



## 2017 BOARD RETREAT



# Financial Training

**Presented by**  
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**Acting Chief Financial Officer**  
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# Training Requirement

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- § 122C-119.1
- Annual
- Fiscal Management
- Fiscal Accountability
- Budget Development

# Fiscal Management

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## Monetary Resources

- Plan
- Direct
- Organize
- Control

## Principles

- Consistent
- Accountable
- Transparent
- Honest
- Good Steward

Goal: To accomplish objectives of the organization

# Fiscal Management Tools

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- Financial Reporting
- Comparative Statements
- Budget and Analysis
- Dashboards
- Financial Controls

Fiscal Year  
July 1 to June 30

# Standard Board Reports

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- Balance Sheet
- Income Statement
  - Comparison to Budget
- Cash Flow Statement
- Financial Metrics
  - Defensive Interval - # days of cash
  - Medical Loss Ratio – expenses to revenue
  - Current Ratio – current assets to current liabilities

# Fiscal Accountability

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- Internal Controls
- Segregation of Duties
- Accounting Principles
- Accounting System
- Account Reconciliations
- Cash Management
- Investment of Idle Funds
- Deposit of Funds
- Disbursements

# External Accountability

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- Financial Report to Board
- Annual Independent Audit
- Semi-Annual Deposit and Investment Reports
- Monthly Reporting to DMA and DMH/DD/SAS
- State Reconciliation of State Funds

