

What: Finance Committee Meeting
Date & Time: Thursday, September 21, 2023; 11:00 a.m.-12:00 p.m. (PT)
Location: Zoom Meeting
Zoom Link: To register for the meeting, please review the [Public Comment Protocol](#) then email 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 / Anticipated Action	Presented by:
11:00-11:05 a.m.			1. Welcome & Introductions a. Notification of Recording	J. Zell
11:05-11:10 a.m.	Pg. 3-4	*	2. Calendar Consent Items: a. Approve Finance Committee Minutes, April 6, 2023	J. Sobeck
11:10-11:20 a.m.	Pg. 5-9	*	3. Overview of Draft 2022-2023 Audited Financials a. Audit Discussion b. Vote to Recommend Publication of the 2022/23 Audited Financials and Auditor's Letter	A. Gilbert / J. Zell / A. Walker
11:20-11:50 a.m.	Pg. 10-26	*	4. Financial Update a. August 2023 Financials b. Cash Discussion c. COVID Blended Rate d. Potential RSV Financing e. Future Reserves	P. Miller / J. Zell / D. Keller
11:50-11:55 a.m.			5. Other Matters from Committee Members	Any
11:55-12:00 p.m.			6. Executive Session (Public excluded)	
12:00 p.m.			7. Closing	J. Zell

**Washington Vaccine Association
Finance Committee Meeting
April 6, 2023; 11:00 a.m.-12:00 p.m. (PT)**

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

<u>Directors</u>	<u>Helms & Company, Inc.</u>
Randy Parker, Northwest Carpenters Trusts, Chair	Patrick Miller, MPH, WVA Administrative
Jason Farber, Davis Wright Tremaine LLP	Director
John Sobeck, MD, Regence and Asuris	Ashley Ithal, MPH, WVA Program Support
<u>WVA</u>	<u>Others</u>
Julia Walter Zell, MA., Esq., Executive Director	Polly Sidwell, Morgan Stanley
	David Keller, Morgan Stanley

II. Summary of Actions Taken

Actions Taken

- i. To approve the minutes of the March 2, 2023 Finance Committee meeting.
- ii. To approve CliftonLarsonAllen LLP as auditor.

III. Minutes

Welcome and Introductions

Mr. Parker called the meeting to order at 11:03 a.m. Ms. Zell announced that the meeting is being recorded for the benefit of the minute taker, to be deleted once the minutes are approved.

Calendar Consent Items

Mr. Parker directed the Committee's attention to the draft minutes submitted for approval. There being no questions or comments, Mr. Parker asked for a motion to approve the minutes. Upon motion duly made and seconded, it was unanimously

VOTED: To approve the minutes of the March 2, 2023 Finance Committee minutes.

IV. Financial Update

Morgan Stanley Update

Mr. Keller provided an overview of the WVA investment summary as of March 31, 2023. To date, the portfolio value has increased 1.1% and Mr. Keller projects that the portfolio will generate just over \$900,000 in 2023. He reported that the portfolio is well diversified between corporate bonds, CDs, and federal securities easily meeting the requirements of the WVA's Investment Policy Statement. The average duration of the laddered portfolio is 1.5 years. Mr. Keller explained that as the WVA continues to ladder out bonds as interest rates rise, this strategy will allow income within the portfolio to continue to increase. In 2023, the value of maturing is \$7.3 million with \$11 million in 2024. Mr. Keller reported that he and Ms. Zell engaged in a recent effort to sell two Credit Suisse bond positions which were \$250,000 par value to reduce the potential for downgrades. Mr. Miller stated that Ms. Zell, and Ms. Walker will be meeting with the Morgan Stanley team later this month once the assessment rate setting model is finalized to determine if any excess cash is available to invest over a longer time period. Mr. Parker raised a question as to whether an assumed rate of return for the Association existed. Ms. Zell explained that none exists intentionally because these investments are an effort to be innovative and a way to be good stewards of funds.

FYTD February 2023 Unaudited Financial Statements

Mr. Miller briefly reviewed the February 2023 statements. Total assets for the WVA are \$59 million. In review of the administrative budget for February 2023, the WVA was approximately \$36,000 under budget primarily due to lower legal fees and provider and payer education outreach efforts.

Ms. Zell reminded the Committee that in FY2023, the WVA split the costs for legal fees into general counsel and special projects in an effort to better track legal expenses as the WVA generally runs at budget or above each year. The Committee discussed legal projects and the WVA's potential to engage with other qualified firms. Discussion ensued. Ms. Zell committed to follow-up with the Executive Committee.

V. FY2024 Administrative Budget and Vaccine Assessment Grid

Mr. Miller displayed the most recent draft of the administrative budget and reviewed line items with variation of +/- 10%. The current Assessment Grid (Grid) model proposes that the Grid amounts will increase in FY2024 and then remain level through FY2026. This will achieve the Board's stated goal of maintaining adequate cash reserves. Mr. Miller reviewed the areas contributing to the Grid increases including changes to the fund source split, the addition of new vaccines (Priorix (MMR), Vaxneuvance (PCV15), Prevnar 20 (PCV20)), changing vaccine presentations (Menveo (MCV40), Rotarix (RV1)), preparations for new vaccines in the pipeline (RSV, COVID), as well as pandemic impacts on vaccine utilization. Mr. Miller reviewed weighted CDC contract price changes between April 2017-April 2024. Mr. Miller reported that the Grid will be presented to the Board at their April 13th meeting and then it will be finalized by the Operations Committee on April 25th, to be followed by a full communications plan roll out to payer, providers, and other stakeholders.

