

Budget, Finance & Infrastructure Committee

Agenda

Committee Members

Ramon Miguez, PE – Chair
 Marjorie Petty, JD
 Yasmin Simon, JD
 Jeff Tillotson, JD

Agenda for the **Budget, Finance & Infrastructure Committee** meeting of the Dallas County Hospital District is scheduled **for Tuesday, October 27, 2026, at 11:30 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: 2303 615 6925; meeting password: 1234) to join the meeting. **The Budget, Finance & Infrastructure 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 Budget, Finance & Infrastructure 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. Determine a Quorum is Present and Record Attendance/Call to Order/Mission Statement <u>I CARE</u> <u>Integrity Compassion and Collaboration Accountability Respect Equity</u> The agenda has been developed by the Chief Governance Officer in consultation with the Committee Chair and reviewed and affirmed by Counsel.			Chair
II. Public Comments Regarding Agenda Items <i>See public comment registration information and rules at https://www.parklandhospital.com/board-of-managers</i>			
III. Reports Requiring Deliberation(s) or Approval(s)			
A. Deliberation and Appropriate Action Regarding the Replacement of the Current Core Plus Bond Manager with Brown Brothers Harriman Credit Partners, LLC.	7	5	Keri Disney-Story
B. Deliberation and Appropriate Action Regarding the Addition of Hedge Funds to the Parkland Investments Policy Statement	11	5	Keri Disney-Story
C. Deliberation and Appropriate Action Regarding Titan as the Manager for the New Hedge Fund	15	5	Keri Disney-Story
D. Consideration and Appropriate Action Regarding Capital Substitution (See Attached List of Capital Substitutions)	61	5	Keri Disney-Story
E. Consideration and Appropriate Action Regarding Contracts over \$200,000 (See Attached List of Contracts)	64	25	Pamela Bryant
F. Update and Report Regarding Parkland Financial Performance Presentation	144	20	Travis Smith

	PAGE	TIME (MIN)	PRESENTER(S)
G. Update and Report on Current FY27 Facilities Projects (See Attached List of Projects)	206	20	Lance Mendiola
H. Discussion Regarding Southeast Dallas Health Center Project Delivery Method and Architecture and Engineering Contract	216	15	Fred Cerise, MD
IV. Possible Deliberation			Chair
V. Action Item			Chair
A. The Board may take action on any agenda item(s) above			
VI. Closing Remarks			
VII. Adjourn			

FY27 Facilities Project List:

- A. **Mike A. Myers Health Center** (Richland Clinic)
- B. **Parkland Campus** – OK Paper Warehouse Demolition & Surface Parking
- C. **Parkland Hospital** – ACH 8th & 9th Floor Shell Buildout
- D. **Parkland Hospital** - Emergency Department Triage Expansion
- E. **Parkland Hospital** – Interventional Radiology Expansion Rooms 5 & 6
- F. **Parkland Hospital** – Lab Consolidation
- G. **Parkland Hospital** – Cardiac EP Lab Shell Buildout
- H. **Parkland Campus** – Pediatric Behavioral Health Center Renovation
- I. **Parkland Campus** – Redfield Parking Lot Improvements
- J. **Inland Port**
- K. **Southeast Health Center**

Item	Contract Type	Service or Product	Supplier	Contract Term	Current Contract Approval Amount Request	New Approved Contract Value	Selection Method	Budgeted?	Business Owner / Dept.
October 28, 2026									
Medical Products and Services									
M1	Expense	Mod# 2 Extension and adding funds for Abbott Electrophysiology Products and Accessories	Abbott Laboratories	8/19/2021 - 8/31/2028	\$3,901,000	\$9,800,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	David Alexander/Cardiac Lab
M2	Expense	Mod# 2 Two-year contract extension and adding new products for staining supplies	Agilent Technologies, Inc.	5/30/2018 - 11/30/2028	\$812,100	\$3,915,309	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Tim Lenz/Scott Hampton/Anatomic Pathology
M3	Revenue	House Staff Services	The University of Texas Southwestern Medical Center	9/1/2025 - 6/30/2027	(\$11,000,000)	(\$19,000,000)	Sole Source Modification	N/A-Revenue	Elizabeth Ponce/Graduate Medical Education
M4	Expense	Mod#4 Two-year extension and adding funds for Medtronic Electrophysiology Products and Accessories	Medtronic USA, Inc.	8/14/2021-11/14/2028	\$3,001,000	\$7,498,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	David Alexander/Cardiac Lab
M5	Expense	Mod#4 Two-year extension and adding funds for Kahook Dual Blade Disposables	New World Medical	8/11/2017-11/10/2028	\$315,000	\$809,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander/Ambulatory Service Center
M6	Expense	Durable Medical Equipment Prosthetic Devices, Prosthetics, Orthotics, and Supplies Services	One Source Medical Solutions, Inc.	12/14/2026 – 12/13/2031	\$15,000,000	\$15,000,000	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Shannan Bradley, Alissa Tran, Pamela Bryant/Care Management, Hospital at Home, Supply Chain
M7	Expense	Mod#1 Adding funds for two-year extension for the chemistry lab	Sebia, Inc	1/1/2024-12/31/2028	\$485,000	\$1,335,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz/ Pathology

M8	Expense	Mod#2 Two-year extension and adding funds for Versajet accessories	Smith and Nephew, Inc.	7/1/2020 - 11/30/2028	\$315,000	\$1,136,039	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander/Operating Room
M9	Expense	Ob/Gyn Clinical Coverage	The University of Texas Southwestern Medical Center	10/1/2026 – 9/30/2029	\$3,992,679	\$3,992,679	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Ryan Alcantar/Employee Health Integration
M10	Revenue	Mod# 5 Revenue Reporting Services for MIPS and TIPPS	The University of Texas Southwestern Medical Center	3/9/2022-9/30/2029	(\$1,532,387)	(\$3,690,113)	Contract Extension without Competition	N/A-Revenue	Keri Disney-Story/Finance Department
M11	Expense	Mod# 3 Add funding to the Endoprosthesis Vascular Stents and Implants contract	W.L. Gore & Associates, Inc.	5/1/2021-8/28/2028	\$4,500,000	\$11,801,000	Sole Source Modification	Yes, for the current fiscal year. Additional years' costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan and Shawn Grady/Operating Room and Interventional Radiology
M12	Expense	Mod#4 Add funds to Pathways Forward Program	The Salvation Army	3/1/2022-4/1/2027	\$250,000	\$2,644,465	Sole Source Modification	Yes	Shannan Bradley/Care Management
M13	Expense	Mod#7 Add funds for outstanding invoices for Outpatient Dialysis Services	Bio-Medical Applications of Texas, Inc	12/1/2021-12/31/2026	\$1,800,000	\$19,836,933	Sole Source Modification	Yes	Shannan Bradley/Post Acute Services
M14	Expense	Mod#2 Add funding to immunology reagent contract for the Parkland owned Dynex DSX machine	Werfen USA LLC	11/1/2016-10/31/2027	\$85,000	\$989,760	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz/Laboratory Services
Construction and Facilities									
C1	Capital	Design Services for Southeast Dallas Health Center	Cannon Design Inc.	10/29/2026 – 12/31/2030	\$23,626,298	\$23,626,298	Request for Qualifications	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Asma Momin/Planning, Design, and Construction

C2	Capital	Mod#2 Adding contingency funds Big OK Paper Parking Lot Improvements	Gilbert May, Inc. d/b/a Phillips May Corporation	4/24/2024 - 12/31/2026	\$164,160	\$4,478,623	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Paul Woodard /Parkland Design and Construction
C3	Expense: Court Approval	Commercial Contract of Sale for the purchase of 5431 Gregg Street, Dallas, TX	4304 Live Oak, LP	11/4/2026 - 3/19/2027	\$1,100,000	\$1,100,000	Real Estate - Exemption	Yes	Beall Carothers/Planning Design & Construction
C4	Expense: Court Approval	Mod# 2 4th Amendment to Office Lease (for Parkland Foundation & Corporate Communications)	Albany Road-Mockingbird, LLC	8/1/2017-1/31/2032	\$2,506,324	\$5,678,944	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Beall Carothers/Planning Design & Construction
C5	Capital	Acoustic Wall Panel Installation	Mexzim Corporation	11/1/2026 - 1/31/2027	\$208,022	\$208,022	Invitation for Bids	Yes	Hymavathi Vennapusa/Parkland Design & Construction
Information Technology									
IT1	Expense	Epic Resource for Epic Refuel Project (Project Align)	EPIC	11/9/2026 - 9/30/2027	\$342,200	\$342,200	Sole Source	Yes	Gregory Ervin and Brian Ramirez/Information Technology
IT2	Expense	Epic Refuel 2026 - Licenses for Application Implementation (Project Align)	EPIC	10/28/2026 - 12/31/2028	\$1,494,232	\$1,494,232	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Gregory Ervin and Deborah Johnson/Information Technology
IT3	Expense	Harmony Healthcare IT- Historical Healthcare Data Archiving solutions.	Harmony Healthcare IT (HHIT)	11/1/2026 - 8/31/2027	\$550,000	\$550,000	Sole Source	Yes	Deborah Johnson/Information Technology
IT4	Expense	Hyland LLC multi-year co-terming of existing Software Maintenance and Subscriptions for OnBase, Brainware, and Intelligent Medical Records (IMR)	Hyland LLC	11/1/2026 - 6/30/2031	\$3,673,382	\$3,673,382	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Deborah Johnson/Information Technology

IT5	Expense	Revenue Cycle Solutions: SmarterPrebill, SmarterDenials, and SmarterCharges	Smarter DX, Inc.	11/1/2026 – 10/31/2031	\$480,000	\$480,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Kelli Rossi/Revenue Cycle
IT6	Expense	Utilization Management Solution: SmarterUtilization	Smarter DX, Inc.	11/1/2026 – 10/31/2031	\$500,000	\$500,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Kelli Rossi/Revenue Cycle
Hospital Operations									
O1	Expense	Refurbishment of two (2) 300 hp Cleaver Brooks steam boilers located in the Linen department.	Cleaver-Brooks Sales and Service, Inc.	11/1/2026 – 10/31/2027	\$202,045	\$202,045	Invitation for Bids	Yes	Jay Dyck/Linen Services
O2	Capital	Purchase 17 Affinity Birthing Beds	Hill-Rom Company, Inc	11/1/2026 – 6/30/2027	\$258,438	\$258,438	GPO Purchase	Yes	Andrew Hohman/Clinical Engineering
O3	Expense	Mod#3 One year extension of Benefits Flexible Spending Account Administrative Services	Inspira Financial Health, Inc.	1/1/2015 -12/31/2027	\$108,150	\$1,414,650	Contract Extension without Competition	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Tawana McCullough/Office of Talent Management
O4	Expense	Mod#2 One-year term extension and change to the Scope of Work - Consulting Services for Affordable Care Act (ACA) Exchange Plan	Milliman, Inc.	11/14/2024-11/13/2027	\$1,725,000	\$4,615,000	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Kristin Alvarez /Value- Based Care
O5	Capital	OMEGA E-View AI ERCP Fluoroscopy System	Omega Medical Imaging, LLC	11/6/2026 – 11/5/2027	\$998,128	\$998,128	Sole Source	Yes	Patrick Eaton/Clinical Engineering
Ratification/Deviation/Informational Only									
R1	Expense- Ratification	Mod # 3 Pathways Forward Program, adding funds	The Salvation Army	3/1/2022-4/1/2027	\$808,983	\$2,394,465	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Shannan Bradley/Post Acute Services
R2	Expense- Ratification	Mod # 3 Recuperative Care, adding funds	The Salvation Army	11/15/2020-4/1/2027	\$160,446	\$657,012	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Shannan Bradley/Post Acute Services
D1	Capital- Approved Deviation	Purchasing new Sakura Tissue- Tek VIP (Vacuum	Sakura Finetek USA, Inc.	10/1/2026 9/30/2027	\$472,592	\$472,592	Sole Source	Yes	Tim Lenz/Bernie Buenvenida/Clinical Engineering