# Components of Budget

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## Budget Categories

- Revenue
- Services
- Administration
- Risk Reserve

## Sources of Funds

- Medicaid
- State
- County MOE
- Other
- Fund Balance
- Appropriations

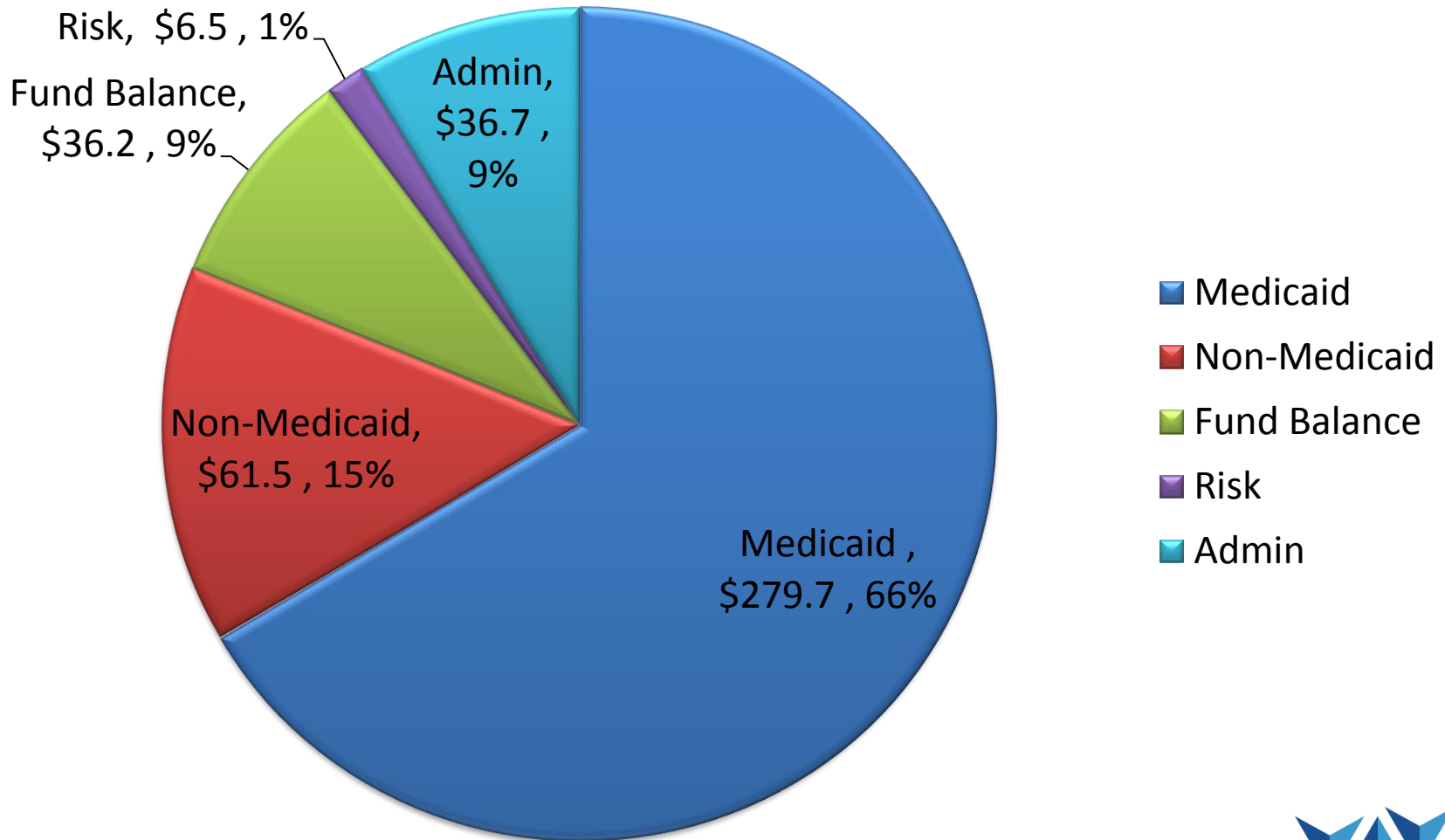


# Medicaid Full Risk

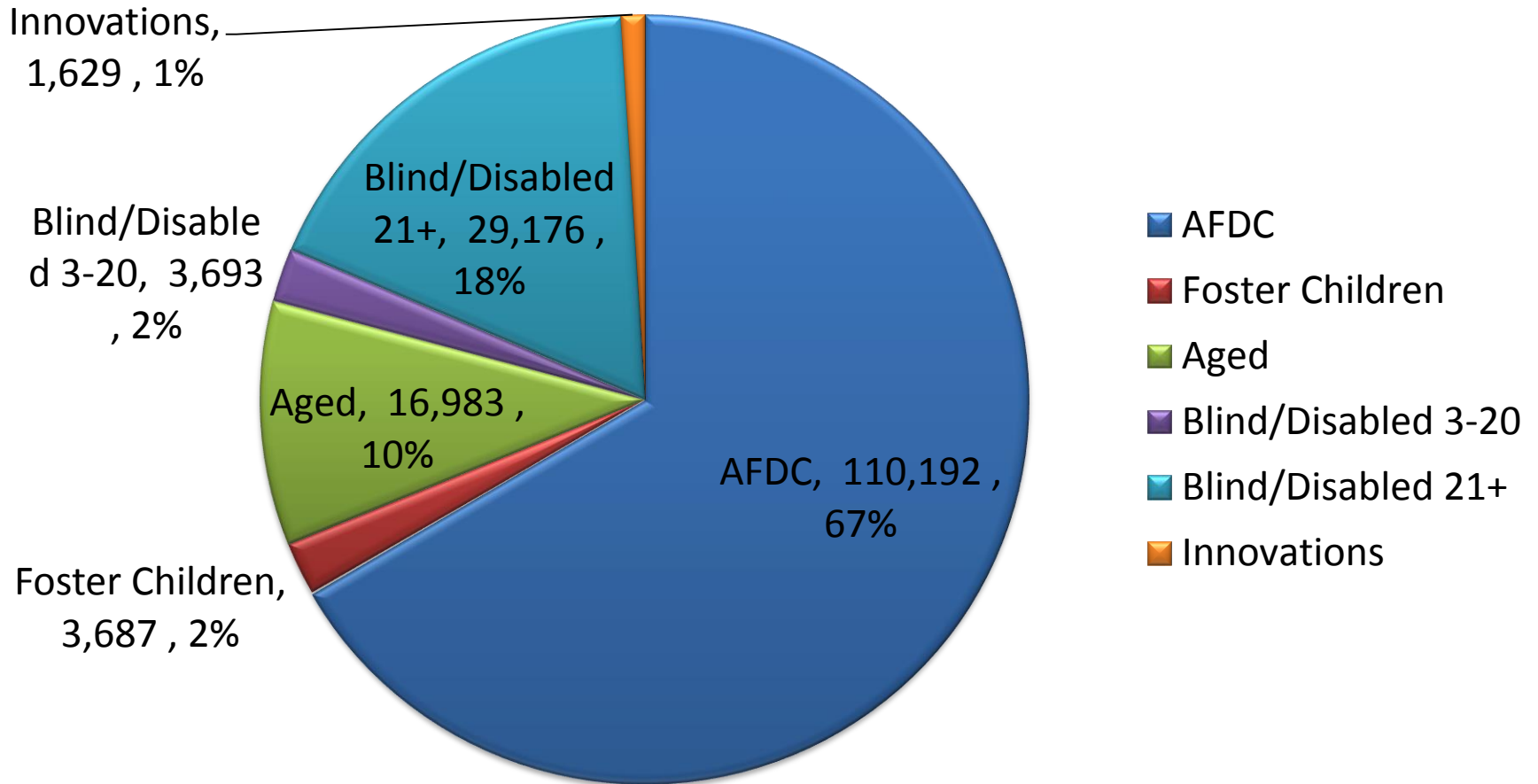
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- Capitated – Per Member Per Month
- Eligibility
  - AFDC
  - Aged
  - Blind and Disabled: 3-20 and 21+
  - Innovations
  - Foster Children
  - (b)(3) Services

