Parkland

Audit Committee Agenda

Committee Members
Chair: Todd Furniss, JD
Ramon Miguez, PE
Farida Minner, RN
Yasmin Simon, JD

Agenda for the ***Audit Committee*** meeting of the Dallas County Hospital District ("DCHD") is scheduled for ***Wednesday, April 15, 2026 at 10:00 AM***, at 5200 Harry Hines Blvd (WISH Building) Dallas, TX 75235, Executive Conference Room 02-175. (If assistance is needed in locating the room, please see the Administration receptionist on the 4th floor, 04-131.) A quorum will be physically present at the location of the meeting. Videoconferencing access is also possible via Webex. That application is available at https://www.webex.com/downloads.html. Teleconferencing access is possible by calling +1-415-655-0001. Both virtual access forms require inputting (meeting number: 2307 664 4213; meeting password: 1234) to join the meeting. The ***Audit Committee*** reserves the right to exercise discretion and may convene in Executive Session as permitted by Texas Government Code §§551.071 (consultation with attorney), 551.072 (deliberations regarding real estate), 551.074 (personnel matters), 551.076 (deliberations regarding security devices or security audits), 551.078 and/or 551.0785 (deliberations by medical committee or by governmental body that administers a public insurance, health or retirement plan regarding individuals' medical or psychiatric records), 551.085 (deliberation by governing board of certain providers of health care services), 551.087 (deliberation regarding economic development negotiations), 551.088 (deliberation regarding test item); Texas Government Code §418.183 (deliberation of information under §§418.175 – 418.182 for purposes of disaster management or disaster planning); Texas Health & Safety Code §161.032 (medical committee or medical peer review committee records, information or reports; and/or medical committee or medical peer review committee proceedings under Tex. Health & Safety Code Chapter 161 and/or Tex. Occ. Code Chapters 151 and 160); and/or as otherwise authorized by law on any item listed below. The ***Audit Committee*** may consider any of the agenda items in open or executive session and may continue the meeting as necessary to accomplish the business at the time and place designated by the Chair to reconvene.

	PAGE	TIME (MIN)	PRESENTER(S)
I. Opening/Call to Order/Declare a Quorum Present/Mission Statement/Opening Remarks ***Advance Wellness | Relieve Suffering | Develop and Educate*** **I CARE** **I**ntegrity **C**ompassion and Collaboration **A**ccountability **R**espect **E**quity This agenda has been developed by the Chief Governance Officer in consultation with the Board Chair, CEO, and reviewed and affirmed by Counsel.			Chair
II. Public Comments Regarding Agenda Items *See public comment registration information and rules at https://www.parklandhospital.com/board-of-managers*			Chair
III. Report on the Audit Committee Packet Key Takeaways for the Month of April	*6*	05 mins	Amy LaBarge
IV. Reports Requiring Deliberation(s) and Possible Action			

	PAGE	TIME (MIN)	PRESENTER(S)
A. Forvis Audit Contract (Verbal)		05 mins	Richard Humphrey
B. Revised 2026 Audit Plan *Presentation of the proposed changes to the 2026 Audit Plan for Board approval.*	*8*	10 mins	Amy LaBarge
C. Open Session Summary to discuss the following topics:	*10*	15 mins	Amy LaBarge
i. Overview of progress on Parkland's 2026 Audit Plan *The 2026 Audit Plan was adopted by the Parkland Board of Managers in 2025.*	*11*		
ii. DNR, Advance Directives Audit, Report No. 26-09 *Review of Parkland's advance directive and DNR processes to ensure alignment with state law on communicating and documenting patients' end-of-life wishes.*	*12*		
iii. Follow-Up Report Status – Open Session *Update on corrective action plans for audits presented in prior open session Audit Committee meetings.*	*13*		
V. Executive Session *Tex. Health & Safety Code* §§161.032 & 161.0315 and *Tex. Occ. Code* §160.007; Tex. Gov't Code §§551.071.			
A. Executive Session Summary to discuss following topics: *Tex. Health & Safety Code* §§161.032 & 161.0315 and *Tex. Occ. Code* §160.007	*15*	10 mins	Amy LaBarge
i. Moonlighters Audit, Report No. 26-13 *Review of moonlighting activities at Parkland Health to assess the effectiveness of controls over key operational and compliance requirements.*	*16*		
ii. Follow-up Report Status – Executive Session *Update on corrective action plans for audits presented in prior executive session Audit Committee meetings.*	*17*		
B. Overview of current internal audit advisory services conducted outside of scheduled risk-based audits. *Tex. Health & Safety Code* §§161.032 & 161.0315 and *Tex. Occ. Code* §160.007	*18*	10 mins	Amy LaBarge
C. 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.		05 mins	Chair
D. Consultation with Attorney Tex. Gov't Code § 551.071.			
i. Review of Open Litigation (See Attached List)	*21*	15 mins	Brad Nitschke

