

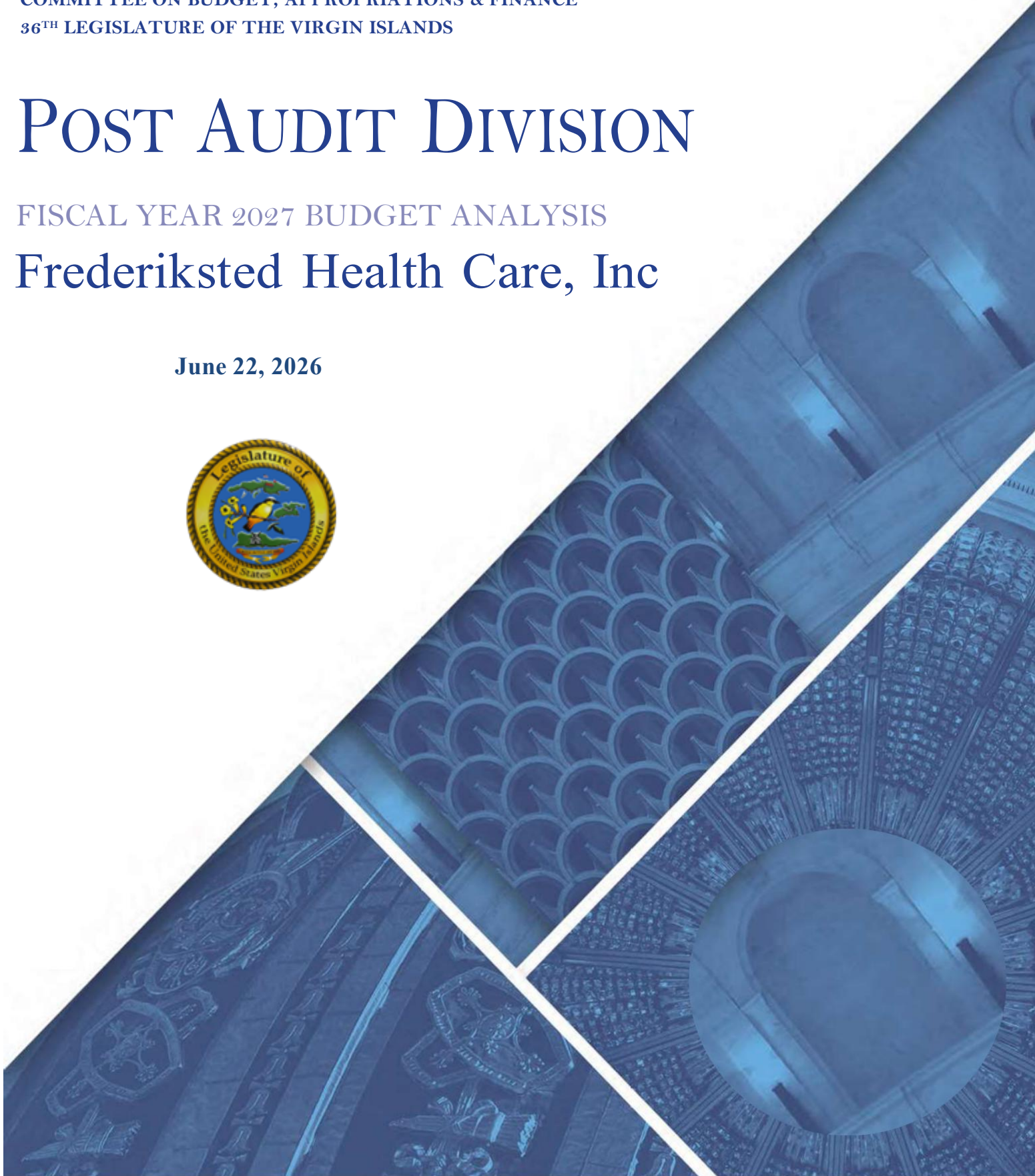
COMMITTEE ON BUDGET, APPROPRIATIONS & FINANCE
36TH LEGISLATURE OF THE VIRGIN ISLANDS

POST AUDIT DIVISION

FISCAL YEAR 2027 BUDGET ANALYSIS

Frederiksted Health Care, Inc

June 22, 2026



POST AUDIT DIVISION

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DEPARTMENT'S OVERVIEW

The Frederiksted Health Care, Inc (**FHC**) is a Not-For-Profit 501 (C) (3) corporation, which was established in St. Croix, U.S. Virgin Islands in July 2000. The target population for the FHC Inc. is the medically underserved, underinsured, and uninsured patients, and members of the entire community within the island of St. Croix.