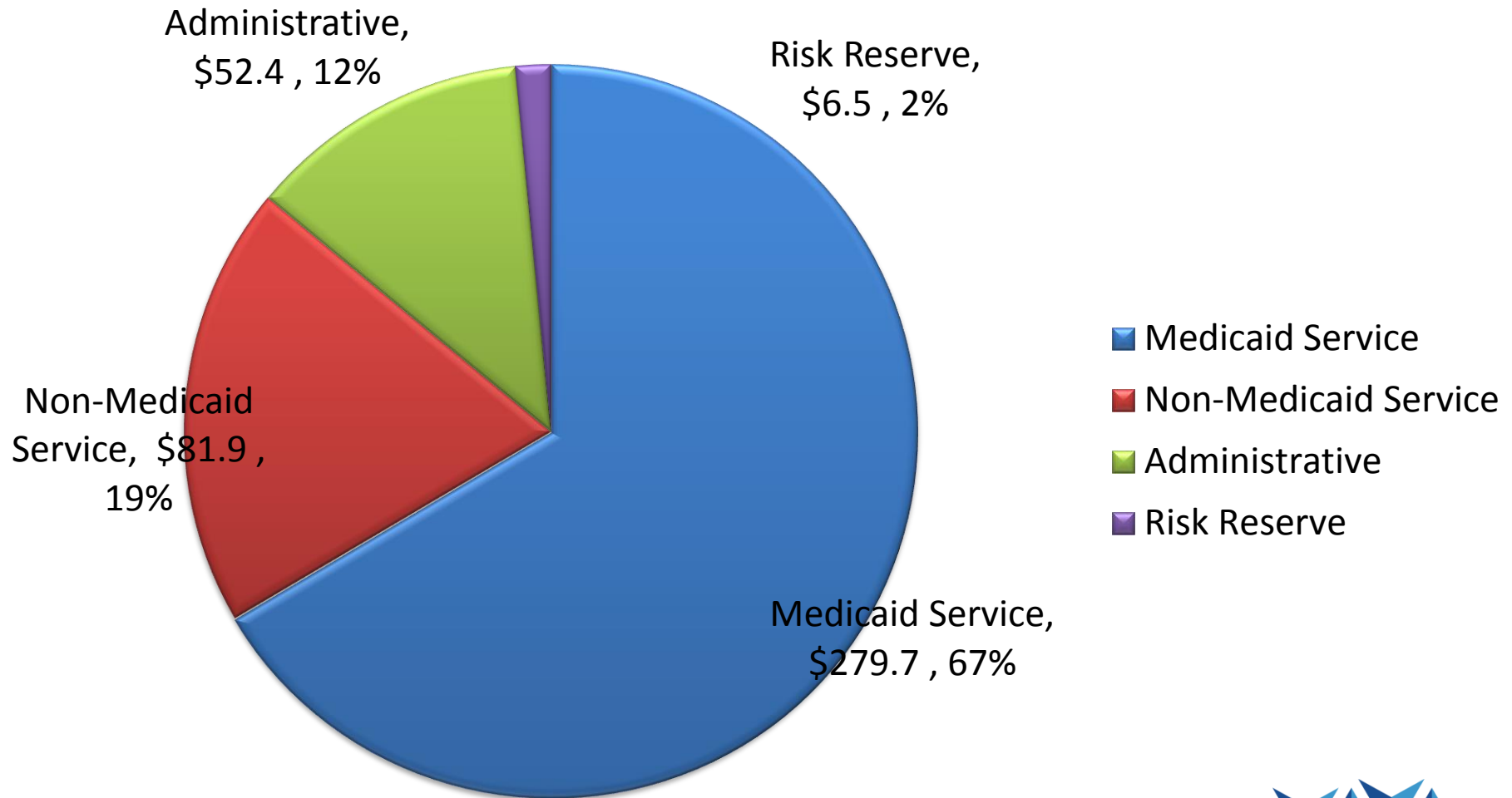
# Budgeted Revenue (in millions)



