

**What:** Finance Committee Meeting  
**Date & Time:** Thursday, February 17, 2022; 3:00-4:00 p.m. (PT)  
**Location:** Webinar  
**Webinar Info:** To register for the meeting, please review the [Public Comment Protocol](#) then email [wvameetings@wavaccine.org](mailto:wvameetings@wavaccine.org) at least two business days in advance of the meeting.

Notice: Meeting may be recorded for the benefit of the minute-taker. The WVA intends to delete the recording after the minutes of the meeting are approved.

Approx. Time	Pg.		Topic / <b>Anticipated Action</b>	Presented by:
3:00-3:05 p.m.			1. Welcome & Introductions a. Notification of Recording	J. Zell
3:05-3:10 p.m.	3-4	*	2. Calendar Consent Items: a. <b>Finance Committee Minutes (September 16, 2021)</b>	R. Parker
3:10-3:30 p.m.	5-21 22-24	*	3. Financial Update a. January 2022 Unaudited Financials Overview b. <b>Committee Charter</b>	P. Miller J. Zell
3:30-3:50 p.m.	25-32	*	4. FY23 Administrative Budget and Assessment Grid a. Initial Assumptions Discussion	P. Miller / L. Walker
3:50-3:55 p.m.			5. Other Matters from Committee Members	Any
3:55-4:00 p.m.			<b>6. Executive Session (Public excluded)</b>	R. Parker / J. Zell
4:00 p.m.			7. Closing	J. Zell

**WVA Finance Committee Meeting  
February 17, 2022  
Proposed Form of Votes**

The following are suggested forms of votes only. They are intended to be an aid to facilitate work by individual directors.

**Items under Agenda  
Section 2:**

VOTED: To approve the minutes of the September 16, 2021 Finance Committee meeting.

[To approve the minutes of the September 16, 2021 Finance Committee meeting.]

**Items under Agenda  
Section 3:**

VOTED: To approve the changes to the Finance Committee Charter as presented at the meeting.

[To approve the changes to the Finance Committee Charter with the additional edits suggested at the meeting.]

**Washington Vaccine Association  
Finance Committee Meeting  
September 16, 2021; 3:00-4:00 p.m. (PDT)**

**Attendance.** This meeting was conducted solely by webinar. Participating in all or part of the meeting were the following individuals:

Directors

Patricia Auerbach, MD, MBA, FACP,  
Chair, UnitedHealthcare  
Randy Parker, Carpenters Trusts of  
Western Washington

WVA

Julia G. Zell, MA., Esq., Executive  
Director

Helms & Company, Inc.

Patrick Miller, MPH, WVA,  
Administrative Director  
Leslie Walker, CPA, Mason+Rich, PA  
Alyssa McKeon, Project Support Leader

Others

Allen D. Gilbert, CliftonLarsonAllen LLP

**I. Summary of Actions Taken and/or Recommended**

Actions Taken

- i. To approve April 8, 2021 meeting minutes.
- ii. To recommend the adoption and publication of the 2020-21 audited financial statements and independent auditor's letter to the WVA Board of Directors.

**II. Welcome and Introductions**

Welcome and Introductions

Dr. Auerbach called the meeting to order at 3:02 p.m. Ms. Zell announced that the meeting would be recorded for the benefit of the minute taker and be deleted once the minutes are approved.

**III. Calendar Consent Items**

Ms. Zell directed the Committee's attention to the consent item submitted for approval. There being no questions or comments, the following item was put to a vote:

Upon motion duly made and seconded, it was unanimously

**VOTED:** To approve the Finance Committee minutes of April 8, 2021.

**IV. Overview of Draft 2020-2021 Audited Financials**

Mr. Gilbert provided an overview of the 2020-2021 audit. He reviewed the required governance letter which outlines the significant audit findings in the areas of accounting policies, accounting estimates, and financial statement disclosures. Mr. Gilbert noted that the resulting opinion from the audit report was positive for the organization and there were no recommendations for management. He then reviewed the financial statements in more detail. Dr. Auerbach asked for

clarification as to the decrease in administrative cost as well as when Helms & Company, Inc. became the Administrator. Mr. Miller answered that Helms & Company, Inc. became the administrator in 2020, accounting for the decrease in administrative costs. At the conclusion of his review, Mr. Gilbert thanked the organization for their work.

Upon motion duly made and seconded, it was unanimously

**VOTED:** To recommend the adoption and publication of the 2020-21 audited financial statements and independent auditor's letter to the WVA Board of Directors.

## **V. Financial Update**

Mr. Miller provided the financial update for the first two months ending August 1, 2021. He highlighted that the WVA has seen a planned decrease in cash due to collections being less than remittances. Mr. Miller provided an update as to the cash balance and administrative budgets. Additional clarification was requested as to the increase in insurance premium. Mr. Miller clarified that the WVA does not have insight into how the premium is determined, albeit it may be due to cash on hand. Mr. Miller offered to share the details provided by the insurance broker after the meeting

Mr. Miller provided an update on the reserve targets. There have been no large remittances or recoveries that will impact the targets. Purchases for the flu vaccine will take place soon which is expected to continue to widen the planned gap between collections and remittances.

## **VI. Executive Session. Confidential.**

The public portion of the meeting concluded at 3:25 p.m. and the executive session commenced.

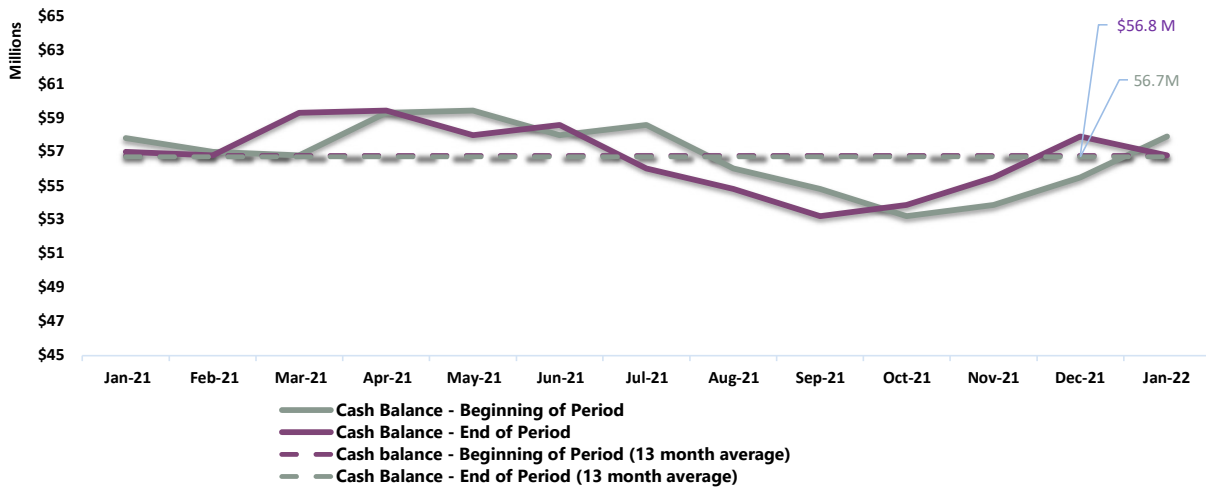
## **VII. Closing**

With no further business before the Committee, Dr. Auerbach concluded the meeting at 3:49 p.m.