VI. Annual Auditor Engagement

Ms. Zell proposed retaining Clifton, Larson, and Allen (CLA) for the FY2024 audit. She noted a significant change this year in the engagement documents which includes a proposed master services agreement and an accompanying statement of work rather than an engagement letter. Mr. Parker directed the Committee's attention to the Annual Auditor Letter. There being no questions or comments, Mr. Parker asked for a motion to approve CliftonLarsonAllen LLP as auditor. Upon motion duly made and seconded, it was unanimously

VOTED: To approve CliftonLarsonAllen LLP as auditor.

VII. Closing

With no further business before the Committee, Mr. Parker concluded the meeting at 11:54 a.m.

Board of Directors
Washington Vaccine Association
Seattle, Washington

We have audited the financial statements of Washington Vaccine Association as of and for the year ended June 30, 2023, and have issued our report thereon dated REPORT DATE. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit in our statement of work dated February 7, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Washington Vaccine Association are described in Note 2 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2023.

We noted no transactions entered into by the Association during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The allowance for vaccine waste is based on management's estimate that 2% of vaccines will not be utilized by providers. The percentage is based on historical discussions with the DOH. We evaluated the key factors and assumptions used in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the fair value of investments is based on values reported on the investment statements. We evaluated the key factors and assumptions used to develop the investment value in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Corrected misstatements

The attached schedule summarizes all misstatements (material and immaterial) that management provided and were included in the audited financial statements and corrected by management.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated REPORT DATE.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

This communication is intended solely for the information and use of the board of directors and management of Washington Vaccine Association and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Bellevue, Washington
REPORT DATE

Draft for Discussion Purposes

Client: **A388089 - Washington Vaccine Association**
Engagement: **AUD2023 - Washington Vaccine Association**
Period Ending: **6/30/2023**
Trial Balance: **0900.01 - Annual Trial Balance - 2 Year**
Workpaper: **0921.00 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 2		0925.00		
Client provided journal entry 1 - To record refund to Kaiser				
40020	Vaccine Assessment		178,972.00	
40022	Vaccine Assessment: Settlements		415,211.00	
21005	Unrecorded Liabilities			594,183.00
Total			594,183.00	594,183.00
Adjusting Journal Entries JE # 3		0926.00		
Client provided journal entry 2 - To record June DOH cost recovery administrative charge				
50100	Program disbursements: DOH Cost Recovery Admin		15,157.00	
21005	Unrecorded Liabilities			15,157.00
Total			15,157.00	15,157.00
Adjusting Journal Entries JE # 4		0927.00		
Client provided journal entry 3 - To true up inventory				
12100	Receivable DOH Assessment		58,417.00	
50200	Program disbursements: Vaccine remittance - State of W			58,417.00
Total			58,417.00	58,417.00
Adjusting Journal Entries JE # 5		0928.00		
Client provided journal entry 4 - To clear out old accrued liabilities owed to AETNA paid in 2023				
21005	Unrecorded Liabilities		21,310.00	
49000	Uncategorized Income			21,310.00
Total			21,310.00	21,310.00

Board of Directors and Management
Washington Vaccine Association
Seattle, Washington

In planning and performing our audit of the financial statements of Washington Vaccine Association as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, board of directors, and others within the entity, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Bellevue, Washington
REPORT DATE

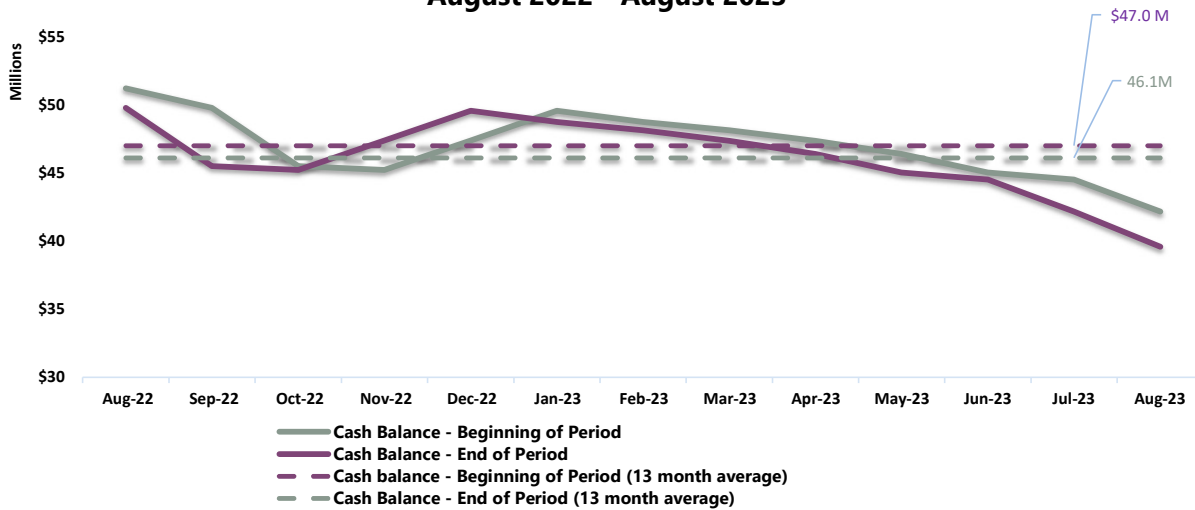
WASHINGTON VACCINE ASSOCIATION
UNAUDITED FINANCIAL STATEMENTS
FOR THE TWO MONTHS ENDED

