Minutes of the Audit Committee meeting of the Board of Managers of the Dallas County Hospital District, held Wednesday, June 11th, 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, Reina Gonzalez, JD, and Yasmin Simon, JD and Elizabeth Palacios, MD, attended in-person.

Board Member attendees included: Marjorie Petty, JD, and Vincent Hall

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

Amy LaBarge, SVP & Chief Audit Officer
Andrea Claire, Mgr., Internal Audit
Donna Richardson, EVP & CNE
Edmundo Castaneda, EVP & COO
Fred Cerise, President & Chief Executive Officer
John Wilson, Director/PDC
Keri Disney-Story, VP/Clinical Finance
Michelle Ng, Administrative Resident
Melanie Roberts, Chief Compliance & Ethics Officer (via Webex)
Morgan Simmons, Board Governance Program Coordinator
Saul Cordero, SVP & Chief Governance and Strategy Officer
Steven Roth, EVP Chief Legal Officer
Richard Humphrey, EVP & CFO

Other Attendees:
Lisa Taylor – Ankura (via Webex)

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.

The Committee Chair stated that the Audit Committee Charter direction on committee composition aligns with the one the board bylaws specify. The Audit charter stipulates that the committee shall consist of the Chair and two other board members. At the same time, the Board bylaws stipulate that the Audit Committee shall consist of a Chair and at least two other members. The Chair acknowledged that five members were appointed to the Committee in April and expressed support for broader participation, emphasizing the value of having more engaged and capable members. The Chair proposed updating the Audit Committee Charter through the Governance, Compliance, Ethics, and Executive Committee (GCEEC) to accommodate this expanded composition during the summer. In the meantime, the Chair recommended proceeding pragmatically, recognizing that while the exact membership remains to be clarified, a quorum was present, and no votes were taken during the meeting. The Committee expressed its willingness to comply with any future changes adopted by the Board regarding its composition.

V. Audit Committee Key Takeaways

Amy LaBarge presented Key Takeaways for June 2025. Amy presented on the aligned assurance graphics that the internal audit team created to portray the maturity, scope, and customer satisfaction of assurance within different departments. She also presented another graphic showing the aligned risks along departments and where there may be gaps within the system. Amy mentioned there are no current changes or updates requested for the Audit Plan status. Role-based access will need updated governance structures and ownership to establish and monitor policies moving forward. Under the Cigna Audit Plan, reviews of pharmacy out-of-pocket maximums are needed for alignment with the plan's intentions. The construction process will require improvements to ensure timely payments to contractors.

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

A. Internal Audit Services 2025 Mid-Year Activity Report
The purpose of this annual report is to provide information on the assurance services, consulting services, and other activities of the internal audit function. Amy LaBarge reviewed the mid-year summary which reflects the Audit Plan budget, financial performance, and employee engagement results.

B. Open Session Summary to discuss the following topics:

i. Overview of the progress on Parkland's 2025 Audit Plan
Amy reviewed the Audit Plan Progress as of June 2025. She presented the projects that are complete, which ones may require follow-up, and which have not started yet. Amy reviewed the project from 2024 that have progressed into

2025 such as assets and the Cigna claims review. Certain projects such as cash monitoring are reviewed annually along with the internal audit quality assurance review.

ii. Third Party Contracts Management Audit
Amy presented on the Contract Management Audit. Overall, Parkland business owners have processes in place to monitor third party compliance with contract terms. However, contract monitoring processes can be improved by identifying duplicate invoices prior to payment, ensuring that contractual billing terms are clear to all parties, and improving communication regarding contract terms and organizational capabilities.

iii. Follow Up Report Status
Amy reported on the follow-up status reports which showed three closed issues resulting in closing out one audit and three action due date change requests were received.

VII. Executive Session

At 10:30 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.

a. 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 Lists)*

ii. Update to Legal Issues Related to Contract Labor

Chair adjourned Executive Session and moved into Open Session at 10:39 am.

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

VIII. Reports Requiring Deliberation(s) or Approval(s) Cont.

C. Presentation of the 2025 Parkland Compliance Program Effectiveness Assessment – Full Report by Ankura

Lisa Taylor introduced herself and reminded the Board that Parkland Health engaged Ankura to review the current design, structure, and elements of the organization's Compliance Program against government guidance and industry best practices to identify gaps and opportunities. Lisa reviewed the seven elements of effective Compliance and Privacy programs and discussed how the program was assessed throughout this engagement.

IX. Executive Session

At 10:53 a.m., the Committee moved into Executive Session as permitted by the closed meeting exceptions specified on the agenda.

B. Presentation of the 2025 Parkland Compliance Program Effectiveness Assessment – Full Report by Ankura *Tex. Health & Safety Code §§161.032 & 161.0315 and Tex. Occ. Code §160.007.*

Chair adjourned Executive Session and moved into Open Session at 11:24 am.

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

X. Action Items

A. Committee may take action on any agenda item(s) above.

XI. Adjourn

With no further business to discuss, the Committee Chair entertained a motion to adjourn the meeting at 11:25 a.m.

SO RECORDED:

Todd Furniss
Todd Furniss (Aug 18, 2025 12:01:46 CDT)
Todd Furniss, JD
Committee Chair

Steven Roth
Steven Roth (Aug 18, 2025 15:06:47 CDT)
Steven Roth, JD, MPH
Assistant Secretary

Active Litigation Matters, June 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

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

Shamond Lewis 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

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

Teondra L. Sparks v. DCHD d/b/a Parkland Health

Cause No. DC-25-03767, In the 160th District Court, Dallas County, Texas