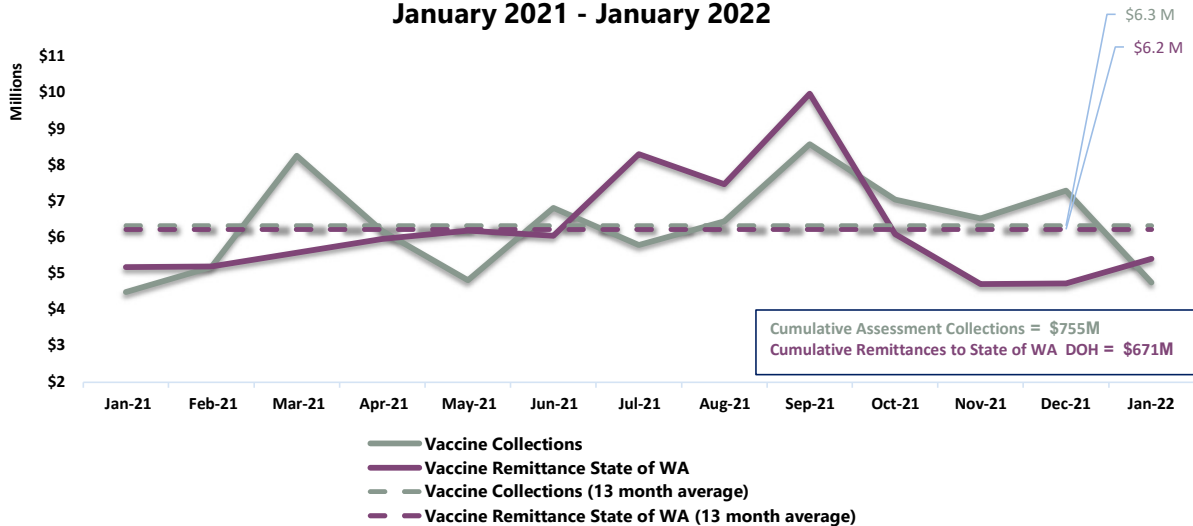
WASHINGTON VACCINE ASSOCIATION  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE SEVEN MONTHS ENDED  
JANUARY 31, 2022  
With Supplemental Informational Reporting

Prepared by  
Helms & Company, Inc., Administrator

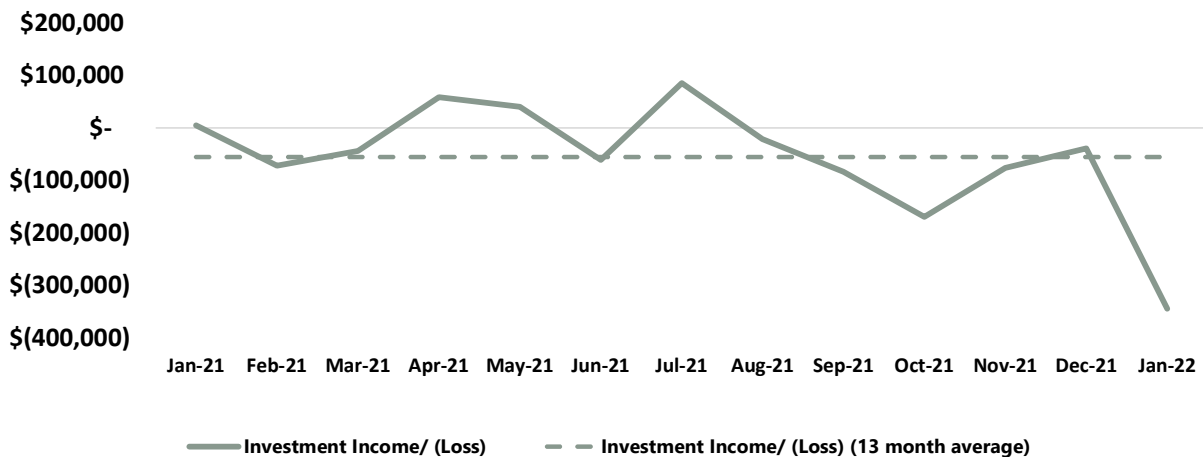
### Cash Balances Beginning and End of Period January 2021 - January 2022



### Total Vaccine Collections and Vaccine Remittances to State of WA January 2021 - January 2022



### Investment Income / (Loss) January 2021 - January 2022



Washington Vaccine Association  
Statement of Cash Flows  
For the Periods Ended

	V	W	X	Y	Z	AA	AB	AB	AB	AB	AB	AB	AB	Q
	Month 1/31/2021	Month 2/28/2021	Month 3/31/2021	Month 4/30/2021	Month 5/31/2021	Month 6/30/2021	Month 7/31/2021	Month 8/31/2021	Month 9/30/2021	Month 10/31/2021	Month 11/30/2021	Month 12/31/2021	Month 1/31/2022	13 Month Average
1 Cash balance - beginning	\$57,802,418	\$56,989,601	\$56,789,867	\$59,280,364	\$ 59,424,668	\$ 57,970,472	\$ 58,565,915	\$ 56,022,516	\$ 54,810,483	\$ 53,200,885	\$ 53,859,684	\$ 55,489,027	\$ 57,892,443	56,776,795.69
<b>Inflows:</b>														
2 Vaccine collections	4,490,717	5,179,085	8,252,789	6,176,261	4,815,842	6,814,919	5,786,296	6,438,402	8,574,576	7,041,909	6,526,672	7,292,657	4,758,484	6,319,123.72
3 Interest income - payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Investment income/ (loss)	4,909	(72,190)	(44,049)	58,685	40,240	(60,885)	85,637	(21,373)	(83,457)	(168,946)	(75,953)	(39,134)	(343,834)	(55,411.54)
5 Total inflows	4,495,626	5,106,895	8,208,740	6,234,946	4,856,082	6,754,034	5,871,933	6,417,029	8,491,119	6,872,963	6,450,719	7,253,523	4,414,650	\$ 6,263,712
<b>Outflows:</b>														
<b>Program</b>														
6 Vaccine remittance State of WA	(5,182,384)	(5,194,407)	(5,579,121)	(5,957,838)	(6,192,181)	(6,044,223)	(8,298,943)	(7,465,552)	(9,970,890)	(6,094,402)	(4,713,678)	(4,724,632)	(5,409,431)	(6,217,514.00)
<b>Administration</b>														
7 Direct Processing Costs	(87,605)	(75,106)	(74,230)	(78,889)	(83,857)	(76,083)	(77,528)	(74,392)	(78,554)	(79,069)	(76,414)	(78,183)	(76,802)	(78,208.59)
8 Executive Director Costs and Support Fees	(19,093)	(20,231)	(19,275)	(23,346)	(22,105)	(20,809)	(20,793)	(20,085)	(19,093)	(18,113)	(19,564)	(20,100)	-	(18,662.11)
9 Provider and Payer Education and Outreach	(775)	(2,653)	-	(110)	(4,418)	-	-	-	-	-	-	-	-	(612.00)
10 Administrative Costs	(18,586)	(7,231)	(38,617)	(6,980)	(717)	(10,475)	(12,817)	(63,782)	(26,931)	(17,330)	(6,470)	(21,942)	(20,656)	(19,425.69)
11 Other Discretionary Expenditures	-	(7,000)	(7,000)	(23,480)	(7,000)	(7,000)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(6,786.92)
12 Total Administration	(126,059)	(112,221)	(139,122)	(132,805)	(118,097)	(114,367)	(116,388)	(163,509)	(129,827)	(119,762)	(107,697)	(125,475)	(102,708)	(123,695)
13 Net all other outflows	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Total outflows	(5,308,443)	(5,306,628)	(5,718,243)	(6,090,643)	(6,310,278)	(6,158,590)	(8,415,332)	(7,629,062)	(10,100,718)	(6,214,164)	(4,821,375)	(4,850,107)	(5,512,139)	(6,341,209.31)
15 Net Cash Incr (decr) for period	(812,817)	(199,733)	2,490,497	144,303	(1,454,196)	595,443	(2,543,399)	(1,212,033)	(1,609,599)	658,799	1,629,344	2,403,416	(1,097,489)	(77,497)
16 Cash balance - end of period	\$56,989,601	\$56,789,867	\$59,280,364	\$59,424,668	\$ 57,970,472	\$ 58,565,915	\$ 56,022,516	\$ 54,810,483	\$ 53,200,885	\$ 53,859,684	\$ 55,489,027	\$ 57,892,443	\$ 56,794,955	\$ 56,699,299