August 31, 2023

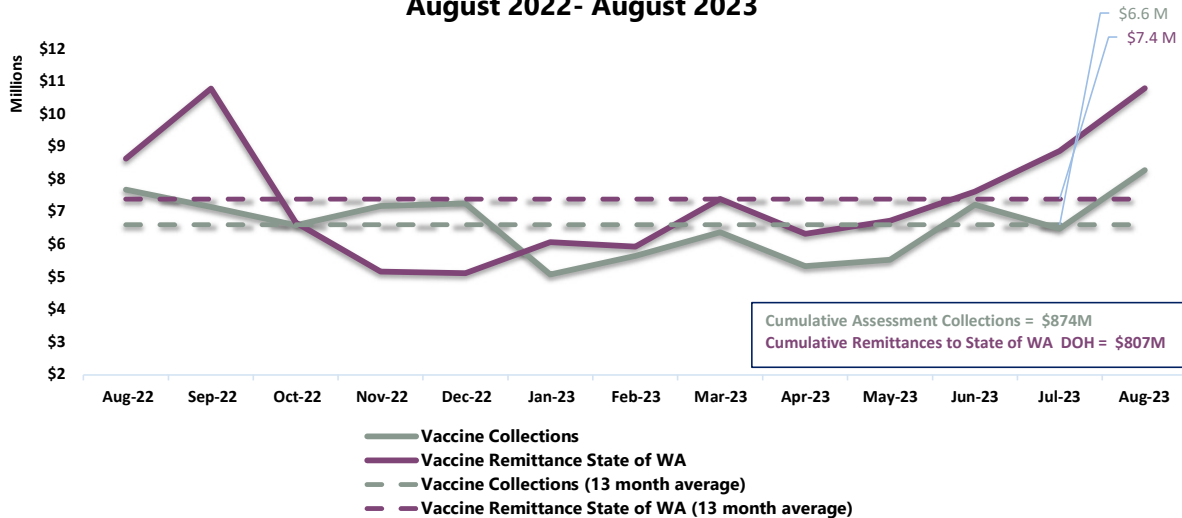
With Supplemental Informational Reporting

Prepared by
Helms & Company, Inc., Administrator

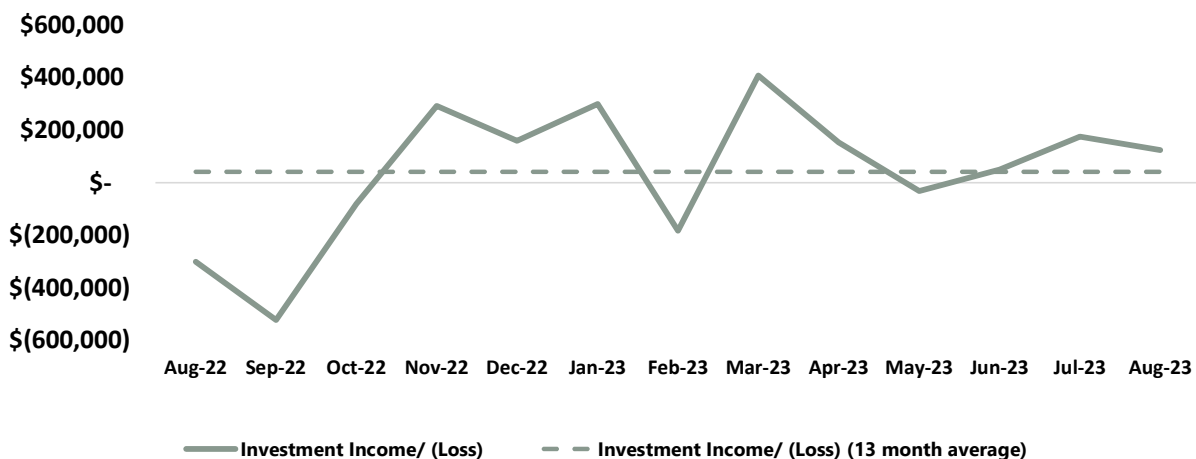
Cash Balances Beginning and End of Period August 2022 - August 2023



Total Vaccine Collections and Vaccine Remittances to State of WA August 2022- August 2023