**Parkland Health
 FY2027 Capital Substitution
 For October 2026 Board Meeting**

Ref #	Division	Project Total	Substitution Amount	Description
1	Nursing Administration	\$879,900	\$879,900	Lifts for Safe Patient Handling
Explanation Texas Senate Bill 1525 requires hospitals and nursing homes to implement safe patient handling and movement programs. The bill restricts manual lifting or movement of all or most of a patient's weight to emergency, life-threatening, or other exceptional circumstances. An internal assessment was recently completed and found that we were deficient in our patient handling processes. Due to the limited number of patient lifts, manual lifting (including transfers and repositioning) occurs often in non-emergent situations. To enhance safety and align with safe patient handling practices, the purchase of 44 lifts totaling \$503K for equipment are being requested, which include the following: ceiling lifts (38), mobile bariatric lifts (4), and fall recovery devices (2). An additional \$377K is also needed for construction related costs due to the relocation of 10 lights in the BICU. The lights would interfere with the railings for the lifts in their current location. The lifts will be installed in high-risk areas to include the following: intensive care units, Radiology, and Neurosurgery. Benefits of approving the request include the following: reduction in injuries and physical strain to the backs of employees; safer environment to retain nurses. Driver(s) of Increased Expense: \$503,000 for equipment; \$376,900 for construction related costs Description of Item: ceiling lifts (38), mobile bariatric lifts (4), and fall recovery devices (2)				
Grand Total		\$879,900	\$879,900	

**Deliberation and Appropriate Action
Regarding the Replacement of the
Current Core Plus Bond Manager with
Brown Brothers Harriman Credit
Partners, LLC.**

III A – Recommend Brown Brothers to Replace Core Plus Bond Manager

- After the DOJ initiated a criminal investigation of the Western Asset Management Company Core Plus fund in November 2024, Parkland opted to withdraw funds from this investment strategy; we moved these monies to an index fund to allow time to choose another bond manager
- Given the focus on private equity/debt and other focus areas we prioritized other asset classes with the most potential for active managers to add financial value, deferring the Core Plus search

III A – Recommend Brown Brothers to Replace Core Plus Bond Manager

- Meketa considered 15 strategies for management of the Core Plus bond
- They recommended Parkland interview six potential firms that best met desired criteria
- These organizations stood out for:
 - Complementary to existing bond manager IR+M
 - Employee-owned firms with stable team
 - Strong track record and consistent results
 - Below median fees
 - Clear investment philosophy and able to clearly differentiate “core-plus” approach

III A – Recommend Brown Brothers to Replace Core Plus Bond Manager¹⁰

Manager Overviews

	BBH	F1	F2	F3	F4	F5
Firm Location	New York, NY	San Diego, CA	Chicago, IL	Seattle, WA	New York, NY	Austin, TX
Firm Inception	1818	1989	1997	1991	2002	1996
Ownership Structure	Subsidiary of Employee-Owned Firm ¹	Majority Employee-Owned	Subsidiary of Majority Employee-Owned Firm	100% Employee-Owned	100% Employee-Owned	100% Employee-Owned
Strategy Name	Core Plus Fixed Income	Active Core Plus	Core Plus Fixed Income	Core Strategic Income	Strategic Core Strategy	Core Plus Fixed Income
Strategy Inception	January 1986	January 2009	January 2007	September 2014	September 2008	January 2019
AUM (Firm)	\$59.7 billion	\$5.8 billion	\$10.8 billion	\$12.9 billion	\$11.4 billion	\$30.5 billion
AUM (Strategy)	\$20.5 billion	\$2.3 billion	\$5.3 billion	\$2.7 billion	\$2.0 billion	\$13.0 million ²

Deliberation and Appropriate Action Regarding the Addition of Hedge Funds to the Parkland Investments Policy Statement

III B - Addition of Hedge Funds to the Parkland Investment Policy

- The pension has limited inflation-protected assets
- Considering adding an opportunistic “diversifiers” bucket could help mitigate downward risk without endangering return
- Classic diversifying strategies are not typically correlated to traditional risk factors on average
- Most diversify strategies are facilitated through a manager of manager program or hedge fund structure

III B - Addition of Hedge Funds to the Parkland Investment Policy

- Adding diversifiers = Similar Risk/Return Profile
- Below is the impact of adding 5% to a diversifiers allocation, funded from investment grade bonds

	Current Policy (%)	Adding Diversifiers (%)
US Large Cap Equity	24	24
US Mid Cap Equity	4	4
US Small Cap Equity	4	4
Developed Market Equity (Non-US)	15	15
Developed Market Small Cap Equity (Non-US)	4	4
Emerging Market Equity	4	4
Private Equity	5	5
Private Debt	5	5
Investment Grade Bonds	25	20
Real Estate	10	10
Diversifiers	0	5
20 Year Expected Return	7.86%	7.90%
20 Year Expected Volatility	12.03%	12.07%
Sharpe Ratio	0.40	0.40

III B - Addition of Hedge Funds to the Parkland Investment Policy

- Changes required in the Parkland Health investment policy
 - Page 11 – Take 5% from investment grade bonds and move to diversifying strategies
 - Page 13 – Add diversifying strategies to list of investment vehicles
 - Page 15 – Include diversifying strategies as a defined asset class and include diversifying strategies in the list of excepted classes for stated prohibited transactions
 - Page 18 – Add diversifying strategies as an asset class for peer groups and benchmarks

Deliberation and Appropriate Action Regarding Titan as the Manager for the New Hedge Fund

III C – Recommend Titan as Manager for New Hedge Fund

- Meketa considered 14 strategies for management of the new hedge fund
- They recommended Parkland interview two potential firms
- These organizations stood out for:
 - Their approach (concentrated multi-manager funds)
 - Access to underlying smaller/capacity constrained strategies
 - Historical track records
 - Low beta to equity markets
 - Reasonable fee structures

III C – Recommend Titan as Manager for New Hedge Fund

Manager Comparison

	Firm 1	Titan Advisors
Firm Location	Evanston, IL	Stamford, CT
Firm Inception	2002	2001
Strategy Name	Evanston Alpha Strategies	Titan Masters Fund
Strategy Type	Diversified Fund of Funds	Diversified Fund of Funds
Strategy Inception	May 2011	May 2001
AUM (Strategy)¹	\$163 million	\$279 million
AUM (Firm)	\$4.1 billion	\$2.4 billion
Fees	0.55% management fee and 5% performance fee over the greater of 3% or T-Bills hurdle, subject to a high-water mark.	0.40% management fee and 7.5% performance fee above a 3% hurdle, subject to a high-water mark.
Liquidity	Up to 10% of an investment may be withdrawn in the first through third calendar quarters after the investment was made. Quarterly redemptions, with 65 days' notice thereafter.	Quarterly redemptions, with 65 days' notice

Action Required

- Select and appoint Brown Brothers Harriman & Co. as Core Plus manager
- Vote to recommend the Board of Managers approve changes to the Parkland Retirement Plan Investment policy to allow diversifiers
- Select and appoint Titan Advisors as Hedge Fund manager

PARKLAND HEALTH & HOSPITAL SYSTEM**FISCAL MANUAL****RETIREMENT PLAN INVESTMENT POLICY****DALLAS COUNTY HOSPITAL DISTRICT****RETIREMENT INCOME PLAN**

Proposed edits October 2026

PARKLAND HEALTH & HOSPITAL SYSTEM
FISCAL MANUAL

RETIREMENT PLAN INVESTMENT POLICY

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PARKLAND HEALTH & HOSPITAL SYSTEM

FISCAL MANUAL

RETIREMENT PLAN INVESTMENT POLICY

SECTION I

PURPOSE OF INVESTMENT POLICY

The Dallas County Hospital District dba: Parkland Health (“Parkland”) maintains a defined benefit pension plan known as the Dallas County Hospital District Retirement Income Plan (“Plan”) that provides retirement benefits for those Parkland employees who are eligible to participate. The Plan was initially adopted January 1, 1982 by Parkland as a replacement for Social Security benefits. The purpose of the Plan is to provide financial security to our employees after retirement. The Plan is funded by the employees through a 6.2% payroll deduction (effective January 2018; no caps or limits) on base earnings, with Parkland providing any additional funding required to meet the actuarial determined contribution as calculated by an independent actuary. Since Parkland is a political subdivision of the State of Texas, the Plan is not subject to ERISA, but is subject to State regulation through the Texas Pension Review Board and the accounting for the Plan must comply with Government Accounting Standards Board requirements. Any changes to the Plan require approval by Parkland’s Board of Managers. This Investment Policy (“Policy”) defines the investment policy for assets of the Plan. This Policy sets forth administration responsibilities for the Plan and Plan assets, asset allocation strategy for the Plan, investment guidelines for Plan assets and performance measurement standards for investment of Plan assets. The objectives of this Policy are formulated in response to the following:

- the anticipated financial needs of the Plan;
- consideration of risk tolerance; and
- the need to document and communicate with the Plan’s investment managers, advisors, and service providers regarding the purpose of investment policy, administration, asset allocation strategy, investment guidelines and performance measurement standards for the Plan and the Plan assets and ultimately to Plan participants.

This Policy shall apply to the following parties that have responsibilities regarding the Plan Assets:

- Parkland’s Board of Managers;
- The Budget and Finance Committee of Parkland’s Board of Managers;
- The Plan Investment Committee;
- The Plan Investment Consultant;
- The Plan’s Investment Managers;
- The Plan’s Trustee(s)/Custodian(s); and
- Parkland’s staff, as contemplated by this Policy and as requested from time to time by the Investment Committee and/or the Budget and Finance Committee.
- Transition Managers

This Policy shall be reviewed annually and communicated to all the foregoing parties involved in the oversight of the Plan, together with any amendments of this Policy from time to time.

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RETIREMENT PLAN INVESTMENT POLICY

INVESTMENT OBJECTIVES

Investments will be made in the sole interest of the participants and beneficiaries of the Plan and in accordance with the following objectives:

- To ensure an adequate pool of assets to support the benefit obligations to participants, retirees and beneficiaries;
- Obtain a reasonable rate of return consistent with a prudent level of portfolio risk, while controlling costs incurred in administering and managing the assets; and
- Improvement in the Plan's funded status, providing improved benefit certainty and benefit levels for employees participating in the Plan and the opportunity to reduce employer contributions to the Plan.

SECTION II

ADMINISTRATION

The Board of Managers is responsible for ensuring that all Plan assets are managed effectively and prudently. The responsibilities of the Board's Budget and Finance Committee and other parties related to the management of the Plan assets are as follows:

A. Budget and Finance Committee

The Budget and Finance Committee shall have the authority and responsibility to:

- Recommend adoption of this Policy and amendments from time to time as deemed necessary, desirable or appropriate;
- Recommend appointments to the Investment Committee;
- Select and appoint experienced and qualified Investment Managers to manage all or a portion of the Plan's assets, and to remove Investment Managers from time to time as deemed necessary, desirable or appropriate; Investment Managers shall be selected from established and financially sound organizations that have a proven and demonstrable record in managing funds with characteristics appropriate for the risk/return profile of the Plan's assets. The process for the

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RETIREMENT PLAN INVESTMENT POLICY

selection of Investment Managers for the Plan will involve a disciplined approach, and will be fully documented in the Budget and Finance Committee's records; and

- Approve the hiring of a Custodian and an Investment Consultant to assist the Investment Committee and Parkland staff in implementing policy and managing the Plan
- Monitor the investments of the Plan assets, including periodic monitoring (at least quarterly) of the investment performance results and a periodic analysis and review (at least quarterly) of the overall investment portfolio of the Plan and its performance as measured by the performance measurement standards set forth in this Policy.