Note: Cash balance includes amounts in KeyBank and Morgan Stanley

**Washington Vaccine Association**  
**Statement of Financial Position**  
**As of January 31, 2022**

**ASSETS**

1	Current Assets		
2	Cash and Cash Equivalents	\$	11,675,422
3	Accounts Receivable		-
4	Investments		45,119,533
5	Members Estimated Collectible Assessments		8,521,491
6	Prepaid Vaccine		5,360,803
7	Prepaid Administrative Services		-
8	Total Current Assets		<u>70,677,248</u>
9	Total Assets	\$	<u><u>70,677,248</u></u>

**LIABILITIES AND NET ASSETS**

10	Current Liabilities		
11	Accounts Payable	\$	138,195
12	Other Accruals		74,231
13	Total Current Liabilities		<u>212,426</u>
14	Assessments Collected in Excess of Vaccine Funding and Administrative Activities		<u>70,464,822</u>
15	Total Liabilities		<u>70,677,248</u>
16	Total Liabilities and Net Assets	\$	<u><u>70,677,248</u></u>



**Washington Vaccine Association**  
**Statement of Activities and Changes in Net Assets**

	A	B	C	D	E	F
	Month Ended January 31, 2022			Month Ended January 31, 2021		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Revenues / Vaccine Expenses					
1 <b>Assessment Activity:</b>						
2 <b>Assessments</b>	\$ (316,833)	\$ 5,099,868	\$ 4,783,035	\$ (679,629)	\$ 5,212,040	\$ 4,532,412
3 <b>Recoveries</b>	-	19,593	19,593	-	-	-
4 <b>Estimated Over (Under) Collections</b>	-	-	-	-	-	-
5 <b>Refunds</b>	(28,494)	-	(28,494)	(24,117)	-	(24,117)
6 <b>Estimated 2% Waste</b>	(110,972)	-	(110,972)	(97,790)	-	(97,790)
7 <b>Estimated Price Variance and Denial</b>	(15,751)	-	(15,751)	(17,563)	-	(17,563)
8 <b>DOH Replenishment</b>	-	(4,234,306)	(4,234,306)	-	(4,982,603)	(4,982,603)
9 <b>Adjustment to Correct Inventory</b>	-	-	-	-	-	-
10 <b>DOH Cost Recovery Admin Charge</b>	(86,729)	-	(86,729)	(78,919)	-	(78,919)
11 <b>Interest Income on Assessments</b>	-	-	-	-	-	-
12 <b>Net Assessment Activity</b>	(558,778)	885,155	326,377	(898,018)	229,437	(668,580)
13 <b>Investment Activity:</b>						
14 <b>Interest and Dividend Income - Morgan Stanley</b>	48,760	-	48,760	104,050	-	104,050
15 <b>Realized Gain/(Loss) on Investments - Morgan Stanley</b>	-	-	-	21,159	-	21,159
16 <b>Unrealized Gain/(Loss) on Investments - Morgan Stanley</b>	(381,705)	-	(381,705)	(109,657)	-	(109,657)
17 <b>Investment Management Expenses</b>	(11,196)	-	(11,196)	(10,668)	-	(10,668)
18 <b>Interest Income - KeyBank</b>	307	-	307	25	-	25
19 <b>Net Investment Activity</b>	(343,834)	-	(343,834)	4,909	-	4,909
20 <b>Net Revenues</b>	(902,612)	885,155	(17,457)	(893,109)	229,437	(663,671)

**Washington Vaccine Association**  
**Statement of Activities and Changes in Net Assets**

	A	B	C	D	E	F
	Month Ended January 31, 2022			Month Ended January 31, 2021		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Other Expenses					
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Helms & Company	69,182	-	69,182	65,432	-	65,432
24 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	7,690	-	7,690	9,872	-	9,872
25 Clearinghouse Intake Processing (Avality, Zelis)	1,992	-	1,992	4,510	-	4,510
26 Lockbox Fees	4,804	-	4,804	5,372	-	5,372
27 CollaborateMD	-	-	-	457	-	457
28 Total Direct Processing Costs	83,668	-	83,668	85,644	-	85,644
29						
30 Executive Director Costs and Related Support Fees						
31 Executive Director Salary	45,526	-	45,526	17,167	-	17,167
32 Payroll Taxes	4,522	-	4,522	1,580	-	1,580
33 Leased Employee per Check Fee	195	-	195	195	-	195
34 Executive Director Travel and Lodging, Education, and Other	-	-	-	151	-	151
35 Technology Support (Desktop and Telephony)	335	-	335	335	-	335
36 Total Executive Director Costs and Related Support Fees	50,578	-	50,578	19,428	-	19,428
37						
38 Provider and Payer Education and Outreach						
39 Provider Education Materials, Development and Printing	-	-	-	-	-	-
40 Postage	-	-	-	8	-	8
41 Website and Information Technology	405	-	405	-	-	-
42 Technical Consultant - Margaret Lane	-	-	-	775	-	775
43 Conferences and Education Sessions, Including Travel and Meals	-	-	-	-	-	-
44 Provider Office Training Sessions, Including Travel and Meals	-	-	-	-	-	-
45 Advertising and Sponsorships	-	-	-	-	-	-
46 Hospitality	-	-	-	-	-	-
47 Subcontractor Assistance	-	-	-	-	-	-
48 Total Provider and Payer Education and Outreach	405	-	405	783	-	783
49						
50 Administrative Costs						
51 Legal Counsel	12,765	-	12,765	2,428	-	2,428
52 Audit Fees	-	-	-	-	-	-
53 Government Relations, Including Travel, Meals, and Consultants	-	-	-	-	-	-
54 Registered Agent Fee	-	-	-	-	-	-
55 Bank Fees	-	-	-	-	-	-
56 Investment Management Fees	-	-	-	-	-	-
57 Office Supplies and Equipment	-	-	-	-	-	-
58 Rent, ELM and Storage Facility	-	-	-	-	-	-
59 Other Admin Support Provided by Lessor	-	-	-	-	-	-
60 Board Retreat and Meetings	-	-	-	-	-	-
61 Insurance	-	-	-	-	-	-
62 Cyber Liability	13,355	-	13,355	10,786	-	10,786
63 Directors and Officers	-	-	-	-	-	-

**Washington Vaccine Association**  
**Statement of Activities and Changes in Net Assets**

		A	B	C	D	E	F
		Month Ended January 31, 2022			Month Ended January 31, 2021		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
64	General Liability	-	-	-	-	-	-
65	Total Administrative Costs	26,120	-	26,120	13,214	-	13,214
66							
67	Other Discretionary Expenditures						
68	Expenses Related to Unrec Liabilities	-	-	-	-	-	-
69	Tricare Legislative & Administrative Services	-	-	-	-	-	-
70	Executive Director and Other Contractor Bonus	-	-	-	-	-	-
71	Denied Claims Recovery Expenses	5,250	-	5,250	5,250	-	5,250
72	Direct Healthcare Practices Operations	-	-	-	-	-	-
73	Covid-19 Expenses	-	-	-	1,750	-	-
	Total Other Discretionary Expenditures	5,250	-	5,250	5,250	-	5,250
74	Total Administrative Expenses	166,021	-	166,021	124,319	-	124,319
75	Total Change in Unrestricted Net Assets	\$ (971,455)	\$ 787,978	\$ (183,477)	\$ (1,017,427)	\$ 229,437	\$ (787,990)