Investment Income / (Loss) August 2022 - August 2023



Washington Vaccine Association
Statement of Cash Flows
For the Periods Ended

	Month 8/31/2022	Month 9/30/2022	Month 10/31/2022	Month 11/30/2022	Month 12/31/2022	Month 1/31/2023	Month 2/28/2023	Month 3/31/2023	Month 4/30/2023	Month 5/31/2023	Month 6/30/2023	Month 7/31/2023	Month 8/31/2023	13 Month Average
1 Cash balance - beginning	\$ 51,225,722	\$ 49,802,160	\$ 45,521,419	\$ 45,226,880	\$ 47,391,252	\$ 49,581,422	\$ 48,745,241	\$ 48,158,103	\$ 47,367,244	\$ 46,396,888	\$ 45,037,740	\$ 44,528,984	\$ 42,178,691	43,072,001.90
Inflows:														
2 Vaccine collections	7,684,870	7,154,302	6,593,300	7,182,396	7,262,565	5,077,451	5,644,933	6,380,230	5,331,261	5,526,126	7,218,720	6,483,475	8,281,002	6,601,586.94
3 Interest income - payers														-
4 Investment income/ (loss)	(300,938)	(522,104)	(80,250)	292,475	159,984	299,489	(182,504)	407,515	153,609	(32,483)	49,646	174,956	124,168	41,812.54
5 Total inflows	7,383,932	6,632,198	6,513,050	7,474,871	7,422,549	5,376,940	5,462,429	6,787,745	5,484,870	5,493,643	7,268,366	6,658,431	8,405,170	\$ 6,643,399
Outflows:														
Program														
6 Vaccine remittance State of WA	(8,625,865)	(10,771,706)	(6,666,286)	(5,171,147)	(5,116,478)	(6,069,523)	(5,932,158)	(7,397,831)	(6,320,084)	(6,725,775)	(7,626,289)	(8,866,194)	(10,790,790)	(6,727,250.84)
Administration														
7 Direct Processing Costs	(87,483)	(83,479)	(88,260)	(100,373)	(73,539)	(95,734)	(87,212)	(87,995)	(87,008)	(86,000)	(90,978)	(88,976)	(88,911)	(88,149.77)
8 Executive Director Costs and Support Fees	(22,007)	(24,988)	(28,476)	(24,102)	(28,179)	(22,890)	(20,416)	(64,409)	(29,651)	(24,217)	(28,932)	(33,502)	(28,227)	(29,230.39)
9 Provider and Payer Education and Outreach	-	-	-	(7,279)	(597)	(40)	(4,868)	(5,238)	(9,905)	(11,202)	(24,221)	(4,418)	(19,974)	(6,749.35)
10 Administrative Costs	(63,139)	(29,166)	(20,967)	(3,998)	(9,986)	(21,334)	(1,133)	(19,351)	(4,798)	(1,817)	(2,922)	(10,234)	(60,539)	(19,183.44)
11 Other Discretionary Expenditures	(9,000)	(3,600)	(3,600)	(3,600)	(3,601)	(3,600)	(3,780)	(3,780)	(3,780)	(3,780)	(3,780)	(5,400)	(3,780)	(4,237.00)
12 Total Administration	(181,629)	(141,233)	(141,303)	(139,352)	(115,901)	(143,598)	(117,409)	(180,773)	(135,142)	(127,016)	(150,833)	(142,530)	(201,431)	(147,550)
13 Net all other outflows	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Total outflows	(8,807,494)	(10,912,939)	(6,807,589)	(5,310,499)	(5,232,379)	(6,213,121)	(6,049,567)	(7,578,604)	(6,455,226)	(6,852,791)	(7,777,122)	(9,008,724)	(10,992,221)	(6,874,800.80)
15 Net Cash Incr (decr) for period	(1,423,562)	(4,280,741)	(294,539)	2,164,372	2,190,170	(836,181)	(587,138)	(790,859)	(970,356)	(1,359,148)	(508,756)	(2,350,293)	(2,587,051)	(231,401)
16 Cash balance - end of period	\$ 49,802,160	\$ 45,521,419	\$ 45,226,880	\$ 47,391,252	\$ 49,581,422	\$ 48,745,241	\$ 48,158,103	\$ 47,367,244	\$ 46,396,888	\$ 45,037,740	\$ 44,528,984	\$ 42,178,691	\$ 39,591,640	\$ 42,840,601

Note: Cash balance includes amounts in KeyBank and Morgan Stanley

Washington Vaccine Association
Statement of Financial Position
As of August 31, 2023

ASSETS

1	Current Assets		
2	Cash and Cash Equivalents	\$	462,020
3	Accounts Receivable		-
4	Investments		39,129,621
5	Members Estimated Collectible Assessments		4,437,711
6	Prepaid Vaccine		10,572,664
7	Prepaid Administrative Services		-
8	Total Current Assets		<u>54,602,015</u>
9	Total Assets	\$	<u><u>54,602,015</u></u>

LIABILITIES AND NET ASSETS

10	Current Liabilities		
11	Accounts Payable	\$	103,988
12	Other Accruals		607,615
13	Total Current Liabilities		<u>711,603</u>
14	Assessments Collected in Excess of Vaccine Funding and Administrative Activities		<u>53,890,413</u>
15	Total Liabilities		<u>54,602,015</u>
16	Total Liabilities and Net Assets	\$	<u><u>54,602,015</u></u>

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

	A	B	C	D	E	F
	Month Ended August 31, 2023			Month Ended August 31, 2022		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Revenues / Vaccine Expenses					
1 Assessment Activity:						
2 Assessments	\$ (272,211)	\$ 8,747,490	\$ 8,475,279	\$ (824,591)	\$ 8,539,165	\$ 7,714,574
3 Recoveries	-	-	-	-	-	-
4 Estimated Over (Under) Collections	-	-	-	-	-	-
5 Refunds	(10,100)	-	(10,100)	(23,285)	-	(23,285)
6 Estimated 2% Waste	(94,769)	-	(94,769)	(105,836)	-	(105,836)
7 Estimated Price Variance and 3% Denial	(179,289)	-	(179,289)	(10,249)	-	(10,249)
8 DOH Replenishment	-	(8,120,803)	(8,120,803)	-	(8,993,664)	(8,993,664)
9 Adjustment to Correct Inventory	-	-	-	-	-	-
10 DOH Cost Recovery Admin Charge	(149,237)	-	(149,237)	(94,174)	-	(94,174)
11 Interest Income on Assessments	-	-	-	-	-	-
12 Net Assessment Activity	(705,606)	626,687	(78,919)	(1,058,134)	(454,499)	(1,512,633)
13 Investment Activity:						
14 Interest and Dividend Income - Morgan Stanley	96,598	-	96,598	86,712	-	86,712
15 Realized Gain/(Loss) on Investments - Morgan Stanley	(91,373)	-	(91,373)	-	-	-
16 Unrealized Gain/(Loss) on Investments - Morgan Stanley	113,206	-	113,206	(390,386)	-	(390,386)
17 Investment Management Expenses	(8,806)	-	(8,806)	(10,860)	-	(10,860)
18 Interest Income - KeyBank	14,544	-	14,544	13,596	-	13,596
19 Net Investment Activity	124,168	-	124,168	(300,939)	-	(300,939)
20 Net Revenues	(581,438)	626,687	45,249	(1,359,073)	(454,499)	(1,813,571)