		PAGE	TIME (MIN)	PRESENTER(S)
VI.	**Action Items**			
	A. Committee may take action on any agenda item(s) above			Chair
	B. Revised 2026 Audit Plan for Approval			
VII.	**Closing Remarks**			Chair
VIII.	**Possible Deliberation Regarding Documents Received by the Committee**			
	A. DNR, Advance Directive Audit, Report No. 26-09	*24*		
	B. Open Session Audit Follow-up Reports	*30*		
IX.	**Possible Deliberation Regarding Executive Session Documents Received by the Committee**			
	A. Moonlighters Audit, Report No. 26-13 *Tex. Health & Safety Code* §§161.032 & 161.0315 and *Tex. Occ. Code* §160.007.	*33*		
	B. Executive Session Audit Follow-up Reports *Tex. Health & Safety Code* §§161.032 & 161.0315 and *Tex. Occ. Code* §160.007.	*45*		
X.	**Adjourn**			Chair

Active Litigation Matters, April 2026

Ongoing Matters:

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. 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

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

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

Resolving Matters:

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

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

Resolved:

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

Hyde, Jason J. v. Dallas County, et al.
Cause No. DC-24-18636, In the 134th 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

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

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

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

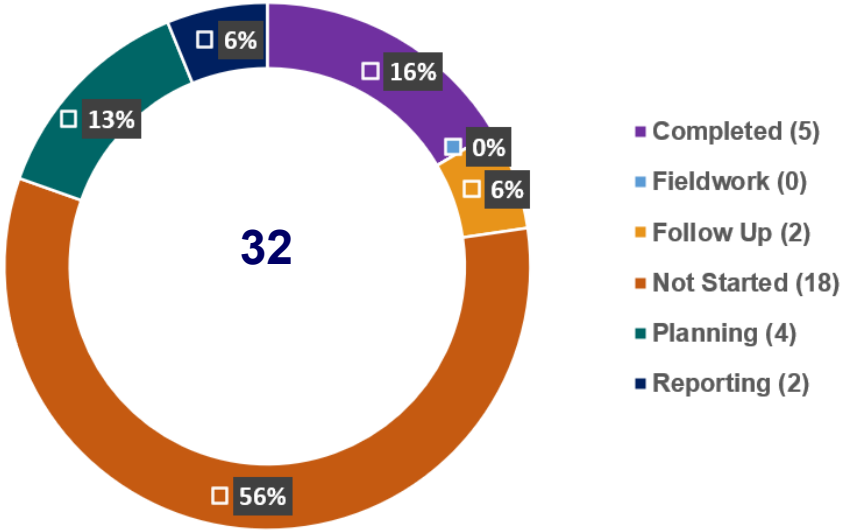
Teondra L. Sparks v. DCHD d/b/a Parkland Health
Cause No. DC-25-03767, In the 160th District Court, Dallas County, Texas

III. Open Session

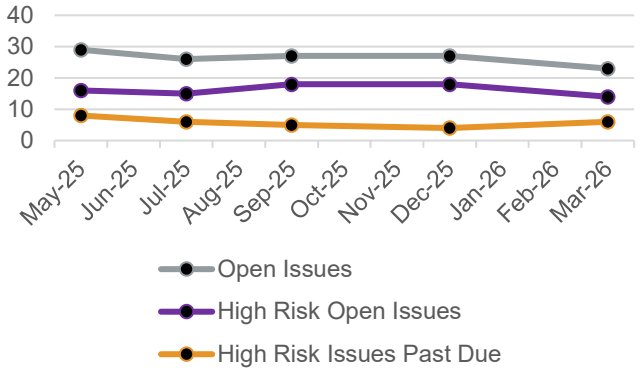
Parkland

Key Takeaways at-a-Glance* – April 2026

Audit Plan Progress



Follow Up Issues



Aligned Assurance Graphic	Updated graphic demonstrating alignment of the assurance functions, risk coverage, and evaluation of potential gaps. (Page 7)
Forvis Audit Contract	Discussion of contract status and next steps. (Verbal)
Audit Plan Status FY26	Approval requested for plan changes. (Page 9) See also, audit plan progress. (Page 11)
Issues Identified*	**DNR, Advance Directives** (Summary, Page 12; Report, Page 24): ▪ Inconsistent documentation of Advance Directive status for patients ▪ Opportunities to train Nursing staff ▪ Opportunities to improve alignment of workflows across the enterprise **Moonlighters** (Summary, Page 16; Report, Page 33): ▪ Executive Session content
Follow-up	Eight issues and four audits were closed. Requests were submitted to modify the due dates for 3 issues. (Pages 30-31 and 45-46)