The corporation was able to establish several service locations (***Ingeborg Nesbitt Clinic {INC}, the St Croix Educational Complex School Based Health Center {SBHC}, Dental East, and Northshore Health Center, Sion Farm Health Center, and Leana Schulerbrandt Health Center, Sunshine Mall***) for providing quality outpatient health care services through its affiliation with the U.S. Virgin Islands Government's Department of Health and in collaboration with the Department of Education.

A number of services are offered by FHC primarily at its' service locations. Some medical services are performed by appointment, but walk-ins are also welcomed. Below is a list of care that requires scheduling:

- Comprehensive Primary Care Services
- Family Practice
- Prenatal/High Risk Prenatal
- Pediatrics
- HIV Services
- Immunization
- Cardiology
- Family Planning/GYN
- Eye Screening
- Mental Health Counseling
- Laboratory (Phlebotomy and limited on site processing)
- Podiatry

Services at the ***INC-Urgent Care Center*** are on a walk-in basis inclusive of the provision of medical services to patients of varying ages and conditions of illness ranging from minor to critical:

- Evaluation, treatment, and discharge
- Transfer to the Governor Juan F. Luis Hospital via ambulance service for the provision of treatment outside the scope of the facility

In-Kind services provided on site by the Department of Health include:

- Community Health (STD, HIV, TB services)
- Mental Health
- Substance Abuse

The Frederiksted Health Care, Inc.'s mission is ***“to provide appropriate, cost efficient, comprehensive, high quality health care services to the people of the St. Croix, United States Virgin Islands with expansion to satellite sites without regard to race, color, creed, nationality, gender, age, handicap, sexual orientation, and without regard to ability to pay”***.

BOARD OF DIRECTORS

Frederiksted Health Care, Inc.’s Board of Directors consists of sixteen (16) members. The Board of Directors operates in accordance with the *Bureau of Primary Health Care Policy Information Notice 98-23 – Consolidated Health Center Program Expectations*. In accordance with federal program expectations, the responsibilities of the Board of Directors are:

- Setting the policies and procedures of the center
- Approval of the program budgets
- Ensuring program compliance with all applicable laws, guidelines, and regulations in collaboration with the Chief Executive Officer, who in turn guides the executive management.

Board Members	Title	Terms
Donna Christensen MD	Chairperson	2 Years
Eustace Browne	Vice-Chairperson	-
Ayanna T Romney	Treasurer	6 Years
Juel Mills	Secretary	3 Years
Lorraine Motta	Member	9 Years
Luz Maldonado	Member	-
Stanley Jones	Member	10 Years
John Abramson, Jr	Member	2 Years
Yvonne Webster- Pryce	Member	-
Laurie Christian	Member	1 Year
Kim Daniels	Member	10 Years
Beverly Smith	Member	1 Year
Constancia Ebanks- Hodge	Member	2 Years
Member	Vacant	
Member	Vacant	
Member	Vacant	

Note: No specific dates were provided for the terms

FHC AT A GLANCE

Act No. 9035 Appropriated **\$3,000,000** to the FHC. The Agency did not receive any additional funding for FY 2026.