B. Investment Committee

The Investment Committee shall:

- Serve as experienced investment professionals to the Budget and Finance Committee;
- Be composed of members who are selected based upon their overall investment experience, including managing or supervising similar-sized investment portfolios, and their willingness to serve as community volunteers without compensation, but with reimbursement for reasonable out-of-pocket expenses incurred in accomplishing their Investment Committee-related duties;
- Be subject to indemnification related to actions taken within the scope of their duties as members of the Investment Committee, to the fullest extent allowed by applicable law;
- Recommend to the Budget and Finance Committee appropriate Investment Consultants, Investment Managers, Trustees and Custodians, mutual funds or other vendors to implement the Policy; and
- Suggest investment goals and objectives for the Plan and recommend an appropriate asset allocation strategy to be incorporated into this Policy.

C. Investment Managers

Investment Managers shall:

- Manage an investment strategy within the guidelines set forth in this policy;
- Implement selection and timing of investments within the guideline limitations in this Policy, and consistent with each Investment Manager's stated philosophy and style;
- Supply timely written quarterly reports of investment performance results to Parkland staff and the Investment Consultant;

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RETIREMENT PLAN INVESTMENT POLICY

- Meet and/or communicate with Parkland staff, the Investment Committee, and the Investment Consultant as requested to review investment performance and discuss current strategy;
- Notify the Investment Committee, the Investment Consultant, the Budget and Finance Committee and Parkland staff in writing of any material deviations from the stated investment approach;
- Conduct the purchase and sale of investments in a manner designed to receive the combination of best price and execution;
- Promptly vote proxy ballots for the exclusive benefit of the Plan and in accordance with this Policy; and
- Proactively provide documentation of all relevant compliance issues to Parkland staff and the Investment Consultant within seven (7) days, including, but not be limited to, the following:
 - Regulatory reports
 - Changes in personnel
 - Changes in ownership
 - Any notices to or from the Securities and Exchange Commission (“SEC”)
 - The commencement of any judicial or administrative proceedings

D. Investment Consultant

The Investment Consultant shall:

- Disclose any relationship or revenue between themselves and any candidate manager they may introduce to the plan.
- Be approved by the Budget and Finance Committee based on a recommendation by the Investment Committee.
- Assist the Investment Committee, the Budget and Finance Committee and Parkland staff in an open and competitive process to select Investment Managers and provide its rankings and recommendations for selection of Investment Managers to the Investment Committee and the Budget and Finance Committee.
- Review the performance of the Investment Managers versus their respective benchmarks and relevant peer groups; and make recommendations to the Investment Committee and Budget and Finance Committee as needed.

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RETIREMENT PLAN INVESTMENT POLICY

- Monitor the Investment Managers' style and characteristics to ensure they are running strategies consistent with the Policy.
- Review and analyze investment performance reports from the Investment Managers and prepare and deliver comprehensive quarterly reports regarding the Investment Managers' performance to the Investment Committee, Budget and Finance Committee and Parkland staff.
- Present to the Investment Committee and Parkland staff any recommended changes to this Policy.
- Assist the Investment Committee, the Budget and Finance Committee and Parkland staff with the review of capital markets, this policy, investment structure, and investment strategies.
- Periodically revisit each benchmark index for its continued appropriateness.
- Monitor the total investment portfolio for unintended risk associated with over-allocation to certain securities within asset classes, sectors, or geography that may overlap.
- Educate the Investment Committee and Parkland staff on investment issues that could impact the Plan.
- Annual review of investment management fees and comparisons with fees of other managers with similar strategies.

E. Trustee/Custodian

The trustee/custodian shall:

- Be a reputable, well-established, financially sound financial institution that is recognized as an industry leader. The trustee/custodian shall be approved by the Budget and Finance Committee based on a recommendation by the Investment Committee.
- Fulfill all fiduciary duties required of a trustee/custodian by pertinent state and federal laws and regulations.
- Safe keep the Plan's assets in accordance with the Trust Agreement.
- Supply timely reports of transactions and valuations of Plan assets.

F. Staff

Parkland staff shall:

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- Implement the decisions of the Budget and Finance Committee and the Investment Committee.
- Review asset allocation on an ongoing basis and initiate portfolio rebalancing pursuant to parameters in this Policy.
- Coordinate communications between the Investment Committee and the Budget and Finance Committee.
- Organize Investment Committee meetings and distribute materials related to the meetings.
- Coordinate review and execution of legal documents related to the Plan's investment and administration.

G. Transition Manager

Transition management is the cost effective and efficient portfolio restructuring of institutional assets from single or multiple investment managers/asset classes to a new investment allocation over a short-term investment horizon. During the transition process, the transition manager is looked upon as a discretionary caretaker of the portfolio(s) to be liquidated and as the conduit for the funding of the target portfolio(s). The responsibilities of a transition manager should include the following responsibilities.

- Transition management (portfolio transition) services from the legacy portfolio(s) to the target portfolio(s).
- The transition manager will act as a fully-discretionary fiduciary and will perform the transition with utmost care and prudence. The fund sponsor realizes that markets fluctuate and risks are inherent during the transition period. However, market forces do not absolve the transition manager from negligence and applying the highest level of care and prudence inherent in a fiduciary.
- Minimize tracking error and maintain asset class (benchmark) exposure. During the transition period, the preservation of capital must be taken into consideration through the expert use of all sources of liquidity, namely: in-kind transfers ("cherry picking" of the legacy portfolio for the

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target portfolio), internal and external crossing networks, primary exchanges, non-displayed liquidity, and principal trades. The strategic and tactical deployment of cash, futures, ETFs, and other hedging strategies are included in the tools required to accomplish a smooth transition.

- Before the transition, the transition manager should provide the fund sponsor a written portfolio transition (liquidation) strategy, including the timeframe required, to achieve the desired objective of liquidating the legacy portfolio(s) and building (and/or funding) the target portfolio(s).
- During the transition period, daily reporting of all trade activity from commencement of the liquidation to the completion and full funding of the target portfolios should be available to Parkland.
- After the completion of the transition, the transition manager should provide Parkland with a report on the outcome and results of the transition. The report should include relevant statistics (i.e., tracking error, costs, VWAPs, t-standard, etc.) and full trading/transaction reports.
- Coordination of the firm's trading activity with investment managers (both legacy and target portfolios) and the custodial bank.
- The transition manager must carry the appropriate coverage for errors and omissions and professional liability insurance.

Conflicts of Interest

To avoid conflicts of interest, all members of the Investment Committee, the Budget and Finance Committee, Parkland staff and the Investment Consultant shall agree to adhere, and shall adhere, to Parkland's conflict of interest policies.

Investment Manager Selection Parameters

The following parameters articulate the general criteria used to select Investment Managers. All or part of these criteria may be employed in choosing an Investment Manager.

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- At the time of engagement, investment managers will affirm that they act in a fiduciary capacity towards the Plan and its participants.
- The Investment Manager must have an investment philosophy that is clearly defined.
- The Investment Manager must demonstrate that the broader organization and investment team have been stable and have committed the resources to maintain the success of its strategy.
- An Investment Manager should have sufficient assets under management relative to the particular asset class and the placement size being awarded.
- An Investment Manager should have been managing the particular investment strategy chosen for at least three years prior to being retained by the Plan. This parameter can be waived if the Investment Manager has had experience with a comparable firm or strategy during that three-year time period.
- The Investment Manager's fee schedule should be reasonable in comparison to the relevant investment universe.

Other prudent criteria may be used by the Investment Committee and the Budget and Finance Committee to select investment options, as deemed necessary.

Investment Manager Watch List Process

The Investment Consultant and/or the Investment Committee may recommend that an Investment Manager be placed on a "Watch List" if concerns develop regarding some aspect of the Investment Manager or its performance. Given that these concerns may or may not be of sufficient importance to justify termination of the Investment Manager, the Watch List is intended to serve as a management tool for the Investment Consultant and the Investment Committee to evaluate the Investment Manager. The Investment Committee may place an Investment Manager on the Watch List for any of the following reasons:

- a. The Investment Manager has not met its performance standards for a sustained period.
- b. The Investment Manager has changed key professionals responsible for the management of the strategy, or such change appears imminent.
- c. The Investment Manager has had a significant change in ownership or control.

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- d. The Investment Manager has changed investment focus or has experienced style drift, departing materially from the investment objectives or parameters previously represented.
- e. Judicial or administrative proceedings have been commenced that involve the Investment Manager.
- f. The Investment Manager has violated, or received notice of a violation of, an SEC rule or regulation.
- g. Other criteria, as determined by the Budget and Finance Committee, the Investment Committee and the Investment Consultant.

Formal Investment Manager Review

When an Investment Manager has been placed on the Watch List, the Investment Committee, in conjunction with the Investment Consultant, shall review the Investment Manager's operations and performance, and the Investment Committee and the Investment Consultant shall make any recommendations about the Investment Manager to the Budget and Finance Committee.

Upon completion of the review, the Budget and Finance Committee may (i) retain the Investment Manager, (ii) reduce the assets under management by the Investment Manager or (iii) terminate the Investment Manager and transfer the assets to a temporary index vehicle or a new Investment Manager.

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ASSET ALLOCATION STRATEGY

The Budget and Finance Committee is guided by the philosophy that asset allocation is the most significant determinant of long-term investment return. Asset allocation targets shall be established by the Budget and Finance Committee to achieve the total return objectives of the Plan within acceptable risk levels, as considered on a prospective basis.

The Investment Consultant will be responsible for providing asset class education and the necessary tools and analysis to enable the Investment Committee and Parkland's staff to make prudent recommendations to the Budget and Finance Committee, and to enable the Budget and Finance Committee to make prudent decisions, regarding the selection of asset classes, a strategic asset allocation, and allowable minimum and maximum ranges. When requested by the Investment Committee, Budget and Finance Committee, and/or Parkland staff an asset allocation study will be conducted by the Investment Consultant. The asset allocation strategy will be reviewed at least annually and any changes to the strategy may or may not require an asset allocation study.

The asset structure is designed to reflect a proper balance of the Plan's need for total return and the risk tolerance established by the Budget and Finance Committee.

The Budget and Finance Committee determined, based on extensive work done by the Investment Consultant and recommendations by the Investment Committee, that the Plan's desired investment objective has a strong probability of being achieved with an acceptable level of risk if the Plan invests in the Asset Classes as described on the following page.

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Asset Class	Strategic Target (%)	Allowable Range
Growth		
US Large Cap	24	18-30
US Mid Cap	4	2-6
US Small Cap	4	2-6
Dev. Market Equity (non-US)	15	12-18
Developed Market Small Cap	4	2-6
Emerging Market Equity	4	2-6
Private Equity	5	0-8
Income Assets		
Private Debt	5	0-8
Risk Mitigating Assets		
Investment Grade Bonds	~~25~~ 20	~~20-30~~ 15-25
Diversifiers		
<u>Diversifying Strategies</u>	<u>5</u>	<u>0-8</u>
Real Estate	10	7-13

Exposure of the total Plan assets to cash equivalents on average should not exceed 5% of the total Plan's value on a market value basis. Each Investment Manager's portfolio should reflect the guidelines established for that particular Asset Class. Cash exposure may drop to zero at the discretion of the Investment Manager.