**Washington Vaccine Association**  
**Statement of Activities and Changes in Net Assets**

		A	B	C	D	E	F
		Month Ended January 31, 2022			For Seven Months Ended January 31, 2022		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
		<b>Revenues / Vaccine Expenses</b>					
1	<b>Assessment Activity:</b>						
2	Assessments	\$ (316,833)	\$ 5,099,868	\$ 4,783,035	\$ (4,255,947)	\$ 50,987,273	\$ 46,731,326
3	Recoveries	-	19,593	19,593	-	138,973	138,973
4	Estimated Over (Under) Collections	-	-	-	-	-	-
5	Refunds	(28,494)	-	(28,494)	(230,564)	-	(230,564)
6	Estimated 2% Waste	(110,972)	-	(110,972)	(931,650)	-	(931,650)
7	Estimated Price Variance and 3% Denial	(15,751)	-	(15,751)	(127,422)	-	(127,422)
8	DOH Replenishment	-	(4,234,306)	(4,234,306)	-	(42,427,513)	(42,427,513)
9	Adjustment to Correct Inventory	-	-	-	-	-	-
10	DOH Cost Recovery Admin Charge	(86,729)	-	(86,729)	(497,225)	-	(497,225)
11	Interest Income on Assessments	-	-	-	-	-	-
12	Net Assessment Activity	(558,778)	885,155	326,377	(6,042,807)	8,698,733	2,655,926
13	<b>Investment Activity:</b>						
14	Interest and Dividend Income - Morgan Stanley	48,760	-	48,760	636,559	-	636,559
15	Realized Gain/(Loss) on Investments - Morgan Stanley	-	-	-	12,057	-	12,057
16	Unrealized Gain/(Loss) on Investments - Morgan Stanley	(381,705)	-	(381,705)	(1,213,875)	-	(1,213,875)
17	Investment Management Expenses	(11,196)	-	(11,196)	(83,161)	-	(83,161)
18	Interest Income - KeyBank	307	-	307	1,360	-	1,360
19	Net Investment Activity	(343,834)	-	(343,834)	(647,060)	-	(647,060)
20	Net Revenues	(902,612)	885,155	(17,457)	(6,689,867)	8,698,733	2,008,866

**Washington Vaccine Association**  
**Statement of Activities and Changes in Net Assets**

	A	B	C	D	E	F
	Month Ended January 31, 2022			For Seven Months Ended January 31, 2022		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Other Expenses					
21 Administrative Expenses:						
22   Direct Processing Costs						
23     Helms & Company	69,182	-	69,182	484,274	-	484,274
24     Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	7,690	-	7,690	44,924	-	44,924
25     Clearinghouse Intake Processing (Avality, Zelis)	1,992	-	1,992	17,139	-	17,139
26     Lockbox Fees	4,804	-	4,804	27,896	-	27,896
27     CollaborateMD	-	-	-	-	-	-
28   Total Direct Processing Costs	83,668	-	83,668	574,233	-	574,233
29						
30   Executive Director Costs and Related Support Fees						
31     Executive Director Salary	45,526	-	45,526	150,834	-	150,834
32     Payroll Taxes	4,522	-	4,522	8,061	-	8,061
33     Leased Employee per Check Fee	195	-	195	1,365	-	1,365
34     Executive Director Travel and Lodging, Education, and Other	-	-	-	2,678	-	2,678
35     Technology Support (Desktop and Telephony)	335	-	335	2,345	-	2,345
36   Total Executive Director Costs and Related Support Fees	50,578	-	50,578	165,283	-	165,283
37						
38   Provider and Payer Education and Outreach						
39     Provider Education Materials, Development and Printing	-	-	-	9,274	-	9,274
40     Postage	-	-	-	40	-	40
41     Website and Information Technology	405	-	405	2,025	-	2,025
42     Technical Consultant - Margaret Lane	-	-	-	-	-	-
43     Conferences and Education Sessions, Including Travel and Meals	-	-	-	715	-	715
44     Provider Office Training Sessions, Including Travel and Meals	-	-	-	-	-	-
45     Advertising and Sponsorships	-	-	-	-	-	-
46     Hospitality	-	-	-	300	-	300
47     Subcontractor Assistance	-	-	-	-	-	-
48   Total Provider and Payer Education and Outreach	405	-	405	12,354	-	12,354
49						
50   Administrative Costs						
51     Legal Counsel	12,765	-	12,765	60,416	-	60,416
52     Audit Fees	-	-	-	15,540	-	15,540
53     Government Relations, Including Travel, Meals, and Consultants	-	-	-	-	-	-
54     Registered Agent Fee	-	-	-	-	-	-
55     Bank Fees	-	-	-	-	-	-
56     Investment Management Fees	-	-	-	-	-	-
57     Office Supplies and Equipment	-	-	-	1,103	-	1,103
58     Rent, ELM and Storage Facility	-	-	-	-	-	-
59     Other Admin Support Provided by Lessor	-	-	-	-	-	-
60     Board Retreat and Meetings	-	-	-	-	-	-
61     Insurance						
62       Cyber Liability	13,355	-	13,355	13,355	-	13,355
63       Directors and Officers	-	-	-	47,785	-	47,785
64       General Liability	-	-	-	1,390	-	1,390
65   Total Administrative Costs	26,120	-	26,120	139,588	-	139,588
66						
67   Other Discretionary Expenditures						
68     Conversion/Implementation Cost	-	-	-	-	-	-
69     Tricare Legislative & Administrative Services	-	-	-	-	-	-

**Washington Vaccine Association**  
**Statement of Activities and Changes in Net Assets**

		A	B	C	D	E	F
		Month Ended January 31, 2022			For Seven Months Ended January 31, 2022		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
70	Executive Director and Other Contractor Bonus	-	-	-	-	-	-
71	Denied Claims Recovery Expenses	5,250	-	5,250	36,750	-	36,750
72	Direct Healthcare Practices Operations	-	-	-	-	-	-
73	Covid-19 Expenses	-	-	-	-	-	-
	<b>Total Other Discretionary Expenditures</b>	<b>5,250</b>	<b>-</b>	<b>5,250</b>	<b>36,750</b>	<b>-</b>	<b>36,750</b>
74	<b>Total Administrative Expenses</b>	<b>166,021</b>	<b>-</b>	<b>166,021</b>	<b>928,208</b>	<b>-</b>	<b>928,208</b>
75	<b>Total Change in Unrestricted Net Assets</b>	<b>\$ (971,455)</b>	<b>\$ 787,978</b>	<b>\$ (183,477)</b>	<b>\$ (7,520,896)</b>	<b>\$ 8,601,555</b>	<b>\$ 1,080,659</b>

**Washington Vaccine Association**  
**Statement of Activities and Changes in Net Assets**

		A			B			C			D			E			F		
		For Seven Months Ended January 31, 2022									For Seven Months Ended January 31, 2021								
		Administrative			Vaccine			Total			Administrative			Vaccine			Total		
		Revenues / Vaccine Expenses																	
1	Assessment Activity:																		
2	Assessments	\$	(4,255,947)	\$	50,987,273	\$	46,731,326	\$	904,536	\$	46,716,533	\$	47,621,070						
3	Recoveries		-		138,973		138,973		-		-		-						
4	Estimated Over (Under) Collections		-		-		-		-		-		-						
5	Refunds		(230,564)		-		(230,564)		(211,042)		-		(211,042)						
6	Estimated 2% Waste		(931,650)		-		(931,650)		(779,888)		-		(779,888)						
7	Estimated Price Variance and 3% Denial		(127,422)		-		(127,422)		(198,908)		-		(198,908)						
8	DOH Replenishment		-		(42,427,513)		(42,427,513)		-		(50,644,797)		(50,644,797)						
9	Adjustment to Correct Inventory		-		-		-		-		-		-						
10	DOH Cost Recovery Admin Charge		(497,225)		-		(497,225)		(610,861)		-		(610,861)						
11	Interest Income on Assessments		-		-		-		-		-		-						
12	Net Assessment Activity		(6,042,807)		8,698,733		2,655,926		(896,163)		(3,928,264)		(4,824,427)						
13	Investment Activity:																		
14	Interest and Dividend Income - Morgan Stanley		636,559		-		636,559		709,702		-		709,702						
15	Realized Gain/(Loss) on Investments - Morgan Stanley		12,057		-		12,057		125,089		-		125,089						
16	Unrealized Gain/(Loss) on Investments - Morgan Stanley		(1,213,875)		-		(1,213,875)		(625,383)		-		(625,383)						
17	Investment Management Expenses		(83,161)		-		(83,161)		(76,249)		-		(76,249)						
18	Interest Income - KeyBank		1,360		-		1,360		256		-		256						
19	Net Investment Activity		(647,060)		-		(647,060)		133,415		-		133,415						
20	Net Revenues		(6,689,867)		8,698,733		2,008,866		(762,747)		(3,928,264)		(4,691,012)						