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

	A	B	C	D	E	F
	Month Ended August 31, 2023			Month Ended August 31, 2022		
	Administrative	Vaccine Other Expenses	Total	Administrative	Vaccine	Total
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Administrator (Helms & Company, Inc.)	65,432	-	65,432	69,182	-	69,182
24 EDI /ACH Clearinghouse Maintenance (Helms & Company, Inc.)	4,573	-	4,573	4,840	-	4,840
25 Clearinghouse Intake Processing (Avality, Zelis, Etc.)	6,227	-	6,227	5,241	-	5,241
26 Lockbox and Bank Fees	3,679	-	3,679	3,483	-	3,483
27 Recovery and Compliance (Helms & Company, Inc.)	5,250	-	5,250	5,250	-	5,250
28 Lockbox Intake (RMS)	3,750	-	3,750	-	-	-
29 Total Direct Processing Costs	88,911	-	88,911	87,996	-	87,996
30 Executive Director Costs and Related Support Fees						
31 Salaries	19,539	-	19,539	18,210	-	18,210
32 Payroll Taxes	312	-	312	424	-	424
33 Leased Employee per Check Fee	116	-	116	195	-	195
34 Executive Director Travel and Lodging, Education, and Other	6,267	-	6,267	2,196	-	2,196
35 Technology Support (Desktop and Telephony)	1,993	-	1,993	335	-	335
36 Total Executive Director Costs and Related Support Fees	28,227	-	28,227	21,361	-	21,361
37 Provider and Payer Education and Outreach						
38 Education Materials Design, Development and Printing	10,516	-	10,516	-	-	-
39 Postage	14	-	14	-	-	-
40 Website and Information Technology	-	-	-	-	-	-
41 Technical Consultants	-	-	-	-	-	-
42 Provider Office Training Sessions	5,931	-	5,931	-	-	-
43 Advertising and Sponsorships	-	-	-	-	-	-
44 Hospitality	3,513	-	3,513	-	-	-
45 Provider Services Rep	-	-	-	-	-	-
46 Leased Employee per Check Fee	-	-	-	-	-	-
47 Total Provider and Payer Education and Outreach	19,974	-	19,974	-	-	-
48 Administrative Costs						
49 Legal Counsel	-	-	-	8,128	-	8,128
50 Audit Fees	4,400	-	4,400	2,835	-	2,835
51 Government Relations, Including Travel, Meals, and Consultants	-	-	-	-	-	-
52 Registered Agent Fee	-	-	-	-	-	-
53 Office Supplies and Equipment	1,098	-	1,098	118	-	118
54 Rent, ELM and Storage Facility	-	-	-	-	-	-
55 Other Admin Support Provided by Lessor	-	-	-	-	-	-
56 Board Retreat and Meetings	-	-	-	-	-	-
57 Insurance						
58 Cyber Liability	28,932	-	28,932	-	-	-

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

		A	B	C	D	E	F
		Month Ended August 31, 2023			Month Ended August 31, 2022		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
59	Directors and Officers	21,740	-	21,740	52,058	-	52,058
60	General Liability	1,669	-	1,669	-	-	-
61	Insurance - Other	-	-	-	-	-	-
62	Legal - Special Projects and L	2,700	-	2,700	-	-	-
63	Total Administrative Costs	57,839	-	60,539	63,139	-	63,139
64	Other Discretionary Expenditures						
65	Executive Director and Other Contractor Bonus	-	-	-	-	-	-
66	Human Resources and Governance	3,780	-	3,780	9,000	-	9,000
67	Total Other Discretionary Expenditures	3,780	-	3,780	9,000	-	9,000
68	Total Administrative Expenses	198,732	-	201,432	181,496	-	181,496
69	Total Change in Unrestricted Net Assets	\$ (780,170)	\$ 626,687	\$ (156,183)	\$ (1,540,568)	\$ (454,499)	\$ (1,995,067)

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

		A	B	C	D	E	F
		Month Ended August 31, 2023			For Two Months Ended August 31, 2023		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
		Revenues / Vaccine Expenses					
1	Assessment Activity:						
2	Assessments	\$ (272,211)	\$ 8,747,490	\$ 8,475,279	\$ (1,408,746)	\$ 16,471,362	\$ 15,062,617
3	Recoveries	-	-	-	-	-	-
4	Estimated Over (Under) Collections	-	-	-	-	-	-
5	Refunds	(10,100)	-	(10,100)	(30,922)	-	(30,922)
6	Estimated 2% Waste	(94,769)	-	(94,769)	(162,099)	-	(162,099)
7	Estimated Price Variance and 3% Denial	(179,289)	-	(179,289)	(250,041)	-	(250,041)
8	DOH Replenishment	-	(8,120,803)	(8,120,803)	-	(15,521,118)	(15,521,118)
9	Adjustment to Correct Inventory	-	-	-	-	-	-
10	DOH Cost Recovery Admin Charge	(149,237)	-	(149,237)	(162,670)	-	(162,670)
11	Interest Income on Assessments	-	-	-	-	-	-
12	Net Assessment Activity	(705,606)	626,687	(78,919)	(2,014,478)	950,244	(1,064,234)
13	Investment Activity:						
14	Interest and Dividend Income - Morgan Stanley	96,598	-	96,598	161,002	-	161,002
15	Realized Gain/(Loss) on Investments - Morgan Stanley	(91,373)	-	(91,373)	(100,609)	-	(100,609)
16	Unrealized Gain/(Loss) on Investments - Morgan Stanley	113,206	-	113,206	231,642	-	231,642
17	Investment Management Expenses	(8,806)	-	(8,806)	(18,472)	-	(18,472)
18	Interest Income - KeyBank	14,544	-	14,544	25,561	-	25,561
19	Net Investment Activity	124,168	-	124,168	299,124	-	299,124
20	Net Revenues	(581,438)	626,687	45,249	(1,715,354)	950,244	(765,110)