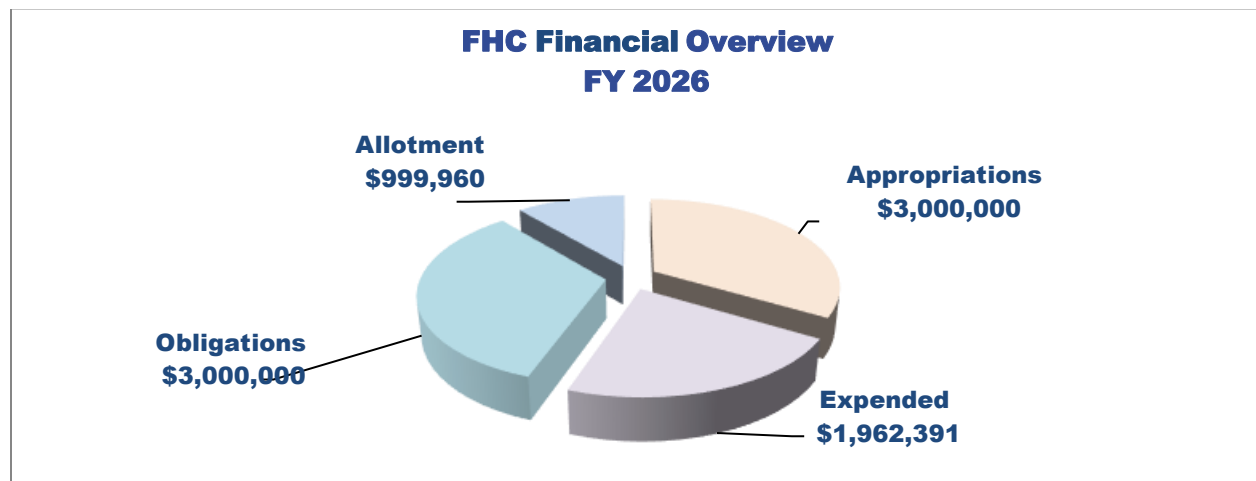


Exhibit I

FUND FLOW ANALYSIS

The Agency's Fiscal Year 2026 fund flow analysis outlines the FHC's budget across five key components: appropriations, allotted amount, obligations, expenditures and balance available.

Dept.	Fund Source	Appropriation	Allotted as of June 08, 2026	Obligated	Expended as of May 31, 2026	Balance	Remarks
FHC	General	\$3,000,000	\$999,960	\$3,000,000	\$1,962,391	\$1,037,609	\$2,000,040 unallotted

Exhibit II

As of June 08, 2026, Frederiksted Health Care, Inc. was appropriated **\$3,000,000** from the General Fund. Of this amount, **\$999,960 (33%)** has been **allotted**, while **\$2,000,040 (67%)** remains **unallotted**.

According to the Chief Financial Officer, FHC obligated the full \$3,000,000 prior to receiving the complete allotment demonstrating proactive financial planning and a firm commitment to their budgeted programs and services.

As of May 31, 2026:

- **\$1,962,391 (65.4%)** of the total appropriation has been **expended**
- This leaves a **balance of \$1,037,609 (34.6%)** unspent

FISCAL YEAR 2027 BUDGET SUMMARY

The Governor has recommended a General Fund lump sum from the Miscellaneous Section of the budget for FY 2027 in the amount of **\$3,000,000**.

EXPENDITURES

FHC submitted a FY 2027 budget request of **\$3,592,728**. *Exhibit III* displays the budget allocations for FY 2025- FY 2027.

Accounts	Actuals FY 2025	Appropriation FY 2026	Request FY 2027	Variance 2027-2026	% Change
Personnel Services					
Salaries	\$1,953,913	\$2,023,911	\$2,091,111	\$67,200	3.3%
Total Personnel Services	1,953,913	2,023,911	2,091,111	67,200	3.3%
Total Fringe Benefits	526,436	526,089	543,689	17,600	3.3%
Supplies	189,214	-	-	-	-
Other Services & Charges					
Professional Services -Dental	140,650	150,000	150,000	-	-
Communication	12,007	50,000	50,000		
Total Other Services & Charges	152,657	200,000	200,000	-	-
Total Utility	177,780	250,000	250,000	-	-
Capital Outlay					
Machinery & Equipment	-	-	307,928	307,928	100%
All Other	-	-	200,000	200,000	100%
Total Capital Outlay			507,928	507,928	100%
Total General Fund	\$3,000,000	\$3,000,000	\$3,592,728	\$592,728	19.75%

Exhibit III

FHC’s FY 2027 projected budget for **Program Income**. *Exhibit IV* displays the budget allocations for FY 2025- FY 2027.