Rebalancing Policy

One essential component of a strategic asset allocation policy is the development and use of rebalancing ranges for the target allocation. The Budget and Finance Committee and Investment Committee believe that systematic rebalancing should reduce portfolio volatility and increase portfolio return over the long term. The ranges specified in the table above are a function of the expected volatility of each asset class and the proportion of the total fund allocated to the asset class.

If the Plan experiences positive cash flow (*i.e.*, contributions exceed disbursements), the Plan's assets shall be rebalanced by directing new contributions to the under-allocated assets. If the Plan experiences negative cash flow, funds to make distributions will be withdrawn from over-allocated assets. If the Plan's cash flow is not sufficient to keep the allocation within the defined ranges stated above, then purchase or sale transactions are required.

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The Budget and Finance Committee is charged with the responsibility of monitoring the asset allocation policy. In order to adhere to a systematic rebalancing policy, the Budget and Finance Committee delegates' authority to Parkland staff to follow and execute the asset allocation and rebalancing policy described in this Policy. The Investment Committee and the Investment Consultant will monitor the asset allocation on a quarterly basis at a minimum.

SECTION IV

INVESTMENT GUIDELINES

All investments shall be made solely in the interest of beneficiaries of the Plan, and for the exclusive purposes of providing benefits to such beneficiaries and defraying the reasonable expenses of administering the Plan.

All Plan assets should be properly diversified to reduce the potential of a single security or single sector of securities having a disproportionate or significant impact on the Plan.

Where institutional mutual or commingled funds (including index funds) are used, it is expected that the investments generally conform to these guidelines described below, though the Budget and Finance Committee recognizes that the prospectus or guidelines of the fund supersede those of the Plan. On a quarterly basis, the Investment Managers shall review their investments for compliance with these guidelines. If the investments differ from these guidelines in any material respect, the Investment Manager shall notify the Plan in writing. At least one Investment Manager shall be selected to manage an Asset Class.

If there is any question regarding these guidelines and the authorization granted to purchase and/or hold a security because of its issuer, type, effective duration, or effective credit quality, the Investment Manager must consult with the Budget and Finance Committee and its Investment Consultant prior to purchase of the security.

The Budget and Finance Committee has established, based on recommendations by the Investment Committee and the Investment Consultant, the following Asset Classes as appropriate investment strategies for Plan Assets. The Budget and Finance Committee may, from time to time, modify this list based on, among other things, recommendations from the Investment Committee and/or the Investment Consultant:

- Domestic Equities
- Non-U.S. Equities
- Private Equity
- Fixed Income Securities and Cash Equivalents
- Private Debt

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- Private Real Estate
- Diversifying Strategies

A. Domestic Equities

Domestic equities shall be restricted to securities of companies that are actively traded on major U.S. exchanges. Equity holdings may also include American Depositary Receipts (ADRs), Exchange-Traded Funds (ETFs), mutual funds registered under the Investment Advisers Act of 1940 and publicly traded partnerships (such as master limited partnerships) traded on U.S. exchanges. Preferred and convertible preferred stocks may be held. Publicly traded Real Estate Investment Trust (REITs) shares may be held and are considered part of the allocation to equities.

Futures and options can be used as a substitute for equity securities provided that they are at least 100% collateralized by high quality, low volatility fixed income securities and therefore do not represent leveraging of the assets.

B. Non-U.S. Equities

The majority of non-U.S. equity holdings shall be securities issued by companies headquartered in countries included in the MSCI All Country World ex-U.S. Index (ACWI ex-U.S.). Issues may be purchased and sold on exchanges in other countries that offer a ready market for individual issues and have no restrictions on the transfer of funds to and from the U.S.

Managers holding foreign currency denominated securities are permitted to employ currency hedging strategies.

C. Private Equity

Given the unique characteristics of private equity strategies, the Investment Committee shall adopt a Private Markets Strategic Plan to govern the selection, monitoring, performance reporting and guidelines of these strategies. The Private Markets Strategic Plan shall be reviewed annually for appropriateness and shall also include a pacing plan to guide allocation decisions.

D. Fixed Income

Fixed income investments shall be marketable securities, which may include, but not necessarily be limited to U.S. Treasury, Federal Agencies and U.S. Government guaranteed obligations, and corporate issues. Mortgage pass-throughs, and non-dollar denominated bonds may also be held. Fixed income may include opportunistic or strategic allocations to High Yield, Non-U.S. and/or Emerging Market Debt

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securities at the discretion of the Investment Manager. Fixed Income managers may utilize ETFs, mutual funds registered under the Investment Advisers Act of 1940, commingled vehicles or separate accounts for managing their investments.

Foreign currency fixed income holdings are restricted to investment grade securities of issuers in countries represented in the Citigroup World Government Non-U.S. Bond Index. Foreign currency securities must be actively traded in major markets.

Privately placed fixed income issues may be held if the credit risk is carefully evaluated and judged to conform to this Policy, and there is a secondary market for potential sale before maturity or call date.

In addition to the securities outlined above, the following securities are considered permissible for a fixed income manager, but only if specifically stated in the individual manager's guidelines:

Municipal Securities, Convertible Bonds, Collateralized Mortgage Obligations (CMO), Commercial Mortgage-Backed Securities (CMBS), Asset-Backed Securities (ABS), and Residential Mortgage-Backed Securities (RMBS).

If an Investment Manager has any questions about the authorization granted to purchase and/or hold a security because of its issuer, type, effective duration, or effective credit quality, the manager must consult with Parkland staff prior to purchase of the security.

The duration of each fixed income portfolio should not exceed 150% of the Bloomberg U.S. Aggregate Bond Index duration.

The weighted average credit quality of the portfolio will not fall below BBB- or equivalent. No more than 5% of the fixed income portfolio, at time of purchase, may be invested in issuances of any one company or entity, except for government or agency issues.

E. Private Debt

Given the unique characteristics of private debt strategies, the Investment Committee shall adopt a Private Markets Strategic Plan to govern the selection, monitoring, performance reporting and guidelines of these strategies. The Private Markets Strategic Plan shall be reviewed annually for appropriateness and shall also include a pacing plan to guide allocation decisions.

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F. Cash Equivalents

Cash equivalent reserves shall consist of cash instruments having a quality rating by at least one rating agency of A-1, P-1 or higher with an average maturity of 90 days or less.

G. Private Real Estate

Private real estate investments may be made indirectly through such vehicles as joint ventures, general or limited partnerships, limited liability companies, private REITs, private mortgage loans (but not publicly traded mortgage securities) and other loans including mezzanine debt, or interests in companies or entities that directly or indirectly hold real estate or real estate interests, or other open-end commingled fund structures.

This Asset Class should be broadly diversified, investing primarily in existing, majority leased income-producing properties with strong cash flows that are expected to increase over time, providing potential for capital appreciation. Ownership should primarily be through equity interest with the use of leverage being limited to no more than 40% of the total assets in this Asset Class. This Asset Class should also be diversified by property types with investments in office, residential, retail, industrial, hotel and self-storage properties and by the various geographic regions of the country.

H. Diversifying Strategies

Diversifying strategies is a broad category meant to capture strategies that seek to be uncorrelated to traditional risk factors (e.g. equities, credit spreads, rates) on average. Often (but not always) these strategies are implemented through a manager-of-manager vehicle or hedge fund structure. Common examples of diversifiers (non-exclusive list) include: global macro strategies, alternative risk premia strategies, insurance linked strategies, relative value/event driven strategies, equity market neutral strategies and multi-strategy investment products.

Prohibited Transactions

The following securities and transactions are not authorized without a written request that sets forth a detailed explanation and recommendation from the Investment Manager and that receives the prior written approval from the Investment Committee, except that the following prohibitions shall not apply to Investment Managers for the Private Equity, Private Debt, Diversifying Strategies or Private Real Estate Asset Classes:

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- a. Collateralized debt obligations;
- b. Letter stock and other unregistered equity securities;
- c. Commodities or commodity contracts (except for unleveraged stock or bond index futures and currency futures and options);
- d. Short sales, warrants or margin transactions; or any leveraged investments;
- e. Venture capital partnerships or other private equity investments.
- f. Bonds or other financial instruments issued by the Dallas County Hospital District or its affiliates.

Any financial options and futures employed must be primarily for defensive and hedge strategies undertaken to preserve principal. They may also be used as a substitute for the underlying security, providing there is no leverage.

Diversification

Investments shall be diversified with the intent to minimize the risk of large losses. Consequently, the total portfolio will be constructed and maintained to provide prudent diversification with regard to the concentration of holdings in individual issues, corporations or industries.

SECTION V

PERFORMANCE MEASUREMENT STANDARDS

The most important performance standard is the achievement of long-term investment results consistent with this Policy. The asset allocation Policy will be the primary determinant of return over time. Implementation of this Policy will be directed toward achieving this standard with an acceptable level of risk measured by standard deviation.

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Performance measurement standards are required for determining whether or not the Plan's goals are being met. They also provide an objective basis for evaluating how well individual Investment Managers perform and how they complement each other and add value collectively. The performance measurement standards will be used as the benchmarks against which results will be measured and evaluated; however, it is understood there is no guarantee that such results will be achieved.

There are performance measurement standards for the aggregate of the Plan assets as well as for each Asset Class and Investment Manager.

AGGREGATE PLAN ASSET PERFORMANCE MEASUREMENT STANDARDS

While keeping in mind the actuarial return assumptions of the Plan, the aggregate of the Plan's assets will be managed with the goal of achieving the following over a five-year period:

- An annualized rate of return, net of management fees, that meets the actuarial assumed return as determined by the Plan's actuary;
- A return, net of management fees, that outperforms a hypothetical portfolio composed of indices weighted according to the target allocation as mutually determined by the Investment Committee and Investment Consultant; and
- Comparable volatility of returns, as measured by the standard deviation of quarterly returns of the benchmark index as calculated by the Investment Consultant.

The return on the aggregate of the Plan's assets will periodically be compared to a weighted average composite of the asset class benchmarks and a universe of other public retirement income plans.

INVESTMENT MANAGERS

To ensure that results of Investment Managers are fairly evaluated, the Investment Committee and the Budget and Finance Committee will use the following comparative performance statistics for actively managed products. The performance of the strategy managed by each Investment Manager will be expected to achieve minimum performance standards as follows and as set forth in the chart below. Active managers should:

- a. Rank in the top 50% of an appropriate peer group of actively managed portfolios (as indicated below);
- b. Meet or exceed an appropriate benchmark index (as indicated below), net of management fees;

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- c. Maintain a risk level, as measured by the standard deviation of quarterly returns, which is comparable to that of the appropriate benchmark index, as indicated below. To the extent that the Investment Manager takes more/less risk than the market and/or the appropriate peer group, returns are expected to increase/decrease commensurately; and

These performance measurement standards should be achieved over three-year periods. Although failure to achieve these performance measurement standards will not result in the automatic termination of an Investment Manager, the Investment Committee and the Budget and Finance Committee shall review any Investment Manager that fails to achieve the standards and shall document its reasons for retaining the Investment Manager and such manager will be placed on a watch list.