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

	A	B	C	D	E	F
	Month Ended August 31, 2023			For Two Months Ended August 31, 2023		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Other Expenses					
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Administrator (Helms & Company, Inc.)	65,432	-	65,432	130,864	-	130,864
24 EDI /ACH Clearinghouse Maintenance (Helms & Company, Inc.)	3,750	-	3,750	11,046	-	11,046
25 Clearinghouse Intake Processing (Avality, Zelis, Etc.)	6,227	-	6,227	10,292	-	10,292
26 Lockbox and Bank Fees	3,679	-	3,679	7,685	-	7,685
27 Recovery and Compliance (Helms & Company, Inc.)	5,250	-	5,250	10,500	-	10,500
28 Lockbox Intake (OrboGraph)	4,573	-	4,573	7,500	-	7,500
29 Total Direct Processing Costs	88,911	-	88,911	177,887	-	177,887
30 Executive Director Costs and Related Support Fees						
31 Executive Director Salary	19,539	-	19,539	39,078	-	39,078
32 Payroll Taxes	312	-	312	625	-	625
33 Leased Employee per Check Fee	116	-	116	232	-	232
34 Executive Director Travel and Lodging, Education, and Other	6,267	-	6,267	19,461	-	19,461
35 Technology Support (Desktop and Telephony)	1,993	-	1,993	2,333	-	2,333
36 Total Executive Director Costs and Related Support Fees	28,227	-	28,227	61,729	-	61,729
37 Provider and Payer Education and Outreach						
38 Provider Education Materials, Development and Printing	10,516	-	10,516	10,608	-	10,608
39 Postage	14	-	14	14	-	14
40 Website and Information Technology	-	-	-	-	-	-
41 Technical Consultants	-	-	-	-	-	-
42 Provider Office Training Sessions	5,931	-	5,931	7,804	-	7,804
43 Advertising and Sponsorships	-	-	-	-	-	-
44 Hospitality	3,513	-	3,513	-	-	-
45 Provider Services Rep	-	-	-	5,967	-	5,967
46 Leased Employee per Check Fee	-	-	-	-	-	-
47 Total Provider and Payer Education and Outreach	19,974	-	19,974	24,392	-	24,392
48 Administrative Costs						
49 Legal Counsel	-	-	-	-	-	-
50 Audit Fees	4,400	-	4,400	4,400	-	4,400
51 Government Relations, Including Travel, Meals, and Consultants	-	-	-	-	-	-
52 Registered Agent Fee	-	-	-	-	-	-
53 Bank Fees	-	-	-	-	-	-
54 Office Supplies and Equipment	1,098	-	1,098	1,400	-	1,400
55 Rent, ELM and Storage Facility	-	-	-	267	-	267
56 Other Admin Support Provided by Lessor	-	-	-	-	-	-
57 Board Retreat and Meetings	-	-	-	-	-	-
58 Insurance						
59 Cyber Liability	28,932	-	28,932	28,932	-	28,932
60 Directors and Officers	21,740	-	21,740	21,740	-	21,740
61 General Liability	1,669	-	1,669	1,669	-	1,669
62 Insurance - Other	-	-	-	-	-	-

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

		A	B	C	D	E	F
		Month Ended August 31, 2023			For Two Months Ended August 31, 2023		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
63	Legal - Special Projects and L	2,700	-	2,700	2,700	-	2,700
64	Total Administrative Costs	57,839	-	60,539	58,408	-	61,108
65	Other Discretionary Expenditures						
66	Executive Director and Other Contractor Bonus	-	-	-	-	-	-
67	Human Resources and Governance	3,780	-	3,780	9,180	-	9,180
68	Total Other Discretionary Expenditures	3,780	-	3,780	9,180	-	9,180
69	Total Administrative Expenses	198,732	-	201,432	331,596	-	334,296
70	Total Change in Unrestricted Net Assets	\$ (780,170)	\$ 626,687	\$ (156,183)	\$ (2,046,950)	\$ 950,244	\$ (1,099,405)

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

		A	B	C	D	E	F
		For Two Months Ended August 31, 2023			For Two Months Ended August 31, 2022		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
		Revenues / Vaccine Expenses					
1	Assessment Activity:						
2	Assessments	\$ (1,408,746)	\$ 16,471,362	\$ 15,062,617	\$ (1,379,758)	\$ 14,405,083	\$ 13,025,325
3	Recoveries	-	-	-	-	-	-
4	Estimated Over (Under) Collections	-	-	-	-	-	-
5	Refunds	(30,922)	-	(30,922)	(42,744)	-	(42,744)
6	Estimated 2% Waste	(162,099)	-	(162,099)	(138,711)	-	(138,711)
7	Estimated Price Variance and 3% Denial	(250,041)	-	(250,041)	(20,658)	-	(20,658)
8	DOH Replenishment	-	(15,521,118)	(15,521,118)	-	(15,502,789)	(15,502,789)
9	Adjustment to Correct Inventory	-	-	-	-	-	-
10	DOH Cost Recovery Admin Charge	(162,670)	-	(162,670)	(160,357)	-	(160,357)
11	Interest Income on Assessments	-	-	-	-	-	-
12	Net Assessment Activity	(2,014,478)	950,244	(1,064,234)	(1,742,228)	(1,097,705)	(2,839,933)
13	Investment Activity:						
14	Interest and Dividend Income - Morgan Stanley	161,002	-	161,002	126,977	-	126,977
15	Realized Gain/(Loss) on Investments - Morgan Stanley	(100,609)	-	(100,609)	-	-	-
16	Unrealized Gain/(Loss) on Investments - Morgan Stanley	231,642	-	231,642	(248,557)	-	(248,557)
17	Investment Management Expenses	(18,472)	-	(18,472)	(21,693)	-	(21,693)
18	Interest Income - KeyBank	25,561	-	25,561	23,454	-	23,454
19	Net Investment Activity	299,124	-	299,124	(119,819)	-	(119,819)
20	Net Revenues	(1,715,354)	950,244	(765,110)	(1,862,047)	(1,097,705)	(2,959,752)