* Excludes items to be discussed in Executive Session

Aligned Assurance – April 2026

Risk Focus Matrix

Assurance Function Focus by Risk Category

Risk Topic	Assurance Focus										
	TIER 1	**TIER 2**									**TIER 3**
	Identifies and addresses applicable risks	Creates and monitors organizational control processes									Verifies control processes are implemented, sustainable, and effective
	Roles Responsible	Information Security	Institutional Risk Management & ERM	Legal Affairs	Disaster Management & Business Continuity	Health Information Management	Strategy Governance	Communications External Affairs	Quality, Safety & Clinical Risk Management	Corporate Compliance & Ethics	Internal Audit Services
Assurance Function Maturity		◕	◕	◑	◑	◕	●	●	◕	◕	◕
Clinical/Patient Safety	CMO,CNO, COO	🔴	🟡	🟡	🟡	🟡	🔴	🔴	🟢	🟡	🟡
Legal/Regulatory/Compliance	CCEO	🟡	🟡	🟢	🟡	🟡	🟡	🟢	🟡	🟢	🟡
Human Capital	CTO	🟡	🟡	🟡	🟡	🔴	🔴	🔴	🟡	🟡	🟢
Financial	CFO	🟡	🟡	🟡	🟡	🟢	🟡	🟡	🟡	🔴	🟢
Operational	COO	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟢	🟢
Technical/Cyber	CIO	🟢	🟡	🟡	🟡	🔴	🔴	🔴	🔴	🟡	🟢
Strategic	CSO	🟡	🟡	🟡	🟡	🟡	🟢	🟡	🟡	🟡	🟡
Reputation	SVP Communications	🟡	🟡	🟡	🟡	🟡	🟡	🟢	🟡	🟢	🟡
Hazard	COO, VP IRM	🟡	🟢	🟡	🟢	🔴	🔴	🔴	🔴	🔴	🟡

LEGEND:

- 🔴 **Low/NA**
- 🟡 **Moderate/Shared**
- 🟢 **High/Primary**

○	Initial	Work is performed informally.
◔	Repeatable	Work is planned and tracked.
◑	Defined	Work is well defined.
◕	Managed	Work is quantitatively controlled.
●	Optimizing	Work is based upon continuous improvement.

Who is looking at future risks? Inherent in the ERM process and individual area's annual risk assessment/work planning processes.

INTERNAL AUDIT
Revised FY2026 Audit Plan

April 15, 2026 Audit Committee

Presented by: Amy LaBarge, MBA, CPA, CIA
Senior Vice President and Chief Audit Executive

An audit plan revision is required in response to:

- audit staffing (30% vacancy, training new employees)
- changes in the Parkland environment (leadership changes, project timelines, etc.)
- recommended periodic re-assessment (Forvis recommendation and IIA Standards)
- shift to more consultant/advisory work from 23% budgeted to 40%+ (Forvis recommendation)

2026 Audit Topics

- DNR & Advance Directives
- Moonlighters
- Nutrition Services
- Follow-Up
- Lab
- Management/Board Requests:
  - Observation Admits
  - 2 Privileged reviews
  - Contract Labor re-audit
  - Assurance Alignment
- Parkland Community Health Plan (PCHP)
  - Appointment Availability
  - Special Health Needs
  - Encounter Reporting
- Pharmacy
- UTSW – Claims
- Grants
- Spiritual Care
- Patient Financial Assistance
- Slicer/Dicer/Cogito Reporting Accuracy
- Epic – Behavioral or Correctional
- HIPAA Privacy
- AI Governance
- Assets
- Telecommunications
- UTSW - Forvis Documentation F/U
- Outsourced Contract
- ERM
- External Audit Assistance
- Physical Inventory
- Quality Assurance Review