The specific peer groups and benchmarks for each Asset Class are detailed here:

Asset Class	Peer Group <i>Exceed 50th Percentile</i>	Benchmark Index <i>Outperform</i> <i>Net of Investment Fees</i>
U.S. Equity		<i>Russell 3000 Index</i>
Large Cap Core (Passive)	<i>eV US Large Cap Equity</i>	S&P 500 +/- 10 basis points
Small/Mid Cap Value Equity	<i>eV US Small-Mid Cap Value Equity</i>	Russell 2500 Value
Small/Mid Cap Growth Equity	<i>eV US Small-Mid Cap Growth Equity</i>	Russell 2500 Growth
Non-U.S. Equity		MSCI ACWI ex-US IMI
Non-U.S. Equity	<i>eV EAFE Equity</i>	MSCI EAFE (net)
Non-U.S. Small Cap Equity	<i>eV ACWI ex-US Small Cap Equity</i>	MSCI EAFE Small Cap or World ex-US Small Cap (net)
Emerging Market Equity	<i>eV Emerging Markets Equity</i>	MSCI Emerging Markets (net)
Private Equity	<i>n/a</i>	MSCI ACWI +2% 1Qtr lagged
Private Real Estate	<i>n/a</i>	NFI-ODCE Equal Weight Net
<u>Diversifying Strategies</u>	<i><u>n/a</u></i>	<u>HFRI FOF Index</u>
Fixed Income		Bloomberg US Aggregate
Core Fixed Income	<i>eV US Core Fixed Income</i>	Bloomberg US Aggregate

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Core Plus Fixed Income	<i>eV US Core Plus Fixed Income</i>	Bloomberg US Aggregate
Private Debt	n/a	50% Credit Suisse Leveraged Loan Index + 50% Bloomberg US High Yield + 1% 1 Qtr lagged

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DALLAS COUNTY HOSPITAL DISTRICT

RETIREMENT INCOME PLAN

Proposed edits October 2026

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SECTION I

PURPOSE OF INVESTMENT POLICY

The Dallas County Hospital District dba: Parkland Health (“Parkland”) maintains a defined benefit pension plan known as the Dallas County Hospital District Retirement Income Plan (“Plan”) that provides retirement benefits for those Parkland employees who are eligible to participate. The Plan was initially adopted January 1, 1982 by Parkland as a replacement for Social Security benefits. The purpose of the Plan is to provide financial security to our employees after retirement. The Plan is funded by the employees through a 6.2% payroll deduction (effective January 2018; no caps or limits) on base earnings, with Parkland providing any additional funding required to meet the actuarial determined contribution as calculated by an independent actuary. Since Parkland is a political subdivision of the State of Texas, the Plan is not subject to ERISA, but is subject to State regulation through the Texas Pension Review Board and the accounting for the Plan must comply with Government Accounting Standards Board requirements. Any changes to the Plan require approval by Parkland’s Board of Managers. This Investment Policy (“Policy”) defines the investment policy for assets of the Plan. This Policy sets forth administration responsibilities for the Plan and Plan assets, asset allocation strategy for the Plan, investment guidelines for Plan assets and performance measurement standards for investment of Plan assets. The objectives of this Policy are formulated in response to the following:

- the anticipated financial needs of the Plan;
- consideration of risk tolerance; and
- the need to document and communicate with the Plan’s investment managers, advisors, and service providers regarding the purpose of investment policy, administration, asset allocation strategy, investment guidelines and performance measurement standards for the Plan and the Plan assets and ultimately to Plan participants.

This Policy shall apply to the following parties that have responsibilities regarding the Plan Assets:

- Parkland’s Board of Managers;
- The Budget and Finance Committee of Parkland’s Board of Managers;
- The Plan Investment Committee;
- The Plan Investment Consultant;
- The Plan’s Investment Managers;
- The Plan’s Trustee(s)/Custodian(s); and
- Parkland’s staff, as contemplated by this Policy and as requested from time to time by the Investment Committee and/or the Budget and Finance Committee.
- Transition Managers

This Policy shall be reviewed annually and communicated to all the foregoing parties involved in the oversight of the Plan, together with any amendments of this Policy from time to time.

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INVESTMENT OBJECTIVES

Investments will be made in the sole interest of the participants and beneficiaries of the Plan and in accordance with the following objectives:

- To ensure an adequate pool of assets to support the benefit obligations to participants, retirees and beneficiaries;
- Obtain a reasonable rate of return consistent with a prudent level of portfolio risk, while controlling costs incurred in administering and managing the assets; and
- Improvement in the Plan's funded status, providing improved benefit certainty and benefit levels for employees participating in the Plan and the opportunity to reduce employer contributions to the Plan.

SECTION II

ADMINISTRATION

The Board of Managers is responsible for ensuring that all Plan assets are managed effectively and prudently. The responsibilities of the Board's Budget and Finance Committee and other parties related to the management of the Plan assets are as follows:

A. Budget and Finance Committee

The Budget and Finance Committee shall have the authority and responsibility to:

- Recommend adoption of this Policy and amendments from time to time as deemed necessary, desirable or appropriate;
- Recommend appointments to the Investment Committee;
- Select and appoint experienced and qualified Investment Managers to manage all or a portion of the Plan's assets, and to remove Investment Managers from time to time as deemed necessary, desirable or appropriate; Investment Managers shall be selected from established and financially sound organizations that have a proven and demonstrable record in managing funds with characteristics appropriate for the risk/return profile of the Plan's assets. The process for the

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selection of Investment Managers for the Plan will involve a disciplined approach, and will be fully documented in the Budget and Finance Committee's records; and

- Approve the hiring of a Custodian and an Investment Consultant to assist the Investment Committee and Parkland staff in implementing policy and managing the Plan
- Monitor the investments of the Plan assets, including periodic monitoring (at least quarterly) of the investment performance results and a periodic analysis and review (at least quarterly) of the overall investment portfolio of the Plan and its performance as measured by the performance measurement standards set forth in this Policy.

B. Investment Committee

The Investment Committee shall:

- Serve as experienced investment professionals to the Budget and Finance Committee;
- Be composed of members who are selected based upon their overall investment experience, including managing or supervising similar-sized investment portfolios, and their willingness to serve as community volunteers without compensation, but with reimbursement for reasonable out-of-pocket expenses incurred in accomplishing their Investment Committee-related duties;
- Be subject to indemnification related to actions taken within the scope of their duties as members of the Investment Committee, to the fullest extent allowed by applicable law;
- Recommend to the Budget and Finance Committee appropriate Investment Consultants, Investment Managers, Trustees and Custodians, mutual funds or other vendors to implement the Policy; and
- Suggest investment goals and objectives for the Plan and recommend an appropriate asset allocation strategy to be incorporated into this Policy.

C. Investment Managers

Investment Managers shall:

- Manage an investment strategy within the guidelines set forth in this policy;
- Implement selection and timing of investments within the guideline limitations in this Policy, and consistent with each Investment Manager's stated philosophy and style;
- Supply timely written quarterly reports of investment performance results to Parkland staff and the Investment Consultant;

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- Meet and/or communicate with Parkland staff, the Investment Committee, and the Investment Consultant as requested to review investment performance and discuss current strategy;
- Notify the Investment Committee, the Investment Consultant, the Budget and Finance Committee and Parkland staff in writing of any material deviations from the stated investment approach;
- Conduct the purchase and sale of investments in a manner designed to receive the combination of best price and execution;
- Promptly vote proxy ballots for the exclusive benefit of the Plan and in accordance with this Policy; and
- Proactively provide documentation of all relevant compliance issues to Parkland staff and the Investment Consultant within seven (7) days, including, but not be limited to, the following:
 - Regulatory reports
 - Changes in personnel
 - Changes in ownership
 - Any notices to or from the Securities and Exchange Commission (“SEC”)
 - The commencement of any judicial or administrative proceedings

D. Investment Consultant

The Investment Consultant shall:

- Disclose any relationship or revenue between themselves and any candidate manager they may introduce to the plan.
- Be approved by the Budget and Finance Committee based on a recommendation by the Investment Committee.
- Assist the Investment Committee, the Budget and Finance Committee and Parkland staff in an open and competitive process to select Investment Managers and provide its rankings and recommendations for selection of Investment Managers to the Investment Committee and the Budget and Finance Committee.
- Review the performance of the Investment Managers versus their respective benchmarks and relevant peer groups; and make recommendations to the Investment Committee and Budget and Finance Committee as needed.

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- Monitor the Investment Managers' style and characteristics to ensure they are running strategies consistent with the Policy.
- Review and analyze investment performance reports from the Investment Managers and prepare and deliver comprehensive quarterly reports regarding the Investment Managers' performance to the Investment Committee, Budget and Finance Committee and Parkland staff.
- Present to the Investment Committee and Parkland staff any recommended changes to this Policy.
- Assist the Investment Committee, the Budget and Finance Committee and Parkland staff with the review of capital markets, this policy, investment structure, and investment strategies.
- Periodically revisit each benchmark index for its continued appropriateness.
- Monitor the total investment portfolio for unintended risk associated with over-allocation to certain securities within asset classes, sectors, or geography that may overlap.
- Educate the Investment Committee and Parkland staff on investment issues that could impact the Plan.
- Annual review of investment management fees and comparisons with fees of other managers with similar strategies.

- **Trustee/Custodian**

The trustee/custodian shall:

- Be a reputable, well-established, financially sound financial institution that is recognized as an industry leader. The trustee/custodian shall be approved by the Budget and Finance Committee based on a recommendation by the Investment Committee.
- Fulfill all fiduciary duties required of a trustee/custodian by pertinent state and federal laws and regulations.
- Safe keep the Plan's assets in accordance with the Trust Agreement.
- Supply timely reports of transactions and valuations of Plan assets.

- **Staff**

Parkland staff shall:

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- Implement the decisions of the Budget and Finance Committee and the Investment Committee.
- Review asset allocation on an ongoing basis and initiate portfolio rebalancing pursuant to parameters in this Policy.
- Coordinate communications between the Investment Committee and the Budget and Finance Committee.
- Organize Investment Committee meetings and distribute materials related to the meetings.
- Coordinate review and execution of legal documents related to the Plan's investment and administration.
- **Transition Manager**

Transition management is the cost effective and efficient portfolio restructuring of institutional assets from single or multiple investment managers/asset classes to a new investment allocation over a short-term investment horizon. During the transition process, the transition manager is looked upon as a discretionary caretaker of the portfolio(s) to be liquidated and as the conduit for the funding of the target portfolio(s). The responsibilities of a transition manager should include the following responsibilities.

- Transition management (portfolio transition) services from the legacy portfolio(s) to the target portfolio(s).
- The transition manager will act as a fully-discretionary fiduciary and will perform the transition with utmost care and prudence. The fund sponsor realizes that markets fluctuate and risks are inherent during the transition period. However, market forces do not absolve the transition manager from negligence and applying the highest level of care and prudence inherent in a fiduciary.
- Minimize tracking error and maintain asset class (benchmark) exposure. During the transition period, the preservation of capital must be taken into consideration through the expert use of all sources of liquidity, namely: in-kind transfers ("cherry picking" of the legacy portfolio for the

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target portfolio), internal and external crossing networks, primary exchanges, non-displayed liquidity, and principal trades. The strategic and tactical deployment of cash, futures, ETFs, and other hedging strategies are included in the tools required to accomplish a smooth transition.

- Before the transition, the transition manager should provide the fund sponsor a written portfolio transition (liquidation) strategy, including the timeframe required, to achieve the desired objective of liquidating the legacy portfolio(s) and building (and/or funding) the target portfolio(s).
- During the transition period, daily reporting of all trade activity from commencement of the liquidation to the completion and full funding of the target portfolios should be available to Parkland.
- After the completion of the transition, the transition manager should provide Parkland with a report on the outcome and results of the transition. The report should include relevant statistics (i.e., tracking error, costs, VWAPs, t-standard, etc.) and full trading/transaction reports.
- Coordination of the firm's trading activity with investment managers (both legacy and target portfolios) and the custodial bank.
- The transition manager must carry the appropriate coverage for errors and omissions and professional liability insurance.

Conflicts of Interest

To avoid conflicts of interest, all members of the Investment Committee, the Budget and Finance Committee, Parkland staff and the Investment Consultant shall agree to adhere, and shall adhere, to Parkland's conflict of interest policies.