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

	A	B	C	D	E	F
	For Two Months Ended August 31, 2023			For Two Months Ended August 31, 2022		
	Administrative	Vaccine Other Expenses	Total	Administrative	Vaccine	Total
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Administrator (Helms & Company, Inc.)	130,864	-	130,864	138,364	-	138,364
24 EDI /ACH Clearinghouse Maintenance (Helms & Con	11,046	-	11,046	9,167	-	9,167
25 Clearinghouse Intake Processing (Avality, Zelis, Etc.)	10,292	-	10,292	8,987	-	8,987
26 Lockbox and Bank Fees	7,685	-	7,685	7,110	-	7,110
27 Recovery and Compliance (Helms & Company, Inc.)	10,500	-	10,500	10,500	-	10,500
28 Lockbox Intake (OrboGraph)	7,500	-	7,500	-	-	-
29 Total Direct Processing Costs	177,887	-	177,887	174,128	-	174,128
30 Executive Director Costs and Related Support Fees						
31 Executive Director Salary	39,078	-	39,078	36,421	-	36,421
32 Payroll Taxes	625	-	625	1,495	-	1,495
33 Leased Employee per Check Fee	232	-	232	390	-	390
34 Executive Director Travel and Lodging, Education, an	19,461	-	19,461	4,323	-	4,323
35 Technology Support (Desktop and Telephony)	2,333	-	2,333	670	-	670
36 Total Executive Director Costs and Related Support Fees	61,729	-	61,729	43,299	-	43,299
37 Provider and Payer Education and Outreach						
38 Provider Education Materials, Development and Print	10,608	-	10,608	-	-	-
39 Postage	14	-	14	-	-	-
40 Website and Information Technology	-	-	-	-	-	-
41 Technical Consultants	-	-	-	-	-	-
42 Provider Office Training Sessions	7,804	-	7,804	-	-	-
43 Advertising and Sponsorships	-	-	-	-	-	-
44 Hospitality	5,967	-	5,967	-	-	-
45 Provider Services Rep	-	-	-	-	-	-
46 Leased Employee per Check Fee	-	-	-	-	-	-
47 Total Provider and Payer Education and Outreach	24,392	-	24,392	-	-	-
48 Administrative Costs						
49 Legal Counsel	-	-	-	8,128	-	8,128
50 Audit Fees	4,400	-	4,400	2,835	-	2,835
51 Government Relations, Including Travel, Meals, and	-	-	-	-	-	-
52 Registered Agent Fee	-	-	-	-	-	-
53 Bank Fees	-	-	-	-	-	-
54 Office Supplies and Equipment	1,400	-	1,400	4,693	-	4,693
55 Rent, ELM and Storage Facility	267	-	267	-	-	-
56 Other Admin Support Provided by Lessor	-	-	-	-	-	-

Unaudited - For Management Purposes - See Attached Notes
Prepared by Helms And Company, Inc.

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

		A	B	C	D	E	F
		For Two Months Ended August 31, 2023			For Two Months Ended August 31, 2022		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
57	Board Retreat and Meetings	-	-	-	-	-	-
58	Insurance						
59	Cyber Liability	28,932	-	28,932	-	-	-
60	Directors and Officers	21,740	-	21,740	52,058	-	52,058
61	General Liability	1,669	-	1,669	-	-	-
62	Insurance - Other	-	-	-	-	-	-
63	Legal - Special Projects and L	2,700	-	2,700	-	-	-
64	Total Administrative Costs	58,408	-	61,108	67,714	-	67,714
65	Other Discretionary Expenditures						
66	Executive Director and Other Contractor Bonus	-	-	-	-	-	-
67	Human Resources and Governance	9,180	-	9,180	12,600	-	12,600
68	Total Other Discretionary Expenditures	9,180	-	9,180	12,600	-	12,600
69	Total Administrative Expenses	331,596	-	334,296	297,742	-	297,742
70	Total Change in Unrestricted Net Assets	\$ (2,046,950)	\$ 950,244	\$ (1,099,405)	\$ (2,159,788)	\$ (1,097,705)	\$ (3,257,494)

**Washington Vaccine Association
Administrative Budget Status
For Month of August 31, 2023**

	A Approved Budget	B Actual August 31, 2023	C Budget Variance
1 Direct Processing Costs			
2 Administrator (Helms & Company, Inc.)	65,432	65,432	-
3 EDI /ACH Clearinghouse Maintenance (Helms & Company, Inc.)	3,750	3,750	-
4 Clearinghouse Intake Processing (Avality, Zelis, Etc.)	5,750	6,227	(477)
5 Lockbox and Bank Fees	4,000	3,679	321
6 Recovery and Compliance (Helms & Company, Inc.)	5,250	5,250	-
7 Lockbox Intake (RMS)	6,920	4,573	2,347
8 Total Direct Processing Costs	91,102	88,911	2,191
9 Executive Director Costs and Related Support Fees			
10 Salaries	25,212	18,939	6,273
11 Payroll Taxes	1,975	312	1,663
12 Benefit Stipend	600	600	-
13 Leased Employee per Check Fee	232	116	116
13 Executive Director Travel and Lodging, Education, and Other	6,500	6,267	233
14 Technology Support (Desktop and Telephony)	670	1,993	(1,323)
15 Total Executive Director Costs and Related Support Fees	35,189	28,227	6,962
16 Provider and Payer Education and Outreach			
17 Education Materials Design, Development and Printing	6,250	10,516	(4,266)
18 Postage	1,250	14	1,236
19 Website and Information Technology	1,250	-	1,250
20 Technical Consultants	1,500		1,500
21 Provider Office Training Sessions	1,500	5,931	(4,431)
22 Advertising and Sponsorships	167	-	167
23 Hospitality	300	3,513	(3,213)
24 Total Provider and Payer Education and Outreach	12,217	19,974	(7,757)
25 Administrative Costs			
26 Legal - General Counsel and Governance	4,240	-	4,240
27 Audit Fees	-	4,400	(4,400)
28 Government Relations Consultants	417	-	417
29 Registered Agent Fee	-	-	-
30 Investment Management Fees	10,500	8,806	1,694
31 Office Supplies and Equipment	600	1,098	(498)
32 Rent	-	-	-
33 Other Admin Support Provided by Lessor	42	-	42
34 Board Retreat and Meetings	1,000	-	1,000
35 Insurance			-
36 Cyber Liability	-	28,932	(28,932)
37 Directors and Officers	-	21,740	(21,740)
38 General Liability	-	1,669	(1,669)
39 Legal - Special Projects and Litigation	6,000	2,700	3,300
40 Total Administrative Costs	22,799	69,346	(46,547)
41 Other Discretionary Expenditures			
42 Executive Director Bonus Pool	-	-	-
43 Human Resources and Governance	4,350	3,780	570
44 Total Other Discretionary Expenditures	4,350	3,780	570
45 Total Budget	\$ 165,657	\$ 210,238	\$ (44,581)