Accounts	Actuals FY 2025	Budget FY 2026	Projection FY 2027
Personnel Services			
Salaries	\$4,248,180	\$4,500,000	\$4,500,000
Total General Fund	4,248,180	4,500,000	4,500,000
Total Fringe Benefits	1,104,527	1,100,000	1,100,000
Supplies			
Office Supplies	222,249	250,000	250,000
Operating Supplies	441,625	450,000	450,000
Data Processing Equipment	410,644	475,000	475,000
All Other – Medical Supplies	450,815	450,000	450,000
Total Supplies	1,525,333	1,625,000	1,625,000
Other Services & Charges			
Professional Services	267,892	300,000	300,000
Professional Services-Lab	278,773	300,000	300,000
Communication	131,108	130,000	130,000
Travel	171,551	150,000	150,000
Transportation- Not Travel	49,114	45,000	45,000
Advertising & Promotion	53,417	50,000	50,000
Insurance	73,594	100,000	100,000
Repairs & Maintenance	257,600	250,000	250,000
Rental - Land/Building	85,297	130,000	130,000
Training	69,793	70,000	70,000
Total Other Services & Charges	1,438,140	1,525,000	1,525,000
Utilities	253,849	250,000	250,000
Total Capital Outlay	-	-	-
Total Program Income	\$8,570,029	\$9,000,000	\$9,000,000

Exhibit IV

FHC’s FY 2027 projected budget for the **Federal Funds**. *Exhibit V* displays the budget allocations for FY 2025- FY 2027.

Accounts	Actuals FY 2025	Budget FY 2026	Projection FY 2027
Personnel Services	\$3,004,993	\$3,000,000	\$3,000,000
Unclassified Employees	-	-	-
Temp/Part Time Employees	-	-	-
Total Personnel Services	3,004,993	3,000,000	3,000,000
Total Fringe Benefits	608,958	600,000	600,000
Supplies			
Office Supplies	43,820	50,000	50,000

Accounts	Actuals FY 2025	Budget FY 2026	Projection FY 2027
Operating Supplies	12,371	15,000	15,000
Data Processing Equipment	2,400	2,500	2,500
All Other – Medical Supplies	22,605	50,000	50,000
Total Supplies	81,196	117,500	117,500
Other Services & Charges			
Professional Services	-	100,000	100,000
Professional Services-Lab	7,540	50,000	50,000
Communication	9,724	50,000	50,000
Total Other Services & Charges	17,264	200,000	200,000
Utilities	113,000	150,000	150,000
Total Federal Funds	\$3,825,411	\$4,067,500	\$4,067,500

Exhibit V

PERSONNEL SERVICES

FHC’s Personnel Services represents approximately **58%** of the General Fund budget. The Center is requesting a budget of **\$2,091,111** for FY 2027 General Fund positions. This represents an increase of **\$67,200** above FY 2026 Personnel Services of **\$2,023,911** and an increase of one (1) position. A detailed listing of positions funded by the General Fund can be viewed in *Appendix I*.

FHC			Position Classification				Part time
Fiscal Year 2027			Unclassified		Classified		
Fund Name	Pos #	FY 2027 Budget	Pos #	Total	Pos #	Total	
<i>General Fund</i>	26.00	\$2,091,111	26.00	\$2,091,111	-	\$-	\$-
<i>Program Income</i>	93.00	4,500,000	93.00	4,500,000	-	-	-
<i>Federal Funds</i>	42.00	3,000,000	42.00	3,000,000	-	-	-
Grand Total	161.00	\$9,591,111	161.00	\$9,591,111	-	\$-	\$-

FHC			Position Classification				Part Time
Fiscal Year 2026			Unclassified		Classified		
Fund Name	Pos #	FY 2026 Budget	Pos #	Total	Pos #	Total	
<i>General Fund</i>	25.00	\$2,023,911	25.00	\$2,023,911	-	\$-	\$-
<i>Program Income</i>	93.00	5,000,000	93.00	5,000,000	-	-	-
<i>Federal Funds</i>	42.00	2,900,000	42.00	2,900,000	-	-	-
Grand Total	160.00	\$9,923,911	160.00	\$9,923,911	-	\$-	\$-

Exhibit VI

LEASES /MORTGAGE

Exhibit VII provides a comprehensive list of FHC’s leases and mortgages.

Location	Purpose	Rent
#45 Strand Street, Frederiksted, St. Croix	Administrative Offices	\$1650 per month
#516 Strand Street, Frederiksted, St. Croix	Medical Clinic	1 per annum
#6C La Grande Princesse, Christiansted, St Croix	Medical Clinic	Own
Sion Farm Shopping Center, St Croix	Medical Clinic	4,756 per month
Sion Farm Shopping Center, Christiansted St Croix	Medical Clinic	\$3,500 per month

Exhibit VII

INDEPENDENT CONTRACTORS

FHC’s Independent Contractors can be found in *Exhibit VIII*.