Investment Manager Selection Parameters

The following parameters articulate the general criteria used to select Investment Managers. All or part of these criteria may be employed in choosing an Investment Manager.

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- At the time of engagement, investment managers will affirm that they act in a fiduciary capacity towards the Plan and its participants.
- The Investment Manager must have an investment philosophy that is clearly defined.
- The Investment Manager must demonstrate that the broader organization and investment team have been stable and have committed the resources to maintain the success of its strategy.
- An Investment Manager should have sufficient assets under management relative to the particular asset class and the placement size being awarded.
- An Investment Manager should have been managing the particular investment strategy chosen for at least three years prior to being retained by the Plan. This parameter can be waived if the Investment Manager has had experience with a comparable firm or strategy during that three-year time period.
- The Investment Manager's fee schedule should be reasonable in comparison to the relevant investment universe.

Other prudent criteria may be used by the Investment Committee and the Budget and Finance Committee to select investment options, as deemed necessary.

Investment Manager Watch List Process

The Investment Consultant and/or the Investment Committee may recommend that an Investment Manager be placed on a "Watch List" if concerns develop regarding some aspect of the Investment Manager or its performance. Given that these concerns may or may not be of sufficient importance to justify termination of the Investment Manager, the Watch List is intended to serve as a management tool for the Investment Consultant and the Investment Committee to evaluate the Investment Manager. The Investment Committee may place an Investment Manager on the Watch List for any of the following reasons:

- a. The Investment Manager has not met its performance standards for a sustained period.
- b. The Investment Manager has changed key professionals responsible for the management of the strategy, or such change appears imminent.
- c. The Investment Manager has had a significant change in ownership or control.

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- d. The Investment Manager has changed investment focus or has experienced style drift, departing materially from the investment objectives or parameters previously represented.
- e. Judicial or administrative proceedings have been commenced that involve the Investment Manager.
- f. The Investment Manager has violated, or received notice of a violation of, an SEC rule or regulation.
- g. Other criteria, as determined by the Budget and Finance Committee, the Investment Committee and the Investment Consultant.

Formal Investment Manager Review

When an Investment Manager has been placed on the Watch List, the Investment Committee, in conjunction with the Investment Consultant, shall review the Investment Manager's operations and performance, and the Investment Committee and the Investment Consultant shall make any recommendations about the Investment Manager to the Budget and Finance Committee.

Upon completion of the review, the Budget and Finance Committee may (i) retain the Investment Manager, (ii) reduce the assets under management by the Investment Manager or (iii) terminate the Investment Manager and transfer the assets to a temporary index vehicle or a new Investment Manager.

PARKLAND HEALTH & HOSPITAL SYSTEM**FISCAL MANUAL****RETIREMENT PLAN INVESTMENT POLICY*****SECTION III***

ASSET ALLOCATION STRATEGY

The Budget and Finance Committee is guided by the philosophy that asset allocation is the most significant determinant of long-term investment return. Asset allocation targets shall be established by the Budget and Finance Committee to achieve the total return objectives of the Plan within acceptable risk levels, as considered on a prospective basis.

The Investment Consultant will be responsible for providing asset class education and the necessary tools and analysis to enable the Investment Committee and Parkland's staff to make prudent recommendations to the Budget and Finance Committee, and to enable the Budget and Finance Committee to make prudent decisions, regarding the selection of asset classes, a strategic asset allocation, and allowable minimum and maximum ranges. When requested by the Investment Committee, Budget and Finance Committee, and/or Parkland staff an asset allocation study will be conducted by the Investment Consultant. The asset allocation strategy will be reviewed at least annually and any changes to the strategy may or may not require an asset allocation study.

The asset structure is designed to reflect a proper balance of the Plan's need for total return and the risk tolerance established by the Budget and Finance Committee.

The Budget and Finance Committee determined, based on extensive work done by the Investment Consultant and recommendations by the Investment Committee, that the Plan's desired investment objective has a strong probability of being achieved with an acceptable level of risk if the Plan invests in the Asset Classes as described on the following page.

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Asset Class	Strategic Target (%)	Allowable Range
Growth		
US Large Cap	24	18-30
US Mid Cap	4	2-6
US Small Cap	4	2-6
Dev. Market Equity (non-US)	15	12-18
Developed Market Small Cap	4	2-6
Emerging Market Equity	4	2-6
Private Equity	5	0-8
Income Assets		
Private Debt	5	0-8
Risk Mitigating Assets		
Investment Grade Bonds	20	15-25
Diversifiers		
Diversifying Strategies	5	0-8
Real Estate	10	7-13

Exposure of the total Plan assets to cash equivalents on average should not exceed 5% of the total Plan's value on a market value basis. Each Investment Manager's portfolio should reflect the guidelines established for that particular Asset Class. Cash exposure may drop to zero at the discretion of the Investment Manager.

Rebalancing Policy

One essential component of a strategic asset allocation policy is the development and use of rebalancing ranges for the target allocation. The Budget and Finance Committee and Investment Committee believe that systematic rebalancing should reduce portfolio volatility and increase portfolio return over the long term. The ranges specified in the table above are a function of the expected volatility of each asset class and the proportion of the total fund allocated to the asset class.

If the Plan experiences positive cash flow (*i.e.*, contributions exceed disbursements), the Plan's assets shall be rebalanced by directing new contributions to the under-allocated assets. If the Plan experiences negative cash flow, funds to make distributions will be withdrawn from over-allocated assets. If the Plan's cash flow is not sufficient to keep the allocation within the defined ranges stated above, then purchase or sale transactions are required.

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The Budget and Finance Committee is charged with the responsibility of monitoring the asset allocation policy. In order to adhere to a systematic rebalancing policy, the Budget and Finance Committee delegates' authority to Parkland staff to follow and execute the asset allocation and rebalancing policy described in this Policy. The Investment Committee and the Investment Consultant will monitor the asset allocation on a quarterly basis at a minimum.

SECTION IV

INVESTMENT GUIDELINES

All investments shall be made solely in the interest of beneficiaries of the Plan, and for the exclusive purposes of providing benefits to such beneficiaries and defraying the reasonable expenses of administering the Plan.

All Plan assets should be properly diversified to reduce the potential of a single security or single sector of securities having a disproportionate or significant impact on the Plan.

Where institutional mutual or commingled funds (including index funds) are used, it is expected that the investments generally conform to these guidelines described below, though the Budget and Finance Committee recognizes that the prospectus or guidelines of the fund supersede those of the Plan. On a quarterly basis, the Investment Managers shall review their investments for compliance with these guidelines. If the investments differ from these guidelines in any material respect, the Investment Manager shall notify the Plan in writing. At least one Investment Manager shall be selected to manage an Asset Class.

If there is any question regarding these guidelines and the authorization granted to purchase and/or hold a security because of its issuer, type, effective duration, or effective credit quality, the Investment Manager must consult with the Budget and Finance Committee and its Investment Consultant prior to purchase of the security.

The Budget and Finance Committee has established, based on recommendations by the Investment Committee and the Investment Consultant, the following Asset Classes as appropriate investment strategies for Plan Assets. The Budget and Finance Committee may, from time to time, modify this list based on, among other things, recommendations from the Investment Committee and/or the Investment Consultant:

- Domestic Equities
- Non-U.S. Equities
- Private Equity
- Fixed Income Securities and Cash Equivalents
- Private Debt

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- Private Real Estate
- Diversifying Strategies

A. Domestic Equities

Domestic equities shall be restricted to securities of companies that are actively traded on major U.S. exchanges. Equity holdings may also include American Depositary Receipts (ADRs), Exchange-Traded Funds (ETFs), mutual funds registered under the Investment Advisers Act of 1940 and publicly traded partnerships (such as master limited partnerships) traded on U.S. exchanges. Preferred and convertible preferred stocks may be held. Publicly traded Real Estate Investment Trust (REITs) shares may be held and are considered part of the allocation to equities.

Futures and options can be used as a substitute for equity securities provided that they are at least 100% collateralized by high quality, low volatility fixed income securities and therefore do not represent leveraging of the assets.

B. Non-U.S. Equities

The majority of non-U.S. equity holdings shall be securities issued by companies headquartered in countries included in the MSCI All Country World ex-U.S. Index (ACWI ex-U.S.). Issues may be purchased and sold on exchanges in other countries that offer a ready market for individual issues and have no restrictions on the transfer of funds to and from the U.S.

Managers holding foreign currency denominated securities are permitted to employ currency hedging strategies.

C. Private Equity

Given the unique characteristics of private equity strategies, the Investment Committee shall adopt a Private Markets Strategic Plan to govern the selection, monitoring, performance reporting and guidelines of these strategies. The Private Markets Strategic Plan shall be reviewed annually for appropriateness and shall also include a pacing plan to guide allocation decisions.

D. Fixed Income

Fixed income investments shall be marketable securities, which may include, but not necessarily be limited to U.S. Treasury, Federal Agencies and U.S. Government guaranteed obligations, and corporate issues. Mortgage pass-throughs, and non-dollar denominated bonds may also be held. Fixed income may include opportunistic or strategic allocations to High Yield, Non-U.S. and/or Emerging Market Debt

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securities at the discretion of the Investment Manager. Fixed Income managers may utilize ETFs, mutual funds registered under the Investment Advisers Act of 1940, commingled vehicles or separate accounts for managing their investments.

Foreign currency fixed income holdings are restricted to investment grade securities of issuers in countries represented in the Citigroup World Government Non-U.S. Bond Index. Foreign currency securities must be actively traded in major markets.

Privately placed fixed income issues may be held if the credit risk is carefully evaluated and judged to conform to this Policy, and there is a secondary market for potential sale before maturity or call date.

In addition to the securities outlined above, the following securities are considered permissible for a fixed income manager, but only if specifically stated in the individual manager's guidelines:

Municipal Securities, Convertible Bonds, Collateralized Mortgage Obligations (CMO), Commercial Mortgage-Backed Securities (CMBS), Asset-Backed Securities (ABS), and Residential Mortgage-Backed Securities (RMBS).

If an Investment Manager has any questions about the authorization granted to purchase and/or hold a security because of its issuer, type, effective duration, or effective credit quality, the manager must consult with Parkland staff prior to purchase of the security.

The duration of each fixed income portfolio should not exceed 150% of the Bloomberg U.S. Aggregate Bond Index duration.

The weighted average credit quality of the portfolio will not fall below BBB- or equivalent. No more than 5% of the fixed income portfolio, at time of purchase, may be invested in issuances of any one company or entity, except for government or agency issues.

E. Private Debt

Given the unique characteristics of private debt strategies, the Investment Committee shall adopt a Private Markets Strategic Plan to govern the selection, monitoring, performance reporting and guidelines of these strategies. The Private Markets Strategic Plan shall be reviewed annually for appropriateness and shall also include a pacing plan to guide allocation decisions.

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F. Cash Equivalents

Cash equivalent reserves shall consist of cash instruments having a quality rating by at least one rating agency of A-1, P-1 or higher with an average maturity of 90 days or less.

G. Private Real Estate

Private real estate investments may be made indirectly through such vehicles as joint ventures, general or limited partnerships, limited liability companies, private REITs, private mortgage loans (but not publicly traded mortgage securities) and other loans including mezzanine debt, or interests in companies or entities that directly or indirectly hold real estate or real estate interests, or other open-end commingled fund structures.

This Asset Class should be broadly diversified, investing primarily in existing, majority leased income-producing properties with strong cash flows that are expected to increase over time, providing potential for capital appreciation. Ownership should primarily be through equity interest with the use of leverage being limited to no more than 40% of the total assets in this Asset Class. This Asset Class should also be diversified by property types with investments in office, residential, retail, industrial, hotel and self-storage properties and by the various geographic regions of the country.

