



WVSOM BOARD OF GOVERNORS

Finance and Audit Committee Meeting Minutes

Date & Time: Friday, June 05, 2026, at 9:00 a.m.

Location: John Manchin, II, D.O., Conference Center,
Room #2, located in the Clinical Evaluation Center

I. Call to Order/Roll Call/Quorum

The meeting of the WVSOM Board of Governors Finance and Audit Committee was called to order at 9:00 am. A quorum was confirmed.

II. Approval of Minutes

The minutes from the March 27, 2026 Finance and Audit Committee meeting were presented for review. A motion to approve the minutes was made by Dr. Fitzwater and seconded by Dr. Muscari. The motion carried unanimously and the minutes were approved as presented.

III. Committee Items

A. WVSOM Office of Business Affairs Update (*McAllister*)

1. FY26 Financial Update as of April 30, 2026

Mr. McAllister provided a financial and operational update as of April 30, 2026. Total revenues presented approximately \$51 million (later updated to ~\$53.1 million, 92% of budget). Mr. McAllister reviewed the Total expenses of \$45.5 million with an Operating margin of \$5.99 million. Revenue performance is being closely monitored, particularly Tuition and fees, which is being impacted by student withdrawals and leave of absences. Investment earnings were previously forecasted above budget but remain stable without concern.

Mr. McAllister noted that overall expenses are within budget expectations. Notable increases continue in insurance costs (BRIM), though accounted for in the budget. Trends noted by Mr. McAllister include, Year-over-year revenue remains steady and expenses are tracking favorably. Cash levels have declined slightly due to ongoing campus projects but remain manageable.

2. Facilities Update

The Science Building is in site preparation complete; foundation work (helical anchor drilling) to begin shortly. Other Deferred Maintenance Projects include: Ongoing upgrades to Building A/Quad interior renovations, water intrusion remediation in multiple places in the Main Building. The Founders Activity Center completion is expected late in the fall.

3. Other Updates

The preliminary findings from the Student Housing Feasibility Study confirm a strong need, and a final report is expected at the next meeting. Additional property acquisition projects are continuing with survey results and appraisal expected to be received by mid-June. Environmental review is being conducted through DEP grant funding, which may also cover remediation if needed.

The WVSOM audit process is underway; interim work was completed in May. The annual audit presentation will shift from the January to the November board meeting.

B. Robert C. Byrd Clinic (RCBC) Update (*Nemcik*)

Ms. Nemcik presented a positive operational and financial report for the clinic highlighting a positive budget variance of \$1.3 million. Accounts receivable has reduced by 22% with collections being up 24% year-over-year (April). Ms. Nemcik noted that the reserve balance is up to \$650,000 as of May 27. She was excited to inform the Committee of the first debt repayment installment scheduled for July 1.

Overall, Ms. Nemcik noted several performance improvements including strong gains in provider productivity and care coordination and first-pass claims resolution rate improved to ~90%, significantly reducing rework and denials.

RCBC has had successful recruitment of providers and nursing staff which has improved employee retention. The RCBC team continues to focus on quality patient care and faster response times.

Ms. Nemcik and the Committee discussed RCBC's cash Position Goal. Currently, RCBC Days cash on hand has improved from ~6 days to 41 days. RCBC's target range is 120 days cash on hand. Ms. Nemcik project timeline to achieve this goal 80–90 days cash on hand within 18–24 months.

The transition to WVSOM Health is being well received and the community support is increasing. RCBC (soon to be named WVSOM Health) is transitioning ACO participation moving Medicare Shared Savings Program (MSSP) to Alidade which is projected to improve revenue of approximately \$400,000. Ms. Nemcik will continue to evaluate RCBC/WVSOM Health's participation in Vandalia Health Network for other programs.

Ms. Nemcik has identified deferred maintenance concerns, including: aging flooring in clinical areas (particularly carpet). Some updates being already completed (e.g., pediatric department flooring replacement improved infection control and maintenance). Ms. Nemcik will continue to work with Mr. McAllister on building improvements.

IV. Next Committee Meeting Date: *To be determined*

V. Adjournment

With no further business, a motion to adjourn was made by Dr. Fitzwater, seconded by Dr. Morgan and approved unanimously. The meeting was adjourned at 9:20 am.

Approved on August 28, 2026

Signed by:

Dr. Mike Muscari
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Mike Muscari, D.O., Chair