Complete

In Progress

Consider Removal

INTERNAL AUDIT

OPEN SESSION SUMMARY

AUDIT COMMITTEE

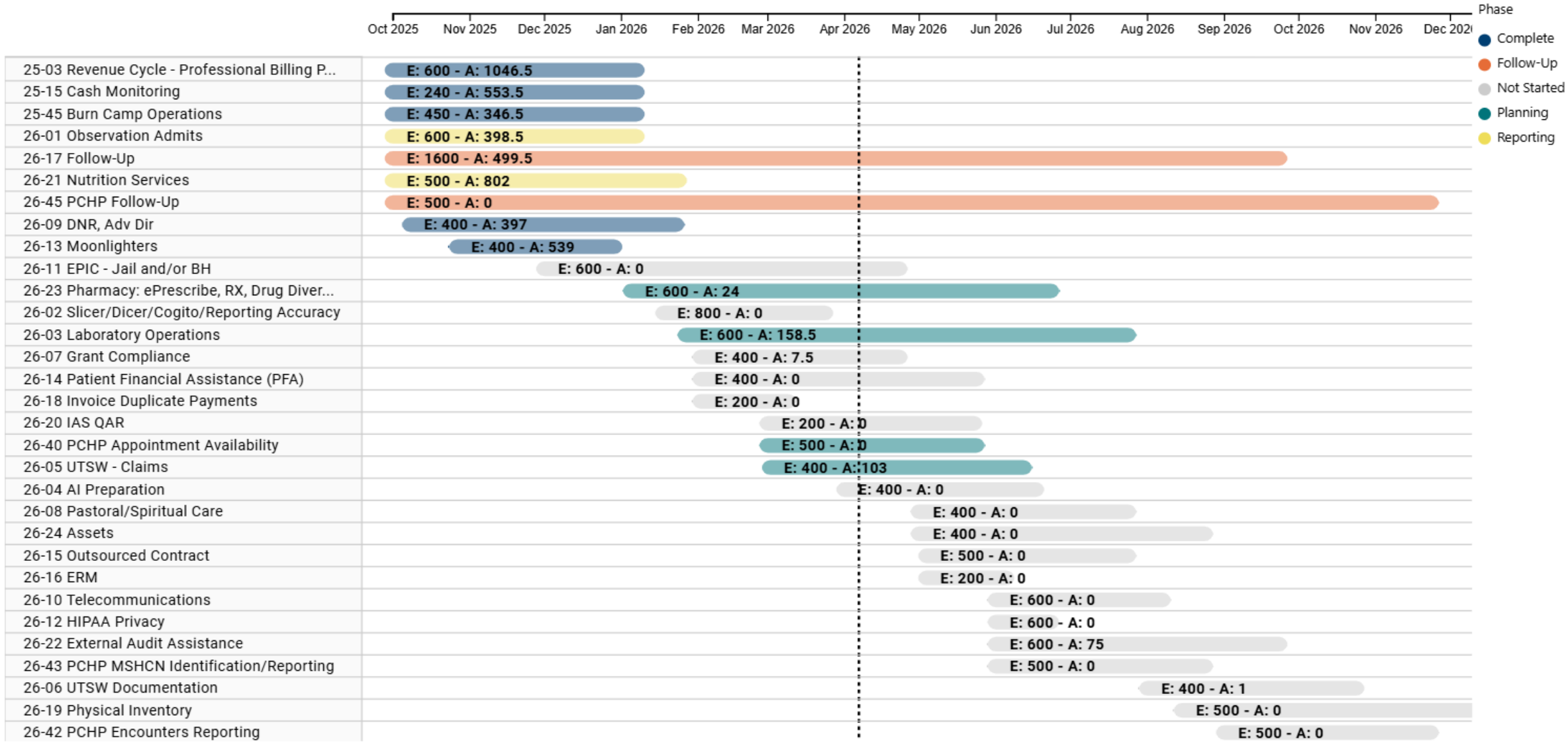
APRIL 15, 2026

Presented by: Amy LaBarge, MBA, CPA, CIA

Senior Vice President and Chief Audit Executive

Parkland | *Care. Compassion. Community.*

FY 2026 Audit Plan Progress - April



DNR, Advance Directives Audit, Report No. 26-09

Overall, Parkland's Advance Directive procedures align with requirements of the Texas Advance Directives Act; however, applying our processes with greater consistency will improve our overall patient reach. Opportunity exists to expand the scope of Advance Directive efforts by ensuring processes are uniform across all access sites, each patient's Advance Directive status is validated upon each encounter and patient care staff are aware of their role in identifying, documenting, and caring for patients with a (DNR) order or an Advance Directive.