Funding Source	Name	Title	Rate/Hour
General Fund	Sonia Griffith, MD	Pediatric Dental Surgeon	\$ 150.00 per hour
General Fund	Derrick Jones	Anaesthesiologist	\$1,850.00 per patient

Exhibit VIII

PROFESSIONAL SERVICES CONTRACTS

Exhibit IX displays \$543,040 in Professional Services Contracts for FY 2027.

Name	Description	Annual Amount
eClinical Works	EMR Software	\$ 113,772
LabCorp	Laboratory Services	350,000
Smart Solutions	Auditing Services	40,000
William Nash	A/C Maintenance	39,268
Totals		\$543,040

Exhibit IX

FEDERAL GRANTS

Exhibit X displays four (4) Federal grants awarded to FHC. These grants represent federal funding received directly from the respective grant organizations to support various health programs and operational needs. As of May 31, 2026, FHC has expended a total of \$1,016,875 from these federal grant awards: \$2,898,536 remaining balance.

Description	Award Amount
HRSA Ryan White Part C	\$207,733
HRSA Rural Health Cluster	3,076,053
CDC High Impact HIV Prevention Projects	481,625
RW Capacity grant	150,000
Totals	\$3,915,411

Exhibit X

VEHICLE LISTING

FHC currently maintains a fleet of eleven (11) vehicles. *Exhibit XI* provides a detailed listing of these vehicles. As of May 31, 2026, the center reported \$19,509 in vehicle maintenance expenses and \$16,803 in gasoline costs associated with fleet operations.

Year	Make	Model	Plate No.	Funding	Condition
2021	Chevrolet	Silverado	CHP-410	FHC-PI	Fairly New
2023	Chevrolet	Silverado	CIR-004	FHC-PI	Fairly New
2024	Chevrolet	Silverado	CIS-038	FHC-PI	Fairly New
2017	Ford	Escape	CFX-080	FHC-PI	Good

Year	Make	Model	Plate No.	Funding	Condition
2023	Dodge	Chrysler	CHN-258	FHC-PI	Fairly New
2018	Chevrolet	Silverado	CHN-133	FHC-PI	Good
2019	Ford	Transit	CGL-647	RW	Good
2022	Jeep	Cherokee	FHC-1	FHC-PI	Fairly New
2022	Ford	250Van	CFX-060	FHC-PI	Fairly New
2025	Nissan	Pathfinder	CIT-129	FHC-PI	Fairly New
2022	Toyota	Highlander	CIU-949	FHC-PI	Fairly New

Exhibit XI

OUTSTANDING OBLIGATIONS

As of May 31, 2026, Frederiksted Health Care provided a listing of outstanding vendor obligations totaling **\$289,445**.

Vendors	Amount	Status
BANCO POPULAR DE PR	\$7,398	Not over 90 Days
BC SUPPLIES	6,568	Not over 90 Days
CHAMBERLAIN UNIVERSITY	8,310	Outstanding: 91 days and over
DDS LAB LLC	2,202	Not over 90 Days
DENTAL ARTS LABS	4,067	Not over 90 Days
DUDLEY NEWMA, FEUERZEIG LLP	10,637	Not over 90 Days
eClinical Works, LLC	5,025	Not over 90 Days
GLIDEWELL	3,301	Not over 90 Days
HENRY SCHEIN INC	32,659	Not over 90 Days
HENRY SCHEIN INC	121,718	Not over 90 Days
TADIUS STEVENS	20,000	Outstanding: 91 days and over
THE MEDICINE SHOPPE	17,291	Not over 90 Days
UpToDate, Inc	10,195	Outstanding: 91 days and over
VI CONSORTIUM	3,750	Outstanding: 91 days and over
WAPA	36,324	Not over 90 Days
Totals	\$289,445	

Exhibit XII

COMPLIANCE, OVERSIGHT & CORRECTIVE ACTION REVIEW

Completed and released by Smart Solutions, CPA on 10/30/2025, FY 2024 unmodified audit report with no material weakness, significant deficiency and non-compliance material identified for financial reporting and Federal awards major programs

Findings:

1. Financial Statement Findings
 - None
2. Compliance and Other Matter Findings
 - None
3. Federal Awards Findings and Questioned Costs
 - None

