Minutes of the Audit Committee meeting of the Board of Managers of the Dallas County Hospital District, held Wednesday, October 8th, 2025, scheduled for 10:00 a.m. in the WISH Building Executive Conference Room (02-175) at Parkland Health and via Webex. These minutes do not constitute a certified agenda from the meeting.

I. Attendance and Call to Order

Committee Chair Todd Furniss, JD, noted that a quorum was physically present and called the meeting to order at 10:00 a.m. Committee members Ramon Miguez, PE, and Reina Gonzalez, JD attended in-person.

Board Member attendees included: Vincent Hall

Staff Present (via Webex and in-person) included:

Amy LaBarge, SVP & Chief Audit Officer
Andrea Claire, Mgr., Internal Audit
Brad Nitschke, Interim Chief Legal Officer
Edmundo Castaneda, EVP & COO
Fred Cerise, President & Chief Executive Officer
Keri Disney-Story, VP/Clinical Finance
Michelle Ng, Administrative Resident
Morgan Simmons, Board Governance Program Coordinator
Saul Cordero, SVP & Chief Governance and Strategy Officer
Steven Roth, EVP Chief Legal Officer
Richard Humphrey, EVP & CFO

II. Mission Statement

The Committee Chair began the meeting by stating the mission statement:
Advance Wellness | Relieve Suffering | Develop and Educate

III. Public Comments Regarding Agenda Items

No members of the public registered for comments regarding the agenda items.

IV. Conflicts of Interest

After review of the agenda, the Chair noted zero conflicts of interest for Board Members present.

V. Audit Committee Key Takeaways

Amy LaBarge presented Key Takeaways for October 2025. The Fiscal Year 2025 audit plan remains on track, with approximately 75% completed and no deviations from current staffing projections. Attention shifted to the Fiscal Year 2026 audit plan, which is slated for presentation and approval this month, pending committee input. Amy reported on issues identified in recent audits, including cash monitoring and UT Southwestern contracts, with further discussion scheduled for executive session. Four audit issues have been resolved, and one audit has been finalized. Requests to modify due dates for outstanding issues were noted but did not require board-level approval. Looking ahead, the next committee meeting will include external audit reports and the annual audit summary, with a focus on financial and emerging trends. A notable shift from cash to credit card payments in grant transactions was observed, although some areas are still working to implement tap-to-pay functionality. Future audit reports will incorporate new standards and a strategic document outlining departmental goals, resource utilization, and alignment with organizational objectives. The internal audit alignment graphic was also presented to reinforce the department's integration with broader assurance functions.

VI. Reports Requiring Deliberation(s) or Approval(s)

A. Fiscal Year 2026 Annual Audit Plan Final

Amy LaBarge presented the Fiscal Year 2026 annual audit plan to the Audit Committee, outlining a comprehensive and collaborative approach to its development. The plan integrates inputs from enterprise risk management, legal, compliance, information security, and other assurance functions, supported by entity-level risk assessments and prior audit experience. It also incorporates feedback from executive leadership, including individual consultations and a group discussion with the chiefs. External research on emerging regulations and audit priorities from agencies such as HHS, OIG, and DOJ, as well as insights from professional forums and consultants, informed the audit scope. The plan accounts for current staffing levels, including two vacant positions, and projects approximately 17,300 direct audit hours, with allocations for new audits, board and management requests, follow-ups, and data support. A quadrant-based risk visualization and detailed audit descriptions were provided to aid board review. The committee approved the plan, with a motion to recommend it to the full board, emphasizing alignment with organizational goals and efficient resource utilization.

A. Open Session Summary to discuss the following topics:

i. Overview of the progress on Parkland's 2025 Audit Plan

Amy LaBarge presented the progress on Parkland's 2025 Audit Plan. Amy reviewed all the audits throughout the year and answered questions from the

Committee Members. The Committee Chair suggested we display the hours associated with each audit on the Gantt chart as well as the progress.

ii. Cash Monitoring Audit
Amy LaBarge presented the Cash Monitoring Audit, Report No. 25-15, highlighting opportunities for improvement in safeguarding cash and ensuring compliance with cash handling policies. The review found that cameras were not installed at COPC cash collection locations and that cash handling procedures were not consistently followed. Recommendations included conducting a comprehensive camera inventory to ensure adequate monitoring at all cash handling sites and reviewing cash handling policies with refresher training for staff. Frequent managerial self-audits were also advised to strengthen oversight and compliance.

iii. Follow Up Report Status – Open Session
Amy LaBarge presented the Follow-Up Report Status during the open session, noting that one audit and four issues were closed during the reporting period, with one request for an action due date change. Key items included the closure of the Cigna Claims Review (Report 24-13), which identified inconsistencies in medical claim payments under Parkland's Benefit Plan; issues related to consignment and the recall process (Report 20-11); and third-party contract management concerns (Report 25-04), including unclear contract terms and duplicate invoice payments. A trend chart was shared showing the status of open issues, high-risk issues, and past-due items over the past nine months.

VII. Executive Session

At 10:20 a.m., the Committee moved into Executive Session as permitted by the closed meeting exceptions specified on the agenda.

Members of management were excused from the discussion of topics as necessary.

A. Executive Session Summary to discuss the following topics:
Tex. Health & Safety Code §§161.032 & 161.0315 and Tex. Occ. Code §160.007; Tex. Gov't Code §§551.071.

i. University of Texas Southwestern Contract Master Services Agreement (MSA) Urology Documentation Review
Review to ensure that billing provider documentation and claims submitted for professional fees met the claims submission requirements of the Medical Services Agreement (MSA) and the Centers for Medicare & Medicaid Services (CMS).

ii. Follow-up Report Status – Executive Session
Update on corrective action plans for audits presented in prior executive session Audit Committee meetings.