Reason for Audit

The objective of Advance Directives/DNR review was to confirm Parkland's policies, staff education and patient care procedures align with state law regarding communication, documentation and implementation of the patient's end-of-life wishes are honored. The objective also included assessment of provider access to and availability of patient DNR preferences in order to support appropriate patient care and consistency of treatment.

Results

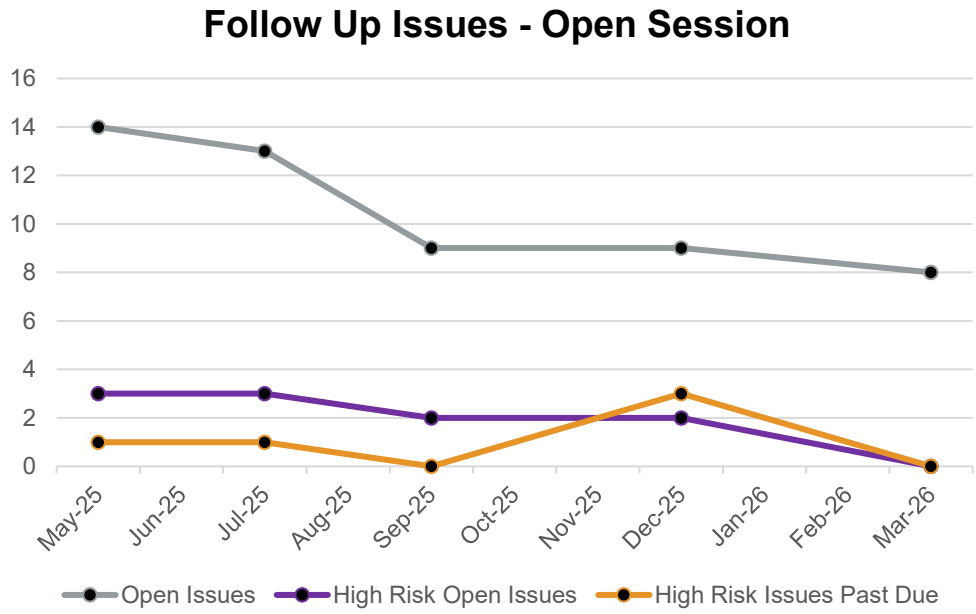
- Lack of documented Advance Directive status in the EHR, inconsistent validation during registration, and insufficient registrar training.
- Gaps in Nursing knowledge of Advance Directive processes and patient DNR status, including maintenance of Advance Directive documents, missing DNR armbands, and awareness of DNR order details.
- Advance Directive policies and workflows lack enterprise alignment, particularly in outpatient settings. Gaps include establishing patient's Advance Directive status and follow-up on pending documents.

Recommendations/Action Plans

- Patient Financial Services will improve compliance and consistency in EPIC documentation through refresher training, ongoing education, improved communication, and periodic audits with feedback.
- Education has been developed for all Med/Surg RNs to reinforce proper bedside handling of Advance Directives, identification of patients with a DNR orders and understanding each patient's specific DNR status. This education will be followed by a knowledge assessment quiz.
- A stakeholder review of the Advance Directive Policy is underway to ensure consistent documentation, follow-up, and document collection. A multidisciplinary workgroup, under the direction of Med/Surg Nursing Leadership, is addressing identified gaps, and staff will provide training once updates are completed.

Follow-Up Report Status – Open Session

- **Three closed issues resulted in closing out two audits. Two action due date change requests were received.**
  - 20-11 Consignment Process (Closed)
    - Tracking and Monitoring of Consignment Items Were Lacking
    - Pricing Inconsistencies Were Identified
  - 25-04 Third Party Contract Management (Closed)
    - No Access to Time Clocks
- **See Closure and full Follow-up Report in section VIII.**



V. Executive Session

Tex. Health & Safety Code §§161.032 & 161.0315 and Tex. Occ. Code §160.007; Tex. Gov't Code §§551.071.