H. Diversifying Strategies

Diversifying strategies is a broad category meant to capture strategies that seek to be uncorrelated to traditional risk factors (e.g. equities, credit spreads, rates) on average. Often (but not always) these strategies are implemented through a manager-of-manager vehicle or hedge fund structure. Common examples of diversifiers (non-exclusive list) include: global macro strategies, alternative risk premia strategies, insurance linked strategies, relative value/event driven strategies, equity market neutral strategies and multi-strategy investment products.

Prohibited Transactions

The following securities and transactions are not authorized without a written request that sets forth a detailed explanation and recommendation from the Investment Manager and that receives the prior written approval from the Investment Committee, except that the following prohibitions shall not apply to Investment Managers for the Private Equity, Private Debt, Diversifying Strategies or Private Real Estate Asset Classes:

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- a. Collateralized debt obligations;
- b. Letter stock and other unregistered equity securities;
- c. Commodities or commodity contracts (except for unleveraged stock or bond index futures and currency futures and options);
- d. Short sales, warrants or margin transactions; or any leveraged investments;
- e. Venture capital partnerships or other private equity investments.
- f. Bonds or other financial instruments issued by the Dallas County Hospital District or its affiliates.

Any financial options and futures employed must be primarily for defensive and hedge strategies undertaken to preserve principal. They may also be used as a substitute for the underlying security, providing there is no leverage.

Diversification

Investments shall be diversified with the intent to minimize the risk of large losses. Consequently, the total portfolio will be constructed and maintained to provide prudent diversification with regard to the concentration of holdings in individual issues, corporations or industries.

SECTION V

PERFORMANCE MEASUREMENT STANDARDS

The most important performance standard is the achievement of long-term investment results consistent with this Policy. The asset allocation Policy will be the primary determinant of return over time. Implementation of this Policy will be directed toward achieving this standard with an acceptable level of risk measured by standard deviation.

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Performance measurement standards are required for determining whether or not the Plan's goals are being met. They also provide an objective basis for evaluating how well individual Investment Managers perform and how they complement each other and add value collectively. The performance measurement standards will be used as the benchmarks against which results will be measured and evaluated; however, it is understood there is no guarantee that such results will be achieved.

There are performance measurement standards for the aggregate of the Plan assets as well as for each Asset Class and Investment Manager.

AGGREGATE PLAN ASSET PERFORMANCE MEASUREMENT STANDARDS

While keeping in mind the actuarial return assumptions of the Plan, the aggregate of the Plan's assets will be managed with the goal of achieving the following over a five-year period:

- An annualized rate of return, net of management fees, that meets the actuarial assumed return as determined by the Plan's actuary;
- A return, net of management fees, that outperforms a hypothetical portfolio composed of indices weighted according to the target allocation as mutually determined by the Investment Committee and Investment Consultant; and
- Comparable volatility of returns, as measured by the standard deviation of quarterly returns of the benchmark index as calculated by the Investment Consultant.

The return on the aggregate of the Plan's assets will periodically be compared to a weighted average composite of the asset class benchmarks and a universe of other public retirement income plans.

INVESTMENT MANAGERS

To ensure that results of Investment Managers are fairly evaluated, the Investment Committee and the Budget and Finance Committee will use the following comparative performance statistics for actively managed products. The performance of the strategy managed by each Investment Manager will be expected to achieve minimum performance standards as follows and as set forth in the chart below. Active managers should:

- a. Rank in the top 50% of an appropriate peer group of actively managed portfolios (as indicated below);
- b. Meet or exceed an appropriate benchmark index (as indicated below), net of management fees;

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- c. Maintain a risk level, as measured by the standard deviation of quarterly returns, which is comparable to that of the appropriate benchmark index, as indicated below. To the extent that the Investment Manager takes more/less risk than the market and/or the appropriate peer group, returns are expected to increase/decrease commensurately; and

These performance measurement standards should be achieved over three-year periods. Although failure to achieve these performance measurement standards will not result in the automatic termination of an Investment Manager, the Investment Committee and the Budget and Finance Committee shall review any Investment Manager that fails to achieve the standards and shall document its reasons for retaining the Investment Manager and such manager will be placed on a watch list.

The specific peer groups and benchmarks for each Asset Class are detailed here:

Asset Class	Peer Group <i>Exceed 50th Percentile</i>	Benchmark Index <i>Outperform</i> <i>Net of Investment Fees</i>
U.S. Equity		<i>Russell 3000 Index</i>
Large Cap Core (Passive)	<i>eV US Large Cap Equity</i>	S&P 500 +/- 10 basis points
Small/Mid Cap Value Equity	<i>eV US Small-Mid Cap Value Equity</i>	Russell 2500 Value
Small/Mid Cap Growth Equity	<i>eV US Small-Mid Cap Growth Equity</i>	Russell 2500 Growth
Non-U.S. Equity		<i>MSCI ACWI ex-US IMI</i>
Non-U.S. Equity	<i>eV EAFE Equity</i>	MSCI EAFE (net)
Non-U.S. Small Cap Equity	<i>eV ACWI ex-US Small Cap Equity</i>	MSCI EAFE Small Cap or World ex-US Small Cap (net)
Emerging Market Equity	<i>eV Emerging Markets Equity</i>	MSCI Emerging Markets (net)
Private Equity	<i>n/a</i>	MSCI ACWI +2% 1Qtr lagged
Private Real Estate	<i>n/a</i>	NFI-ODCE Equal Weight Net
Diversifying Strategies	<i>n/a</i>	HFRI FOF Index
Fixed Income		Bloomberg US Aggregate
Core Fixed Income	<i>eV US Core Fixed Income</i>	Bloomberg US Aggregate

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Core Plus Fixed Income	<i>eV US Core Plus Fixed Income</i>	Bloomberg US Aggregate
Private Debt	n/a	50% Credit Suisse Leveraged Loan Index + 50% Bloomberg US High Yield + 1% 1 Qtr lagged

Consideration and Appropriate Action Regarding Capital Substitution

Parkland Health
FY2027 Capital Substitution
For October 2026 Board Meeting

Ref # Division		Project Total	Substitution Amount	Description
1	Nursing Administration	\$879,900	\$879,900	Lifts for Safe Patient Handling
	Explanation	Texas Senate Bill 1525 requires hospitals and nursing homes to implement safe patient handling and movement programs. The bill restricts manual lifting or movement of all or most of a patient's weight to emergency, life-threatening, or other exceptional circumstances. An internal assessment was recently completed and found that we were deficient in our patient handling processes. Due to the limited number of patient lifts, manual lifting (including transfers and repositioning) occurs often in non-emergent situations. To enhance safety and align with safe patient handling practices, the purchase of 44 lifts totaling \$503K for equipment are being requested, which include the following: ceiling lifts (38), mobile bariatric lifts (4), and fall recovery devices (2). An additional \$377K is also needed for construction related costs due to the relocation of 10 lights in the BICU. The lights would interfere with the railings for the lifts in their current location. The lifts will be installed in high-risk areas to include the following: intensive care units, Radiology, and Neurosurgery. Benefits of approving the request include the following: reduction in injuries and physical strain to the backs of employees; safer environment to retain nurses.		
	Driver(s) of Increased Expense:	\$503,000 for equipment; \$376,900 for construction related costs		
	Description of Item:	ceiling lifts (38), mobile bariatric lifts (4), and fall recovery devices (2)		
Grand Total		\$879,900	\$879,900	

PARKLAND HEALTH
RESOLUTION NO. _____

Be it resolved, the Parkland Health Board of Managers, by a vote of _____ Yes and
_____ Nay, does by this resolution (adopt/reject) _____ the following:

WHEREAS, Parkland Health management requests approval for the use of contingency funds for capital items in the amount of
\$879,900 _____ for FY27 as itemized in the listing presented to the Board of Managers, and

THEREFORE, BE IT RESOLVED, that the Parkland Health Board of Managers approves
the use of funds as submitted.

Dated this ____th Day of _____ 2026.

Vincent Hall
Chair

Brad Nitschke, JD,
Assistant Secretary

Eric G. Bing, MD, PhD	Yes_____	No _____	Abstain _____	Absent _____
Byron Cryer, MD	Yes_____	No _____	Abstain _____	Absent _____
Todd Furniss, JD	Yes_____	No _____	Abstain _____	Absent _____
Reina Gonzalez, JD	Yes_____	No _____	Abstain _____	Absent _____
Vincent Hall	Yes_____	No _____	Abstain _____	Absent _____
Ramon Miguez, PE	Yes_____	No _____	Abstain _____	Absent _____
Farida Minner, RN	Yes_____	No _____	Abstain _____	Absent _____
Marjorie Petty, JD	Yes_____	No _____	Abstain _____	Absent _____
Miriam Sharma, RN	Yes_____	No _____	Abstain _____	Absent _____
Yasmin Simon, JD	Yes_____	No _____	Abstain _____	Absent _____
Jeff Tillotson, JD	Yes_____	No _____	Abstain _____	Absent _____

Consideration and Appropriate Action Regarding Contracts over \$200,000

Item	Contract Type	Service or Product	Supplier	Contract Term	Current Contract Approval Amount Request	New Approved Contract Value	Selection Method	Budgeted?	Business Owner / Dept.
October 28, 2026									
Medical Products and Services									
M1	Expense	Mod# 2 Extension and adding funds for Abbott Electrophysiology Products and Accessories	Abbott Laboratories	8/19/2021 - 8/31/2028	\$3,901,000	\$9,800,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	David Alexander/Cardiac Lab
M2	Expense	Mod# 2 Two-year contract extension and adding new products for staining supplies	Agilent Technologies, Inc.	5/30/2018 - 11/30/2028	\$812,100	\$3,915,309	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Tim Lenz/Scott Hampton/Anatomic Pathology
M3	Revenue	House Staff Services	The University of Texas Southwestern Medical Center	9/1/2025 - 6/30/2027	(\$11,000,000)	(\$19,000,000)	Sole Source Modification	N/A-Revenue	Elizabeth Ponce/Graduate Medical Education
M4	Expense	Mod#4 Two-year extension and adding funds for Medtronic Electrophysiology Products and Accessories	Medtronic USA, Inc.	8/14/2021-11/14/2028	\$3,001,000	\$7,498,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	David Alexander/Cardiac Lab
M5	Expense	Mod#4 Two- year extension and adding funds for Kahook Dual Blade Disposables	New World Medical	8/11/2017-11/10/2028	\$315,000	\$809,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander/Ambulatory Service Center
M6	Expense	Durable Medical Equipment Prosthetic Devices, Prosthetics, Orthotics, and Supplies Services	One Source Medical Solutions, Inc.	12/14/2026 – 12/13/2031	\$15,000,000	\$15,000,000	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Shannan Bradley, Alissa Tran, Pamela Bryant/Care Management, Hospital at Home, Supply Chain
M7	Expense	Mod#1 Adding funds for two-year extension for the chemistry lab	Sebia, Inc	1/1/2024-12/31/2028	\$485,000	\$1,335,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz/ Pathology