4. Summary Schedule of Prior Year Findings
 - Non-availability of reconciliations due to cyber incident

Recommendations

1. Strengthening of data recovery and cybersecurity procedures for retrieval of financial and patients’ information
2. Establish comprehensive IT controls policies covering information security, change management and incident response
3. Enhance data recovery procedures to ensure information necessary for compliance

Corrective Actions

1. Management implemented comprehensive cybersecurity and data recovery controls to prevent occurrence
2. Management implemented formal IT and cybersecurity policies, enhanced data backup and recovery processes, strengthened staff training and monitoring controls
3. Management implemented enhanced data recovery and cybersecurity measures to ensure access to compliance documentation, including restored backup redundancy and secure system controls

SUMMARY

For Fiscal Year 2027, the Governor has recommended a General Fund lump sum appropriation of **\$3,000,000** for Frederiksted Health Care, Inc. However, FHC submitted a budget request totaling \$3,592,728, which includes \$507,928 for capital outlays. The requested budget exceeds the Governor’s recommendation by \$592,728, representing a funding gap of approximately 16.5 percent.

\$3,000,000	Governor's General Fund Lump Sum Recommendation
\$3,000,000	FY 2027 Total Operating Budget

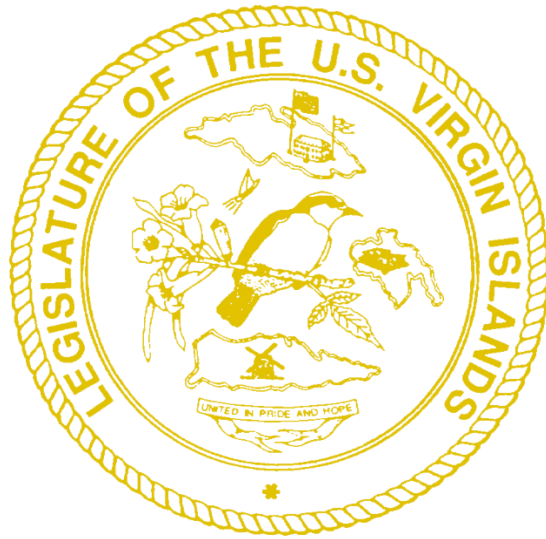


Theodora Philip, DBA
Post Auditor

APPENDIX I

PERSONNEL LISTING

POSITION TITLE	SALARY	STATUS
GENERAL FUND		
BUSINESS OFFICE ASSOCIATE	\$ 44,720	FILLED
BUSINESS OFFICE ASSOCIATE	42,640	FILLED
BUSINESS OFFICE ASSOCIATE	44,408	FILLED
BUSINESS OFFICE ASSOCIATE	38,480	FILLED
CHIEF MEDICAL DIRECTOR	275,000	FILLED
CLINICAL UNIT CLERK	40,227	FILLED
DENTAL ASSISTANT	53,040	FILLED
DENTAL ASSISTANT	50,232	FILLED
DENTAL OFFICE MANAGER	65,000	FILLED
HEALTH INFORMATION ASSOCIATE	39,312	FILLED
HEALTH INFORMATION ASSOCIATE	43,389	FILLED
HEALTH INFORMATION MANAGER	65,000	FILLED
MAINTENANCE HOUSEKEEPER	34,944	FILLED
MAINTENANCE HOUSEKEEPER	32,240	FILLED
MAINTENANCE HOUSEKEEPER	31,200	FILLED
MAINTENANCE HOUSEKEEPER	32,760	FILLED
MAINTENANCE SUPERVISOR	60,000	FILLED
NURSE PRACTITIONER	130,000	FILLED
LICENSED PRACTICAL NURSE	70,491	FILLED
LICENSED PRACTICAL NURSE	68,994	FILLED
LICENSED PRACTICAL NURSE	65,500	FILLED
PHLEBOTOMIST	51,334	FILLED
STAFF DENTIST /CDO	215,000	FILLED
STAFF DENTIST	180,000	FILLED
STAFF DENTIST	187,200	FILLED
STAFF DENTIST	130,000	FILLED
SUB-TOTAL	\$2,091,111	26
ADJUSTMENTS		
FRINGE BENEFITS	543,689	
SUB-TOTAL	543,689	
TOTAL GENERAL FUND	\$ 2,634,800	26



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