VIII. Possible Deliberation Regarding Documents Received by the Committee

Parkland

Prepared By
Amy LaBarge

Prepared For
Audit Committee Meeting
April 2026

Audit Title	26-09 DNR, Advance Directives
Performance Rating - Importance Rating	Medium - High
Audit Group	Internal Audit
Audit Start Date	10/28/2026
Board Presentation	04/15/2026
Auditors	D'Les Jones, Senior Internal Auditor
Audit Type	Annual Audit Plan

Distribution List

Frederick Cerise, MD	President and Chief Executive Officer
Edmundo Castañeda, FACHE	Executive Vice President and Chief Operating Officer
Richard Humphrey	Executive Vice President and Chief Financial Officer
Felicia Miller	Executive Vice President and Chief Talent Officer
Donna Richardson	Executive Vice President and Chief Nursing Executive
DeLancey Johnson, DBA	Senior Vice President Associate Chief Talent Officer
Judy Herrington	Senior Vice President, Nursing
Kelli Rossi	Senior Vice President, Revenue Cycle

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Background

The Texas Advance Directives Act (TADA), a part of Texas Health and Safety Code Chapter 166, is a law governing end-of-life medical care preferences. It sets forth procedures for Advance Directives, which are documents expressing a patient's wishes for medical treatment when they cannot speak for themselves. In Texas, a hospital's responsibility is to ask patients if they have an Advance Directive, provide information and forms if they want to create one, and to follow the patient's directive to the extent they are willing and able. Parkland's Advance Directive processes are shared by Patient Financial Services (PFS), Nursing, Care Management and Spiritual Care. End-of-life medical care preferences can also include the patient's wish to not be resuscitated (DNR). This decision is supported by the patient's consent and a DNR medical order.

Audit Purpose/Rationale

Internal Audit (IA) performed a review of Parkland's Advance Directives (AD) process including DNR medical orders. The review was conducted to confirm Parkland's policies, staff education and patient care procedures align with state law regarding communication, documentation and implementation of patient's end-of-life wishes.

IA reviewed for the following:

- Policies and procedures
- Record keeping and documentation
- Staff training and Competency

Performance Risk Rating: **Medium**

This audit received a medium-risk rating for performance due to inconsistency in executing established Advance Directive/DNR processes.

Importance Risk Rating: **High**

This audit received a high-risk rating for importance due to the regulatory nature of Advance Directives/DNRs and impact on patient autonomy.

Risk Rating Legend

Top Performance	• Controls are functioning as intended • Corrective action plan, if any, is simple	99-100
Low Risk	• Zero or minor weaknesses identified • Controls are functioning with minor errors or gaps identified • Corrective action plan, if any, is straightforward	95-98
Medium Risk	• Controls are present, but not yet effective or sufficient and major issues noted that could jeopardize the accomplishment of business objectives • May include a pattern of multiple minor weaknesses or newly identified findings • Corrective action plan to remediate will be moderately complex	90-94
High Risk	• Controls not yet identified, not yet implemented, ineffective or insufficient; not functioning as intended and is a contributing factor to non-achievement of business objectives • May include a pattern of moderate or significant weakness such as "second generation" findings • Corrective action plan to remediate will be complex	Below 90

Audit Conclusion

Parkland's Advance Directive procedures align with requirements of the Texas Advance Directives Act; however, applying our processes with greater consistency will improve our overall patient reach.

Opportunity exists to expand the scope of Advance Directive efforts by ensuring processes are uniform across all access sites, ensuring each patient's Advance Directive status is validated upon each encounter and ensuring patient care staff are aware of their role in identifying, documenting, and caring for patients with a (DNR) order or an Advance Directive.

Top Performance

- Policy and Procedures – alignment with the Texas Advance Directives Act.
- Staff Training Curriculum – checklists embedded in the EPIC Registration module and in the Nursing/Care Management Advance Directive flowsheet. Spiritual Care training provided to new residents and interns.
- Spiritual Care Consult – referrals placed with Spiritual care to aid patients in changing or establishing an Advance Directive document.

Issues/Findings

Issue Title: Inaccurate Advance Directive documentation at Registration
Risk Rating: High
Risk: Without validating the patient's Advance Directive status at Registration (and documenting in the chart), medical decisions may not align with the patient's wishes.
A review of admissions from September 2025 – December 2025 for both Inpatient and Outpatient treatment areas revealed:

- Registration for 63% of Inpatient admissions and 80% of Outpatient admissions reviewed did not show evidence of the patient's Advance Directive status documented for the date of service. Furthermore, per review of these records, there was no active Advance Directive in the EHR.

Observations performed in the Ambulatory Surgery Center (ASC) and Emergency Department (ED) revealed registration processes did not include validation of Advance Directives. Discussion with the registrars observed included the following:

- Registrars in the ASC indicated that they had not been trained on Advance Directives.
- In the ED, one registrar indicated that she had not been trained on Advance Directives and another registrar said that she only asks the patient about an Advance Directive if the patient is beyond a certain age.