**Washington Vaccine Association**  
**Statement of Activities and Changes in Net Assets**

	A	B	C	D	E	F
	For Seven Months Ended January 31, 2022			For Seven Months Ended January 31, 2021		
	Administrative	Vaccine Other Expenses	Total	Administrative	Vaccine	Total
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Helms & Company	484,274	-	484,274	458,024	-	458,024
24 Lockbox Image Conversion and Clearinghouse Intake	44,924	-	44,924	76,794	-	76,794
25 Clearinghouse Intake Processing (Availability, Zelis)	17,139	-	17,139	9,190	-	9,190
26 Lockbox Fees	27,896	-	27,896	28,587	-	28,587
27 CollaborateMD	-	-	-	835	-	835
28 Total Direct Processing Costs	574,233	-	574,233	573,430	-	573,430
29						
30 Executive Director Costs and Related Support Fees						
31 Executive Director Salary	150,834	-	150,834	119,776	-	119,776
32 Payroll Taxes	8,061	-	8,061	5,282	-	5,282
33 Leased Employee per Check Fee	1,365	-	1,365	1,365	-	1,365
34 Executive Director Travel and Lodging, Education, and	2,678	-	2,678	9,168	-	9,168
35 Technology Support (Desktop and Telephony)	2,345	-	2,345	2,915	-	2,915
36 Total Executive Director Costs and Related Support Fees	165,283	-	165,283	138,505	-	138,505
37						
38 Provider and Payer Education and Outreach						
39 Provider Education Materials, Development and Printing	9,274	-	9,274	30,535	-	30,535
40 Postage	40	-	40	167	-	167
41 Website and Information Technology	2,025	-	2,025	4,085	-	4,085
42 Technical Consultant - Margaret Lane	-	-	-	3,054	-	3,054
43 Conferences and Education Sessions, Including Travel	715	-	715	-	-	-
44 Provider Office Training Sessions, Including Travel and	-	-	-	-	-	-
45 Advertising and Sponsorships	-	-	-	-	-	-
46 Hospitality	300	-	300	613	-	613
47 Subcontractor Assistance	-	-	-	-	-	-
48 Total Provider and Payer Education and Outreach	12,354	-	12,354	38,453	-	38,453
49						
50 Administrative Costs						
51 Legal Counsel	60,416	-	60,416	49,468	-	49,468
52 Audit Fees	15,540	-	15,540	30,697	-	30,697
53 Government Relations, Including Travel, Meals, and	-	-	-	-	-	-
54 Registered Agent Fee	-	-	-	-	-	-
55 Bank Fees	-	-	-	-	-	-
56 Office Supplies and Equipment	1,103	-	1,103	6,287	-	6,287
57 Rent, ELM and Storage Facility	-	-	-	252	-	252
58 Other Admin Support Provided by Lessor	-	-	-	-	-	-
59 Board Retreat and Meetings	-	-	-	-	-	-
60 Insurance	-	-	-	-	-	-



**Washington Vaccine Association**  
**Statement of Activities and Changes in Net Assets**

		A	B	C	D	E	F
		For Seven Months Ended January 31, 2022			For Seven Months Ended January 31, 2021		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
61	Cyber Liability	13,355	-	13,355	10,786	-	10,786
62	Directors and Officers	47,785	-	47,785	-	-	-
63	General Liability	1,390	-	1,390	38,753	-	38,753
64	Total Administrative Costs	139,588	-	139,588	136,243	-	136,243
65							
66	Other Discretionary Expenditures						
67	Conversion/Implementation Cost	-	-	-	16,500	-	16,500
68	Tricare Legislative & Administrative Services	-	-	-	-	-	-
69	Executive Director and Other Contractor Bonus	-	-	-	-	-	-
70	Denied Claims Recovery Expenses	36,750	-	36,750	-	-	-
71	Expenses Related to Unrec Liabilities	-	-	-	-	-	-
72	Covid-19 Expenses	-	-	-	-	-	-
	Total Other Discretionary Expenditures	36,750	-	36,750	16,500	-	16,500
74	Total Administrative Expenses	928,208	-	928,208	903,131	-	903,131
75	Total Change in Unrestricted Net Assets	\$ (7,520,896)	\$ 8,601,555	\$ 1,080,659	\$ (1,665,878)	\$ (3,928,264)	\$ (5,594,142)

Washington Vaccine Association  
Administrative Budget Status  
For Month of January 31, 2022

	A Approved Budget	B Actual January 31, 2022	C Budget Variance
1 Direct Processing Costs			
2 Helms & Company	\$ 69,182	\$ 69,182	\$ -
3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	9,428	7,690	1,738
4 Clearinghouse Intake Processing (Avality, Zelis)	2,033	1,992	41
5 Lockbox Fees	3,750	4,804	(1,054)
6 CollaborateMD	-	-	-
7 Total Direct Processing Costs	84,393	83,668	725
8 Executive Director Costs and Related Support Fees			
9 Executive Director Salary	18,039	45,526	(27,487)
10 Payroll Taxes	1,497	4,522	(3,025)
11 Leased Employee per Check Fee	195	195	-
12 Executive Director Travel and Lodging, Education, and Other	5,583	-	5,583
13 Technology Support (Desktop and Telephony)	417	335	82
14 Total Executive Director Costs and Related Support Fees	25,731	50,578	(24,847)
15 Provider and Payer Education and Outreach			
16 Provider Education Materials, Development and Printing	3,720	-	3,720
17 Postage	1,667	-	1,667
18 Website and Information Technology	1,250	405	845
19 Technical Consultant - Margaret Lane	417	-	417
20 Conferences and Education Sessions, Including Travel and Meals	-	-	-
21 Provider Office Training Sessions, Including Travel and Meals	417	-	417
22 Advertising and Sponsorships	167	-	167
23 Hospitality	-	-	-
24 Subcontractor Assistance	-	-	-
25 Total Provider and Payer Education and Outreach	7,638	405	7,233
26 Administrative Costs			
27 Legal Counsel	8,000	12,765	(4,765)
28 Audit Fees	-	-	-
29 Government Relations, Including Travel, Meals, and Consultants	417	-	417
30 Registered Agent Fee	-	-	-
31 Bank Fees	-	-	-
32 Investment Management Fees	10,625	11,196	(571)
33 Office Supplies and Equipment	450	-	450
34 Rent, ELM and Storage Facility	150	-	150
35 Other Admin Support Provided by Lessor	42	-	42
36 Board Retreat and Meetings	1,333	-	1,333
37 Insurance			
38 Cyber Liability	11,865	13,355	(1,490)
39 Directors and Officers	-	-	-
40 General Liability	-	-	-
41 Total Administrative Costs	32,882	37,316	(4,434)
42 Other Discretionary Expenditures			
43 Conversion/Implementation Cost	-	-	-
44 Executive Director and Other Contractor Bonus	-	-	-
45 Denied Claims Recovery Expenses	5,250	5,250	-
46 Direct Healthcare Practices Operations	2,000	-	2,000
47 Covid-19 Expenses	-	-	-
48 Total Other Discretionary Expenditures	7,250	5,250	2,000
49 Total Budget	157,894	177,216	(19,322)

