incorporated into the District's annual budget.
  - Review annual operating budget
  - Review annual capital budget

8. Annually review data-based reports on: patient service utilization; trends and patterns in the patient population; and overall health center performance including achievement of FQHC Clinics objectives; and efficiency and effectiveness of the FQHC Clinics, for oversight by the Governing Council.
  - Review monthly FQHC Clinics' operational dashboard – financial section
  - Review monthly financial performance and payor mix information
  - Annual review of profitability/cost accounting report
  - Review quarterly referral report
  
9. Annually evaluate the operations of the FQHC Clinics including compliance with applicable federal requirements, performance expectations such as financial and patient volumes, patterns of health service utilization.
  - Review monthly FQHC Clinics' operational dashboard – financial section
  - Review monthly financial performance and payor mix information
  - Annual review of profitability/cost accounting report
  - Review quarterly referral report

### **Meetings**

Meetings will be held monthly. Additional meetings can be scheduled at the discretion of the Committee Chair.

### **Meeting Procedures**

1. The Committee Chair will facilitate all meetings. The Committee Vice Chair will facilitate meetings in the Chair's absence.
  
2. Committee members must attend in person or when circumstances dictate, telephonically. A quorum shall consist of a majority of the voting Committee members, which is necessary for the Committee to meet and take legal action.
  
3. Minutes shall be recorded and maintained for each Committee meeting in compliance with Arizona Open Meeting Law and shall contain all actions taken by the Committee. Minutes recorded or maintained for Executive Session discussions, however, will be kept confidential pursuant to A.R.S. § 38-431-03.
  
4. The Committee will report its actions to the Governing Council at the next regularly scheduled Governing Council meeting.