Ambulatory Services Leadership stated that each patient's Advance Directive status is verified annually or upon a patient's initial visit to the clinic.

Recommendation

Registrars across the organization should be retrained on Advance Directive processes to ensure Advance Directive questions are completed in EPIC for each patient encounter. Ensure that all departments sharing the Advance Directive processes are notified of any update to the process.

Management Response

Kelli Rossi, Senior Vice President, Revenue Cycle

Action Plan: Patient Financial Services will improve compliance and consistency in completing the Advanced Directive documentation within EPIC by educating staff and strengthening communication and collaboration within the appropriate PFS departments. Periodic audits to monitor compliance and provide feedback will be implemented.

Target Completion Date: October 31, 2026

Issue Title: Opportunities remain to strengthen Nursing's familiarity and comfort with Advance Directive and DNR processes.
Risk Rating: High
Risk: Without adherence to established end-of-life processes, medical care and interventions may not align with the patient's wishes.

Internal Audit rounded on all patients with an active DNR order on 1/21/26. Bedside observations revealed inconsistent evidence of the Nurse's knowledge of Advance Directive processes, identification of DNR patients, and details of the patient's DNR order.

- For 37% of nurses interviewed, the nurse did not demonstrate a comprehensive understanding of Advance Directive processes. i.e., what to do with an Advance Directive document brought into the unit for a patient in their care.
- For 16% of DNR patients observed, there was no purple armband placed identifying the patient as "DNR".
- For 10% of DNR patients observed, the nurse did not have knowledge of the patient's type of DNR order or know where to find it in the chart (i.e., Full DNR versus Partial DNR including details of the order (chest compressions, ventilation/intubation, code medications, etc.).

Recommendation

To ensure consistent application of established processes, re-education is needed to ensure: 1) staff know what to do with an AD document brought in for a patient on the unit, 2) all patient's with a DNR order have a purple DNR armband placed by nursing and 3) all nursing staff have a general knowledge of a patient's DNR order status (Full DNR or Partial DNR) and the details of the order (or knowledge of where to quickly find the patient's code status in the chart).

Management Response

Judy Herrington, Senior Vice President, Nursing

Action Plan: Education has been created for all Med/Surg RNs to address the topics outlined in the recommendation above, and a knowledge-assessment quiz will follow the training.

Target Completion Date: October 31, 2026

Issue Title: Advance Directive Policy and Process Opportunities
Risk Rating: Medium
Risk: Without comprehensive organizational processes and effective follow-up for pending Advance Directives, patients may not be informed of their rights, their preferences may not be accurately reflected in the medical records, and hospitals risk providing care that contradicts patients documented wishes.

Advance Directive policies and processes present opportunities for greater enterprise alignment to enhance compliance, ensure reliable documentation, and support patient preferences.

Advance Directive procedures in Outpatient/Ambulatory areas are not aligned with those used across the rest of the organization. Current policy does not require staff to proactively ask the patient if they have an Advance Directive. Standardizing this step across all access points will ensure regulatory compliance and strengthen reliability of Advance Directive documentation.

Additionally, a gap exists regarding resolution of pending Advance Directive documents. A review of patient records indicating that the patient had an Advance Directive was conducted for evidence of the document being scanned into the Electronic Health Record (EHR).

- Twenty-seven percent of Inpatient records reviewed did not show evidence of the Advance Directive scanned into the patient's chart.
- Thirty-three percent of Outpatient records reviewed did not show evidence of the Advance Directive scanned into the patient's chart.

Policy stakeholders acknowledge the opportunity to strengthen Advance Directive processes and are pursuing policy revision currently under review by Parkland's Legal Department. Upon completion of review, Nursing and Operations will convene a multidisciplinary work group to incorporate Legal's recommendations and guide operational alignment.

Recommendation

A collaborative, stakeholder-driven review of Parkland's Advance Directive Policy and related practices is needed to ensure consistency in process documentation across the organization, appropriate follow-up on pending documents, and sufficient resolution of document collection efforts. Upon completion of the policy update, staff should receive refresher training on Advance Directive processes.