**Washington Vaccine Association
Administrative Budget Status
For Two Months Ended August 31, 2023**

	A Approved Budget	B Actual August 31, 2023	C Budget Variance
1 Direct Processing Costs			
2 Administrator (Helms & Company, Inc.)	130,864	123,364	7,500
3 EDI /ACH Clearinghouse Maintenance (Helms & Company, Inc.)	7,500	15,000	(7,500)
4 Clearinghouse Intake Processing (Avality, Zelis, Etc.)	11,500	10,292	1,208
5 Lockbox and Bank Fees	8,000	7,685	315
6 Recovery and Compliance (Helms & Company, Inc.)	10,500	10,500	-
7 Lockbox Intake (OrboGraph)	13,840	11,046	2,794
8 Total Direct Processing Costs	182,204	177,887	4,317
9 Executive Director Costs and Related Support Fees			
10 Executive Director Salary	51,624	39,078	12,546
11 Payroll Taxes	3,950	625	3,325
12 Leased Employee per Check Fee	464	232	232
13 Executive Director Travel and Lodging, Education, and Other	13,000	19,461	(6,461)
14 Technology Support (Desktop and Telephony)	1,340	2,333	(993)
15 Total Executive Director Costs and Related Support Fees	70,378	61,729	8,649
16 Provider and Payer Education and Outreach			
17 Provider Education Materials, Development and Printing	12,500	10,608	1,892
18 Postage	2,500	14	2,486
19 Website and Information Technology	2,500	-	2,500
20 Technical Consultants	3,000	-	3,000
21 Provider Office Training Sessions	3,000	7,804	(4,804)
22 Advertising and Sponsorships	334	-	334
23 Hospitality	600	5,967	(5,367)
24 Provider Services Rep	-	-	-
25 Leased Employee per Check Fee	-	-	-
26 Total Provider and Payer Education and Outreach	24,434	24,392	42
27 Administrative Costs			
28 Legal - General Counsel and Governance	8,480	-	8,480
29 Audit Fees	-	4,400	(4,400)
30 Government Relations Consultants	834	-	834
31 Registered Agent Fee	150	-	150
32 Investment Management Fees	21,000	18,472	2,528
33 Office Supplies and Equipment	1,200	1,400	(200)
34 Rent	-	267	(267)
35 Other Admin Support Provided by Lessor	84	-	84
36 Board Retreat and Meetings	2,000	-	2,000
37 Insurance	-	-	-
38 Cyber Liability	22,800	28,932	(6,132)
39 Directors and Officers	-	21,740	(21,740)
40 General Liability	-	1,669	(1,669)
41 Legal - Special Projects and Litigation	12,000	2,700	9,300
42 Total Administrative Costs	68,548	79,580	(11,032)
43 Other Discretionary Expenditures			
44 Executive Director Bonus Pool	-	-	-
45 Human Resources and Governance	8,700	9,180	(480)
46 Total Other Discretionary Expenditures	8,700	9,180	(480)
47 Total Budget	\$ 354,264	\$ 352,768	\$ 1,496

Washington Vaccine Association
Notes to Financial Statements
For the Month Ended August 31, 2023

Balance Sheet

Lines 2 and 4. Cash decreased in August by approximately \$2,587,000. Total cash and investments at month end are approximately \$40 million as compared to the budgeted cash position of \$36 million. The time-lag between the date of service and the receipt of payment has been considered when projecting cash reserves for FY2023.

Line 6. The Prepaid Vaccine amount includes the amount requested by the Washington Department of Health (DOH) for the September 2023 replenishment of vaccines. The amount includes the administrative fee of 1.4% which equaled \$145,973 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.

Line 12. Other Accruals reflects a contingent liability of \$594,182 for assessments received that may require repayment to a specific payer. In January of 2023, the WVA requested that this payer turn offsets off on our account and formally request refunds for denied claims rather than offsetting the denials against future claims. Later in 2023, this same payer reprocessed a significant number of dosage-based assessments that has resulted in denied charges being paid to the WVA. The payment of the reprocessing began in early June 2023 and continued into the current fiscal year. The WVA is still assessing the legitimacy of the denials and calculating the liability. As such, this contingent liability may be adjusted up or down as new information becomes available to the WVA.

Profit and Loss

Line 2. The amount reported as Assessments includes all assessments received in the month of August. 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 August 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 August.

Line 10. The amount reported as DOH Cost Recovery Admin Charge is the amount requested by the DOH for administrative expenses incurred in July. It was paid with the September 2023 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.