**Washington Vaccine Association  
Administrative Budget Status  
For Seven Months Ended January 31, 2022**

	A Approved Budget	B Actual January 31, 2022	C Budget Variance
1 Direct Processing Costs			
2 Helms & Company	\$ 484,274	\$ 484,274	\$ -
3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	65,996	44,924	21,072
4 Clearinghouse Intake Processing (Avality, Zelis)	14,231	17,139	(2,908)
5 Lockbox Fees	26,250	27,896	(1,646)
6 CollaborateMD	-	-	-
7 Total Direct Processing Costs	590,751	574,233	16,518
8 Executive Director Costs and Related Support Fees			
9 Executive Director Salary	126,273	150,834	(24,561)
10 Payroll Taxes	6,091	8,061	(1,970)
11 Leased Employee per Check Fee	1,365	1,365	-
12 Executive Director Travel and Lodging, Education, and Other	39,081	2,678	36,403
13 Technology Support (Desktop and Telephony)	2,919	2,345	574
14 Total Executive Director Costs and Related Support Fees	175,729	165,283	10,446
15 Provider and Payer Education and Outreach			
16 Provider Education Materials, Development and Printing	26,040	9,274	16,766
17 Postage	11,669	40	11,629
18 Website and Information Technology	8,750	2,025	6,725
19 Technical Consultant - Margaret Lane	2,919	-	2,919
20 Conferences and Education Sessions, Including Travel and Meals	-	715	(715)
21 Provider Office Training Sessions, Including Travel and Meals	2,919	-	2,919
22 Advertising and Sponsorships	1,169	-	1,169
23 Hospitality	-	300	(300)
24 Subcontractor Assistance	-	-	-
25 Total Provider and Payer Education and Outreach	53,466	12,354	41,112
26 Administrative Costs			
27 Legal Counsel	56,000	60,416	(4,416)
28 Audit Fees	15,000	15,540	(540)
29 Government Relations, Including Travel, Meals, and Consultants	2,919	-	2,919
30 Registered Agent Fee	150	-	150
31 Bank Fees	-	-	-
32 Investment Management Fees	74,375	83,161	(8,786)
33 Office Supplies and Equipment	3,150	1,103	2,047
34 Rent, ELM and Storage Facility	1,050	-	1,050
35 Other Admin Support Provided by Lessor	294	-	294
36 Board Retreat and Meetings	9,331	-	9,331
37 Insurance			
38 Cyber Liability	11,865	13,355	(1,490)
39 Directors and Officers	41,050	47,785	(6,735)
40 General Liability	1,500	1,390	110
41 Total Administrative Costs	216,684	222,750	(6,307)
42 Other Discretionary Expenditures			
43 Conversion/Implementation Cost	-	-	-
44 Executive Director and Other Contractor Bonus	32,471	-	32,471
45 Denied Claims Recovery Expenses	36,750	36,750	-
46 Direct Healthcare Practices Operations	14,000	-	14,000
47 Covid-19 Expenses	-	-	-
48 Total Other Discretionary Expenditures	83,221	36,750	46,471
49 Total Budget	1,119,851	1,011,369	108,482

## Washington Vaccine Association

## Notes to Financial Statements

For the Month Ended January 31, 2022

Balance Sheet

Lines 2 and 4. Cash increased in December by approximately \$1,097,000. Total cash and investments at month end are approximately \$57 million as compared to the budgeted cash position of \$46 million. The time-lag between the date of service and the receipt of payment has been considered when projecting cash reserves for FY2022.

Line 6. The Prepaid Vaccine amount includes the amount requested by the Washington Department of Health (DOH) for the February 2022 replenishment of vaccines. The amount includes the administrative fee of 1.4% which equaled \$73,489 included in the request.

Line 5. Members Estimated Collectible Assessments reflects the value of vaccine funding provided to the DOH for the purchase of vaccines for which the Association expects to receive an assessment payment.

Profit and Loss

Line 2. The amount reported as Assessments includes all assessments received in the month of December. The assessments are tracked in the accounting system using the procedure code and date of service supplied by the provider's remittance advice. While it is assumed that the provider utilized a vaccine that was purchased by the Department of Health in either the corresponding month or a prior month(s), there are too many variables in the purchasing process, the supply chain, and the utilization driving the remittance to provide certainty.

Line 6. The amount reported as 2% Waste is an estimate that was recorded through a journal entry. This estimate will be refined as we continue to process and track the amount of collectible assessments remaining from each DOH funding request. The amount remaining would likely represent vaccines that were not administered and would be considered waste. This will take several months of data before we are able to provide a more accurate estimate and therefore the 2% Waste estimate will continue to be used for the foreseeable future.

Line 7. The amount reported in January as Price Variance and Denials is the actual total of variances and denials identified through the lockbox transactions processed through OrboGraph.

Line 8. The DOH replenishment is the actual "cost" of the vaccines that are associated with the Assessments received in January.

Line 10. The amount reported as DOH Cost Recovery Admin Charge is the amount requested by the DOH for administrative expenses incurred in December. It was paid with the February 2022 replenishment of vaccines.

#### Other

Based upon a review of detailed assessment remittance data, the Association at times receives both over- and under-payments for remittances. Overpayments are repaid through the refunds process, through balance forward remittances, or through a separate, specific analysis. Utilizing the assessment remittance database, the Association has been able to identify several instances whereby a payer has been incorrectly denying or underpaying assessments for a variety of reasons. The Association's compliance efforts work with payers to resolve these discrepancies and may result in additional assessment revenue or refunds attributable to the current fiscal year that may or may not be related to the current fiscal year.

## **WASHINGTON VACCINE ASSOCIATION**

### **FINANCE, AUDIT, AND COMPLIANCE COMMITTEE CHARTER**

#### **Purpose**

The Finance, Audit, and Compliance Committee (the Committee) is responsible for providing oversight of the Washington Vaccine Association (the Association) financial reporting process and internal control environment; data privacy and security; finances including corporation budgets and investment policies; and corporate compliance matters. The Committee's responsibility is to act on behalf of the board of directors (the Board) as its delegee as expressly set forth in this charter. The Committee's oversight includes a focus on the qualitative aspects of financial reporting, organization processes for the management of risk, financial and budgetary matters, annual review of the financial audit, and compliance with significant, applicable tax, legal, ethical, and regulatory requirements.

The Committee shall coordinate with other Board committees and maintain positive working relationships with management, external auditors, legal counsel, and other committee advisors.

#### **Specific Responsibilities and Delegated Authority**

The specific responsibilities and where indicated, delegated authority of the Committee include:

- Reviewing the Committee's charter periodically and recommending any proposed changes to the Board for approval. Considering changes that are necessary as a result of new laws or regulations.

#### **AUDIT**

- Evaluating the effectiveness of WVA's system of internal controls. Conducting executive sessions with the outside auditors and management.
- Hiring the independent auditors, or other consultants as necessary. (This may take place any time during the year.) Hiring of legal counsel as recommended by the Committee shall be approved by the Board.
- Establishing the audit fees of the independent auditors, pre-approving any non-audit services provided by the independent auditors or other accountants, including tax services, before the services are rendered, and evaluating the work of the independent auditors.
- Reviewing with the independent auditor and management the audit scope and plan of the independent auditors.
- Reviewing the Federal Form 990 and any other required state and federal tax filings to ensure compliance and accuracy of the filing.
- Annually reviewing with each public accounting firm engaged by the Committee to perform an audit: (1) all critical accounting policies and practices used by the Association, and (2) all alternative treatments of financial information within generally accepted accounting principles

that have been discussed with management of the Association, the ramifications of each alternative, and the treatment preferred by the Association.