Management Response

Judy Herrington, Senior Vice President, Nursing

Action Plan: Med/Surg Nursing Leadership will convene a multidisciplinary workgroup to review the Advance Directive procedure. The goals of this group will be to ensure the revised procedure:

- Addresses steps to assess the presence of an Advance Directive
- Outlines the steps staff need to take to obtain a copy of the Advance Directive
- Defines how and where the documentation will be maintained in the Electronic Medical Record

Target Completion Date: November 30, 2026

Internal Audit
Closure Report

AUDIT COMMITTEE OPEN SESSION
April 15, 2026

Audit	Session Type	Issue	Action Detail	Actions Taken by Management
20-11 Consignment Process	Open	Tracking and Monitoring of Consignment Items Were Lacking	Tracking and Monitoring of Consignment Items Were Lacking	Supply Chain has established a standardized process within the Infor system to clearly identify and manage consignment items. Items are now formally designated as consignment, and requisitions include consistent commentary indicating whether the request is for a consignment replacement or an increase to on hand inventory. Procedure SCI C1: Initiating Consignment Items was implemented and published on 11/25/2025 to provide enterprise wide guidelines for setting up new consignment items. The procedure also introduces a key control: the Supply Chain Informatics team will perform a monthly audit of all items ordered on "Consignment Replacement" requisitions to confirm they are properly established in the applicable Optime locations and accurately flagged as consignment within the Item Location record.
20-11 Consignment Process	Open	Consignment Process - Pricing Inconsistencies Were Identified	Consignment Process - Pricing Inconsistencies Were Identified	Supply Chain has developed and documented a process to identify consignment items in the Infor system by marking items as consignments. In addition to outlining the process, on a monthly basis the Supply Chain Informatics team will conduct an audit of every item ordered on "Consignment Replacement" requisitions to ensure each item is set up in applicable Optime locations and flagged as Consignment in the Item Location. This control ensures that the consignment item list remains accurate, up to date, and consistently maintained.
25-04 Third Party Contract Mgmt	Open	No Access to Time Clocks	Vets Securing America (VSA) employees with no access to Parkland's time clocks limit the Police Department's ability to validate invoice accuracy.	The Internal Audit team conducted training for the Police Department on reconciling monthly bi weekly reports with the corresponding VSA invoices. As a result of this initiative, the Police Department has implemented a monthly reconciliation process to enhance accuracy and accountability in vendor billing. Using this reconciliation process, the Police Department will independently verify the hours billed, service locations, and weekly employee hours by referencing the bi weekly reports with the VSA invoice. This control is intended to ensure completeness, detect discrepancies, and promote continuous improvement.

Follow-Up Report Detail - Open Session

Project Name	Issue Title	Risk Rating	Recommendation Title	% Complete	Business Contact	Target Completion Date	Revised Due Date
24-07 Patient Scheduling	Inaccurate Information on Event Tracking Logs	Low	Enter accurate information into event tracking logs.	60%	James Perez; Patricia Shirey	12/31/2025	3/31/2026
24-07 Patient Scheduling	No Financial Clearance Prior to Appointments	Medium	Financial Clearance Activities for Outpatient Tests	75%	Jennifer Burnes	5/31/2025	8/31/2026
24-07 Patient Scheduling	No Financial Clearance Prior to Appointments	Medium	PFS - Financial Clearance Activities for Outpatient Tests	75%	Kelli Rossi	5/31/2025	8/31/2026
24-09 Role Based Access	Badge Access Control monitoring deficiency	Medium	Review and Alignment of Badge Access for Transferred Personnel	10%	Bruce McDaniels; Joseph Longo	1/31/2026	1/31/2026
24-09 Role Based Access	Deficient Access Management for Transfer Employees	Medium	Enhance RBAC for transferred employee	10%	Bruce McDaniels; Joseph Longo	1/31/2026	1/31/2026
24-09 Role Based Access	Inadequate Access Control Governance and Ownership of Roles	Medium	Establish a robust governance framework	10%	Bruce McDaniels; Joseph Longo	3/31/2026	3/31/2026
25-02 Construction Project Review	Untimely payments to contractors.	Medium	Align Contract Terms with System Capabilities	50%	Lancaster Mendiola	9/30/2025	12/31/2026
25-03 Revenue Cycle - Professional Billing Post-Implementation	Inconsistent billing practices for Advanced Practice Providers (APPs)	Medium	Inconsistent billing practices for Advanced Practice Providers (APPs)	10%	Kelli Rossi	7/31/2026	7/31/2026

IX. Possible Deliberation Regarding Executive Session Documents Received by the Committee

Tex. Health & Safety Code §§161.032 & 161.0315 and Tex. Occ. Code §160.007.