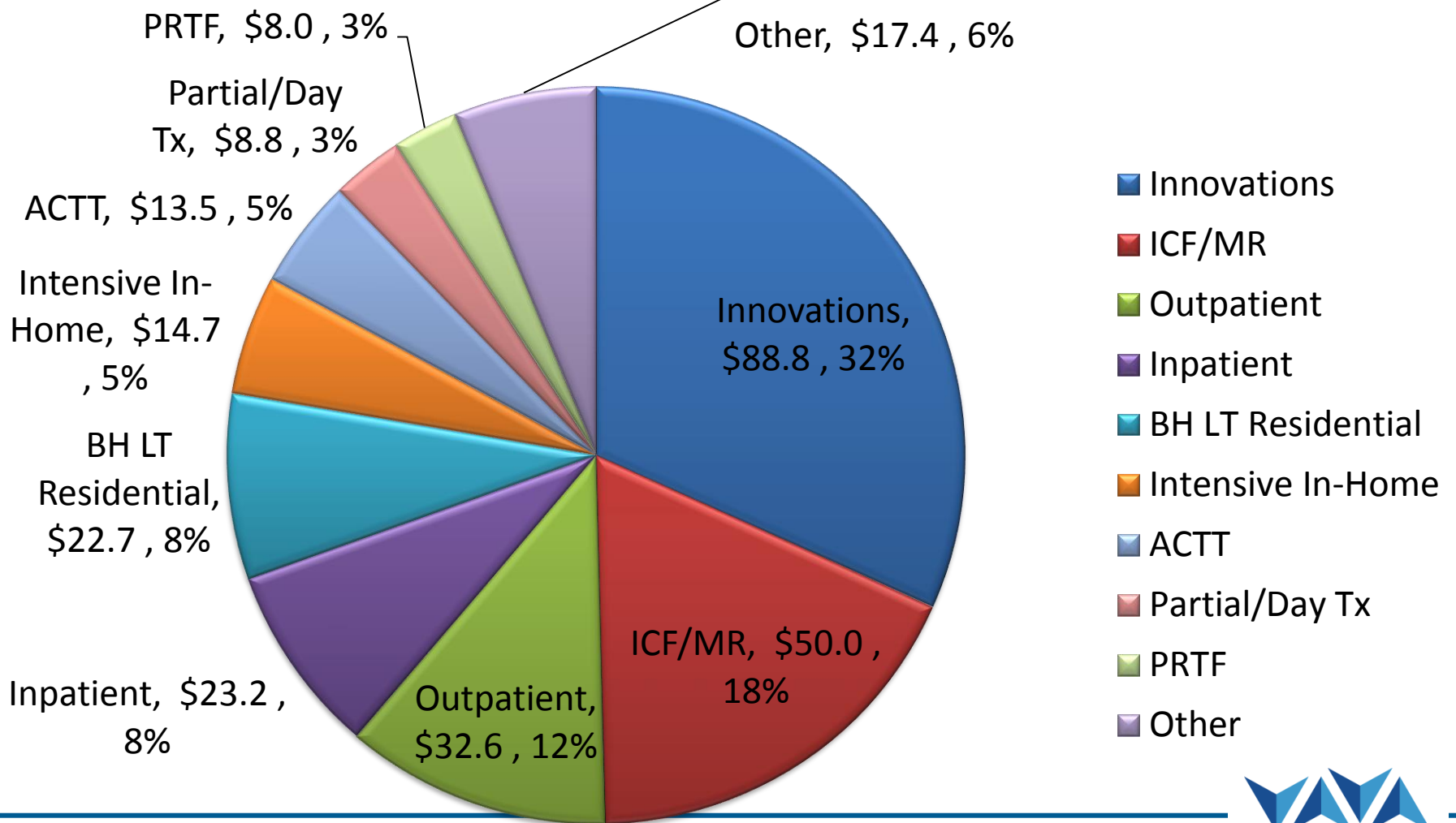
# Medicaid Membership (Average as of 12/31/16)



# Budgeted Expenses (in millions)



# Medicaid Services (in millions)



# Budget Guidelines

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- Annual budget for fiscal year (Jul 1 to Jun 30)
- By April 30 – budget requests received
- By June 1 - proposed budget presented
- By July 1 – budget adopted
  - Not earlier than 10 days from presentation of budget

# Questions

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Contact information for any future questions

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