- Upon completion of each year's financial audit, the Committee will review all documentation provided by the external auditor including, but not limited to, the governance letter, management letter, and financial statements, and the Committee will discuss any difficulties encountered by the auditor and any recommended changes in controls or procedures. The Committee chairperson shall have the opportunity to meet alone with external auditors at least once annually.
- Inquiring of management and the independent auditors about significant risks or exposures facing the Association; assessing the steps management has taken or proposes to take to minimize such risks to the Association; and periodically reviewing compliance with such steps.
- Reviewing with management and the independent auditor the effect of any regulatory and accounting initiatives, as well as off-balance-sheet transactions, if any.

#### FINANCE

- Reviewing the proposed annual budget for the Association and recommending a proposed annual budget to the Board.
- Periodically reviewing and recommending the authorization by the Board of any additional expenditures over 10% of the budgeted amount.
- Developing proposed policies regarding maintenance of reserves by the Association for approval by the Board; overseeing the investment of reserves maintained by the Association and the performance of Association investments.

#### COMPLIANCE

- Periodically reviewing with the outside general counsel and management, legal and regulatory matters that, in the opinion of management, may have a material impact on the financial statements, related Association compliance policies, and programs and reports received from regulators.
- Preparing and reviewing periodically any code of conduct/ethics to ensure that it is adequate and up to date. Review with management and Association's general counsel the results of their review of the monitoring of compliance with the Association's Code of Ethics Policy and Conflict of Interest Policy.
- Reviewing any submissions, whether via the Association's Whistleblower Policy or otherwise, by any Association employee or contractor or employee of any Association contractor of any concern regarding financial misconduct, dishonesty, or questionable accounting or auditing matters. Reviewing any submissions that have been received, the current status, and the resolution, if one has been reached.

- Implementing an annual review of a legal compliance checklist and periodically reviewing the checklist with counsel; seeking such counsel's guidance with respect to ongoing legal and regulatory compliance.

### **Meetings**

The Committee shall meet as frequently as needed to fulfill its charter and to address matters on its agenda, but not less frequently than three times per year. The Committee may ask management or others to attend the meeting and provide pertinent information as necessary. The Committee shall request management, counsel, and external auditors, as applicable, to participate in Committee meetings as necessary to carry out the Committee's responsibilities.

The Committee may meet in executive session with only the Committee members as it deems appropriate, including and without limitation meeting for consideration of the annual auditor's reports and recommendations.

### **Membership**

The Committee shall consist of at least three voting board members assigned by the Board. The Board may also assign up to two non-board members who offer special financial expertise who shall serve as non-voting member of the Committee. Adequate financial expertise should be represented on the Committee. At least one member of the Committee shall be an individual who is financially sophisticated in the sense that she or he has comfort and experience in reviewing financial statements, financial audit reports, and participating in Board oversight of audit processes. To ensure that the Committee is independent, none of the Committee members may be employees of the Association or its outside Administrator. Neither the auditor nor the outside general counsel should serve as a member of the Committee but may provide advice as requested by the Committee.

### **Quorum; Voting**

A quorum for a meeting of the Committee shall consist of at least two of the voting members. The vote of a majority of the voting members of the Committee at a meeting at which a quorum is present shall be sufficient to approve a proposed action.

### **Independent Advice; Engagement of Consultants**

In discharging its responsibilities, the Committee shall have access to any relevant books, records, facilities, and personnel of the Association. In addition to the external auditors, the committee, upon approval of the Board and at the WVA expense, may obtain advice and assistance from outside consultants to advise the committee. The Committee may also request that management, the Association's outside counsel or any other person meet with any members of, or consultants to, the Committee, or provide other assistance to the Committee in the discharge of its duties.

### **Reviewed by Committee**

**Date:** \_\_\_\_\_, 2022

**Chair:** R. Parker

### **Approved by the Board**

**Date:** \_\_\_\_\_, 2022

**Chair:** C. Murphy





*Ensuring Funds for Childhood Vaccines*

# 2022-23 Vaccine Assessment Grid Development

Presented to the  
Washington Vaccine Association  
Finance Committee  
February 17, 2022

Confidential and Proprietary © 2022

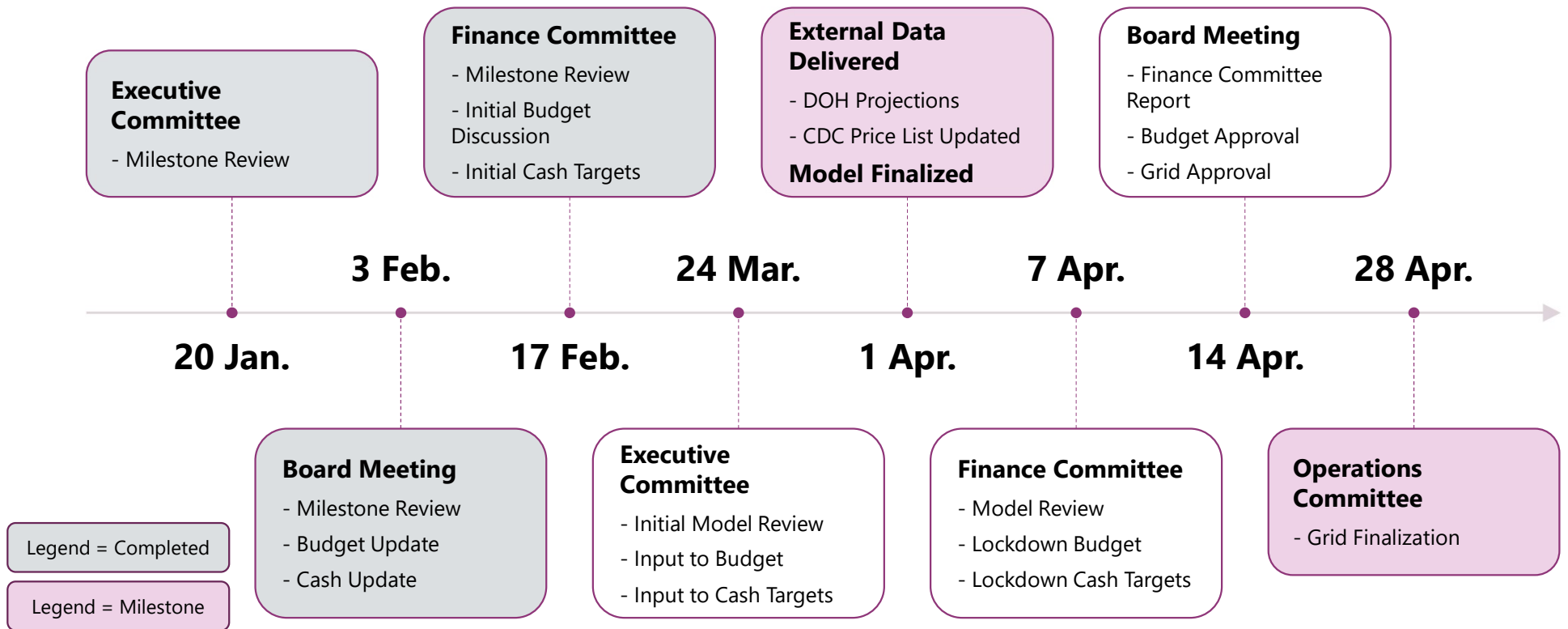


# Presentation Overview

1. Process Timeline
2. Approach
3. Model Assumptions Summary
4. Administrative Budget Assumptions
5. Cash Balance Goals Driving the Model