B. Discussion regarding report and/or information provided by the Chief Audit Executive and related items on this agenda.
Tex. Health & Safety Code §§161.032 & 161.0315 and *Tex. Occ. Code* §160.007.

C. Consultation with Attorney
Tex. Gov't Code § 551.071.
i. Review of Open Litigation, Claims, and Settlements
(See Attached List)

Chair adjourned Executive Session and moved into Open Session at 10:24 am.

The Chair, Todd Furniss, asked for follow-up items from the committee. None were mentioned.

VIII. Action Items

A. Committee may take action on any agenda item(s) above.
B. Deliberation and Possible Action on Fiscal Year 2026 Annual Audit Plan

Todd asked for a motion to recommend the FY2026 Annual Audit Plan for final approval at the October Board Meeting. Ramon Miguez motioned to approve. Reina Gonzalez seconded the motion. The motion passed unanimously.

IX. Adjourn

With no further business to discuss, the Committee Chair entertained a motion to adjourn the meeting at 10:25 a.m.

SO RECORDED:

Todd Furniss
Todd Furniss (Dec 16, 2025 17:58:26 CST)
Todd Furniss, JD
Committee Chair

Steven Roth
Steven Roth (Nov 20, 2025 14:19:09 CST)
Steven Roth, JD, MPH
Assistant Secretary

Active Litigation Matters, October 2025

Construction Cleaning, Inc. v. Dallas County Hospital District
Cause No. CC-24-02035-C, In the County Court at Law No. 4, Dallas County, Texas

Dallas County Hospital District v. Morgan McAnelly, et.al.
Cause No. DC-22-02879, In the 44th District Court, Dallas County, Texas.
On appeal to the 5th Court of Appeals, Dallas, Texas, Cause No. 05-23-01295-CV

Dallas County Hospital District v. Goldwire, et. al.
Cause No. DC-23-01996, In the 68th District Court, Dallas County, Texas

Dallas County Hospital District v. Haley Burr, et. al.
Cause No. DC-23-20781, In the 101st District Court, Dallas County, Texas

Dallas County Hospital District v. Shiftwise, Inc., et. al.
Cause No. DC-25-10545, In the 68th Civil District Court, Dallas County, Texas

Paul Aaron French a.k.a. Michael Vega v. Dallas County, et al.
Cause No. 3:22-CV-02702-E, In the US District Court, Northern District of Texas, Dallas Division

Hyde, Jason J. v. Dallas County, et al.
Cause No. DC-24-18636, In the 134th District Court, Dallas County, Texas
Lewis, Shamond v. Dallas County, et al.
Cause No. 3:23-CV-00381-D, In the US District Court, Northern District of Texas, Dallas Division

Oludele Oladoja v. Dr. Zia Rehman
Cause No. 3:24-CV-02709-K-BN, In the US District Court, Northern District of Texas, Dallas Division

US ex rel Chase v. UT Southwestern Medical Center, Parkland Health & Hospital System, et. al.
Cause No. 5:23-cv-00381-JKP, In the US District Court, Western District of Texas, San Antonio Division

Dallas County Hospital District v. BARA, a Joint Venture
Cause No. DC-24-01577, In the 192nd District Court, Dallas County, Texas

Alejandrino Lopez v. Dallas County Hospital District d/b/a Parkland Health System d/b/a Parkland Memorial Hospital
Cause No. 4:25-CV-568, In the US District Court, Eastern District of Texas, Sherman Division

Angelica Reyna v. Parkland Health & Hospital System
Cause No. CC-24-08766-C, In the County Court at Law No. 3, Dallas County, Texas

Brandon Norwood v. Dallas County Hospital District
Cause No. 3:23-CV-01490-S, In the US District Court, Northern District of Texas

Alvah Johnson, Michael Pierce and Theodore Bramble v. Dallas County Hospital District
Cause No. 3:23-CV-01574-N, In the US District Court, Northern District of Texas

Edrise Newton v. Dallas County Hospital District d/b/a Parkland Health & Hospital System
Cause No. 3:24-CV-3008, In the US District Court, Northern District of Texas, Dallas Division

Mitzi Errett v. Parkland Health and Hospital System
Cause No. CC-22-05572-A, In the County Court at Law No. 1, Dallas County, Texas

Kiana Johnson v. Dallas County Hospital District
Cause No. CC-24-01307-B, In the County Court at Law No. 2, Dallas County, Texas

Giovonni Shelton v. Parkland Health
Cause No. 3:24-CV-2190, In the US District Court, Northern District of Texas, Dallas Division

Christopher Jordan Horn v. Kristi Tillery
Cause No. JPC-25-01010-22, In the Justice Court Precinct 2, Place 2 Dallas County, Texas

Leticia Moreno, Individually and as Representative of the Estate of Juan Valenzuela, Deceased, and as Next Friend of D.V.M., vs. Dallas County Hospital District d/b/a Parkland Health and The University of Texas Southwestern Medical Center
Cause No. DC-24-21234, In the 116th District Court, Dallas County, Texas

Michael Mayes v. Bright Healthcare Insurance Company, et al.
Cause No. DC-25-10418, In the 162nd District Court, Dallas County, Texas

Teondra L. Sparks v. DCHD d/b/a Parkland Health
Cause No. DC-25-03767, In the 160th District Court, Dallas County, Texas