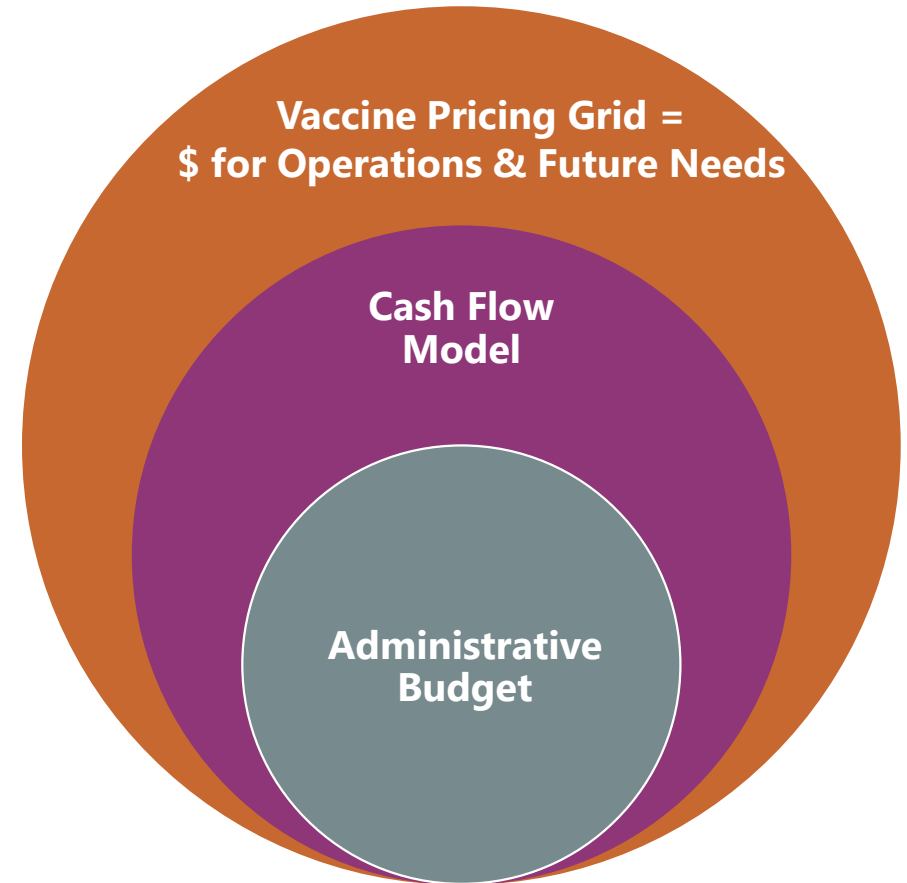
Note: All information presented is preliminary; additional data is required from the WA DOH and the CDC to finalize the model; an interim model will be presented at the Executive Committee meeting in March; the final model will be presented in April.

# 1. 2022-23 Budget & Vaccine Grid Development Process



## 2. Integrated Approach

1. There is a nested relationship between the administrative budget, the cash flow model, and the vaccine pricing grid that was not considered in prior years
2. Goals of the 2022-23 vaccine grid process include:
  1. Providing grid stability to minimize year-to-year fluctuation
  2. Reducing cash on hand to a Board-approved level
  3. Allowing for reasonable reserves



### 3. Last Year's Model Assumptions Summary

Adjustment Variables	Assumptions		
	FY2022	FY2023	FY2024
Assessment Grid as Percent of Prior Year	100%	103%	103%
DOH Indirect Charge	1.4%	1.4%	1.4%
DOH Cost Recovery Fee	1.4%	1.4%	1.4%
Vaccine Wastage	2.4%	2.4%	2.4%
Denials	13.0%	11.5%	10.5%
Denial Recoveries	4.0%	3.5%	2.5%
Administrative Budget	\$1.86M	\$1.94M	\$1.96M
Cash "Burn Down" Amount	\$8.1M	\$11.0M	\$11.0M
Year End Balance	\$47.6M	\$36.6M	\$25.56M
CDC Price Increase	3.0%	3.0%	3.0%

To be  
discussed  
today.

# 4. Administrative Budget Assumptions

## • Added Line Items

- Hospitality (previously removed)
- Human Resources and Governance Consultant
- Provider Services Representative

## • Deleted Line Items

- Direct Healthcare Practice Recoveries

## • Changed Line Items

- Split out Legal
  - General Counsel and Governance
  - Special Projects and Litigation

## • Increases/Decreases

- ↓ Orbograph Fees
- ↑ Clearinghouse Fees
- ↑ Bank Fees

## • ↑ ED Salary and Benefits

## • ↑ Provider and Payer Education Materials and Printing

## • ↓ Postage

## • ↑ Provider Office Training

## • ↑ Technical Consultants

## • ↑ Audit Fees

## • ↑ Investment Management Fees

## • ↑ Office Supplies and Equipment for ED and Provider Services Representative

## • ↓ Board Retreat, Meetings and Hospitality

## • ↑ Insurance – Cyberliability

## • ↑ Insurance – D&O

## • ↑ Investment Management Fees

## • Past / Future Budget Totals

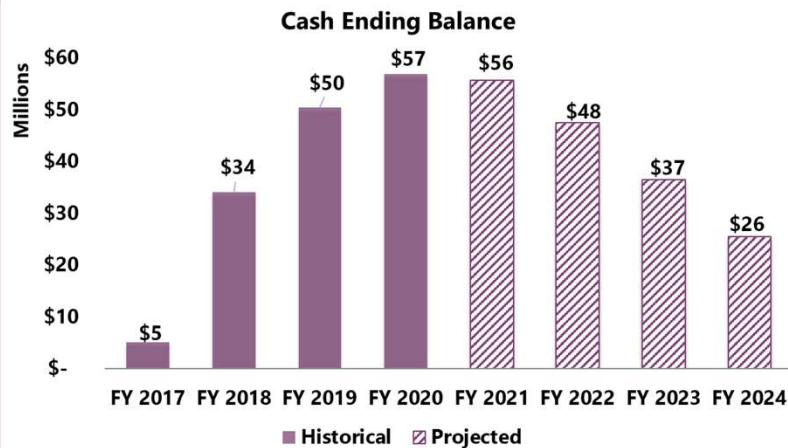
FY2021	FY2022	FY2023	FY2024	FY2025
\$2.027M	\$1.856M	\$2.086M	\$2.061M	\$2.090M

# 5. Historical and Projected End of FY Cash Balance – FY2017-24

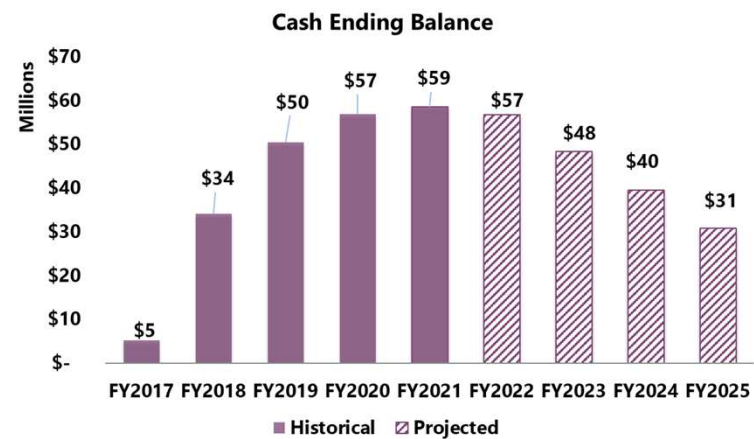
## Remaining Inputs Needed:

1. April 1 CDC Price List
2. April 1 WA DOH Projections.
3. WA DOH Fund Source Split Update.
4. COVID Vaccine Reserves.

### FY 2022 Planning



### FY 2023 Planning



# Questions and Discussion