M8	Expense	Mod#2 Two-year extension and adding funds for Versajet accessories	Smith and Nephew, Inc.	7/1/2020 - 11/30/2028	\$315,000	\$1,136,039	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander/Operating Room
M9	Expense	Ob/Gyn Clinical Coverage	The University of Texas Southwestern Medical Center	10/1/2026 – 9/30/2029	\$3,992,679	\$3,992,679	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Ryan Alcantar/Employee Health Integration
M10	Revenue	Mod# 5 Revenue Reporting Services for MIPS and TIPPS	The University of Texas Southwestern Medical Center	3/9/2022-9/30/2029	(\$1,532,387)	(\$3,690,113)	Contract Extension without Competition	N/A-Revenue	Keri Disney-Story/Finance Department
M11	Expense	Mod# 3 Add funding to the Endoprosthesis Vascular Stents and Implants contract	W.L. Gore & Associates, Inc.	5/1/2021-8/28/2028	\$4,500,000	\$11,801,000	Sole Source Modification	Yes, for the current fiscal year. Additional years' costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan and Shawn Grady/Operating Room and Interventional Radiology
M12	Expense	Mod#4 Add funds to Pathways Forward Program	The Salvation Army	3/1/2022-4/1/2027	\$250,000	\$2,644,465	Sole Source Modification	Yes	Shannan Bradley/Care Management
M13	Expense	Mod#7 Add funds for outstanding invoices for Outpatient Dialysis Services	Bio-Medical Applications of Texas, Inc	12/1/2021-12/31/2026	\$1,800,000	\$19,836,933	Sole Source Modification	Yes	Shannan Bradley/Post Acute Services
M14	Expense	Mod#2 Add funding to immunology reagent contract for the Parkland owned Dynex DSX machine	Werfen USA LLC	11/1/2016-10/31/2027	\$85,000	\$989,760	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz/Laboratory Services
Construction and Facilities									
C1	Capital	Design Services for Southeast Dallas Health Center	Cannon Design Inc.	10/29/2026 – 12/31/2030	\$23,626,298	\$23,626,298	Request for Qualifications	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Asma Momin/Planning, Design, and Construction

C2	Capital	Mod#2 Adding contingency funds Big OK Paper Parking Lot Improvements	Gilbert May, Inc. d/b/a Phillips May Corporation	4/24/2024 - 12/31/2026	\$164,160	\$4,478,623	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Paul Woodard /Parkland Design and Construction
C3	Expense: Court Approval	Commercial Contract of Sale for the purchase of 5431 Gregg Street, Dallas, TX	4304 Live Oak, LP	11/4/2026 – 3/19/2027	\$1,100,000	\$1,100,000	Real Estate – Exemption	Yes	Beall Carothers/Planning Design & Construction
C4	Expense: Court Approval	Mod# 2 4th Amendment to Office Lease (for Parkland Foundation & Corporate Communications)	Albany Road-Mockingbird, LLC	8/1/2017-1/31/2032	\$2,506,324	\$5,678,944	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Beall Carothers/Planning Design & Construction
C5	Capital	Acoustic Wall Panel Installation	Mexzim Corporation	11/1/2026 – 1/31/2027	\$208,022	\$208,022	Invitation for Bids	Yes	Hymavathi Vennapusa/Parkland Design & Construction

Information Technology

IT1	Expense	Epic Resource for Epic Refuel Project (Project Align)	EPIC	11/9/2026 – 9/30/2027	\$342,200	\$342,200	Sole Source	Yes	Greggory Ervin and Brian Ramirez/Information Technology
IT2	Expense	Epic Refuel 2026 – Licenses for Application Implementation (Project Align)	EPIC	10/28/2026 – 12/31/2028	\$1,494,232	\$1,494,232	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Greggory Ervin and Deborah Johnson/Information Technology
IT3	Expense	Harmony Healthcare IT- Historical Healthcare Data Archiving solutions.	Harmony Healthcare IT (HHIT)	11/1/2026 – 8/31/2027	\$550,000	\$550,000	Sole Source	Yes	Deborah Johnson/Information Technology
IT4	Expense	Hyland LLC multi-year co-terming of existing Software Maintenance and Subscriptions for OnBase, Brainware, and Intelligent Medical Records (IMR)	Hyland LLC	11/1/2026 – 6/30/2031	\$3,673,382	\$3,673,382	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Deborah Johnson/Information Technology

IT5	Expense	Revenue Cycle Solutions: SmarterPrebill, SmarterDenials, and SmarterCharges	Smarter DX , Inc.	11/1/2026 – 10/31/2031	\$480,000	\$480,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Kelli Rossi/Revenue Cycle
IT6	Expense	Utilization Management Solution: SmarterUtilization	Smarter DX , Inc.	11/1/2026 – 10/31/2031	\$500,000	\$500,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Kelli Rossi/Revenue Cycle
Hospital Operations									
O1	Expense	Refurbishment of two (2) 300 hp Cleaver Brooks steam boilers located in the Linen department	Cleaver-Brooks Sales and Service, Inc.	11/1/2026 – 10/31/2027	\$202,045	\$202,045	Invitation for Bids	Yes	Jay Dyck/Linen Services
O2	Capital	Purchase 17 Affinity Birthing Beds	Hill-Rom Company, Inc	11/1/2026 – 6/30/2027	\$258,438	\$258,438	GPO Purchase	Yes	Andrew Hohman/Clinical Engineering
O3	Expense	Mod#3 One year extension of Benefits Flexible Spending Account Administrative Services	Inspira Financial Health, Inc.	1/1/2015 -12/31/2027	\$108,150	\$1,414,650	Contract Extension without Competition	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Tawana McCullough/Office of Talent Management
O4	Expense	Mod#2 One-year term extension and change to the Scope of Work - Consulting Services for Affordable Care Act (ACA) Exchange Plan	Milliman, Inc.	11/14/2024-11/13/2027	\$1,725,000	\$4,615,000	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Kristin Alvarez /Value- Based Care
O5	Capital	OMEGA E-View AI ERCP Fluoroscopy System	Omega Medical Imaging, LLC	11/6/2026 – 11/5/2027	\$998,128	\$998,128	Sole Source	Yes	Patrick Eaton/Clinical Engineering
Ratification/Deviation/Informational Only									
R1	Expense- Ratification	Mod # 3 Pathways Forward Program, adding funds	The Salvation Army	3/1/2022-4/1/2027	\$808,983	\$2,394,465	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Shannan Bradley/Post Acute Services

R2	Expense-Ratification	Mod # 3 Recuperative Care, adding funds	The Salvation Army	11/15/2020-4/1/2027	\$160,446	\$657,012	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Shannan Bradley/Post Acute Services
D1	Capital-Approved Deviation	Purchasing new Sakura Tissue-Tek VIP (Vacuum	Sakura Finetek USA, Inc.	10/1/2026 9/30/2027	\$472,592	\$472,592	Sole Source	Yes	Tim Lenz/Bernie Buenvendida/Clinical Engineering



Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #2 Extension and adding funds for Abbott Electrophysiology Products and Accessories	
Business Owner: David Alexander		Business Owner Dept: Cardiac Lab	Contract Number: POCP-19452 A3
Vendor/Supplier: Abbott Laboratories Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification		Original Contract (4/27/2021)	\$4,500,000
		Modification #1 (8/27/2025)	\$1,300,000
		Action(s) Since Last BOM Approval Action# 1 (09/22/2026)	
Revenue, Expense or Capital: Expense		Board Approval Amount Modification# 2	\$3,901,000
Original Start Date: 8/19/2021 Current Expiration: 11/30/2026 Mod Start Date: 10/28/2026 Expiration after this Mod: 8/31/2028		New Total Contract Amount:	\$9,800,000
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): David Alexander, Senior Vice President, Nursing, Executive Nursing Leadership			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification to extend and add funds for Abbott Electrophysiology Products and Accessories.

Background

This contract is for electrophysiology (EP) products used in the Cardiac Lab for cardiac ablation (procedures that ablate scar tissue in the heart to block abnormal electrical signals and restore normal heart rhythm). These products are proprietary to the EnSite capital equipment already placed here.

This additional funding is required due to sustained, multi-year growth in utilization driven by increased patient volume and a significant rise in Atrial Fibrillation (AFib) procedures, exceeding original forecasted demand. These products are used only for patients meeting established clinical criteria, and the increased utilization reflects both growing patient demand and the clinical needs of the population being treated. Rolling 12-month spend is approximately \$1.5 million. AFib procedure volume has increased steadily from approximately 210 cases in FY2023 to 268 cases in FY2024, 329 cases in FY2025, and 332 cases through August FY2026, demonstrating continued growth in service demand that necessitates additional contract funding.

Fair and Reasonable Price Determination

Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is average compared to other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Board Approved Contract Amount	FY2027	FY2028	Total
\$5,899,000	\$1,901,000	\$2,000,000	\$9,800,000

Sole Source Justification

This contract is for a good or service for a good or service for which there is only one acceptable source. Parkland owns the Abbott EnSite capital equipment. The products and accessories are proprietary to these systems; and no other products are compatible.

Document Contact/Author:	Bryson Hendrix
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification:# 2 Two-year contract extension and adding new products for staining supplies.	
Business Owner: Tim Lenz/Scott Hampton		Business Owner Dept: Anatomic Pathology	Contract Number: POCP-19175
Vendor/Supplier: Agilent Technologies, Inc. Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification		Original Contract and Original BOM (05/23/2018)	\$1,987,209
		Prior Board of Manager Approvals Modification#1 (12/20/2023)	\$1,116,000
		Board Approval Amount Modification# 2	\$812,100
Expense			
Original Start Date: 5/30/2018 Current Expiration: 11/30/2026 Mod Start Date: 12/1/2026 Expiration after this Mod: 11/30/2028		New Total Contract Amount:	\$3,915,309
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Enrique Gallegos, Senior Vice President, Operations & Associate Chief Operating Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification for a Two-year contract extension and adding new products for staining supplies.

Background

This contract extends Parkland's agreement with Agilent for staining supplies used in the Agilent stainers currently owned and operated by Parkland. These supplies support tissue-staining instruments that enable pathologists to more clearly visualize cells, tissues, infections, and tumor markers, which are critical for accurate diagnosis and cancer classification. Due to compatibility requirements with the existing Agilent stainers, there is no assurance that alternative stains or supplies would perform as intended or produce equivalent results. The additional items being added under this contract are buffer bottles that are proprietary to the Agilent staining systems owned by Parkland. These bottles are designed specifically for use with the Agilent stainers, and comparable products from other vendors are not compatible with the equipment. The buffer bottles are used to hold the wash buffer solution required for the operation of the staining instruments. Therefore, Agilent is the only source capable of providing these proprietary supplies for Parkland's existing equipment.

Fair and Reasonable Price Determination

Benchmarking was conducted on the supplier's quotation for reagents utilized on the stainers. ECRI's analysis stated that Parkland prices are equal to or better than the national benchmark average on all items cross-referenced. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Board Approved Contract Amount	FY2027	FY2028	FY2029	Total
\$3,103,209	\$338,375	\$406,050	\$67,675	\$3,915,309

Sole Source Justification

This contract is for a good or service for which there is only one acceptable source. The stains and supplies are proprietary for the Agilent stainer.

Document Contact/Author:	Tamisha Smallwood
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #1 House Staff Services	
Business Owner: Elizabeth Ponce		Business Owner Dept: Graduate Medical Education	Contract Number: PONCS-18118A5
Vendor/Supplier: The University of Texas Southwestern Medical Center		Original Contract initial BOM (09/24/2025) (09/01/2025 – 06/30/2026 partial academic year)	(\$8,000,000)
Basis of Original Contract Award N/A-Revenue		Board Approval Amount Modification #1 (07/01/2026-6/30/27 academic year)	(\$11,000,000)
Basis of this Modification Sole Source Modification			
Revenue, Expense or Capital: Revenue			
Original Start Date: 9/1/2025 Current Expiration: 6/30/2026 Mod Start Date: 7/1/2026 Expiration after this Mod: 6/30/2027		New Total Contract Amount:	(\$19,000,000)
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Legal approved base document, amendment has no changes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? N/A-Revenue FTE Impact: None			
Submitted By (Division VP): Joseph Chang, Senior Vice President, Chief Medical Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification to House Staff Services.

Background

The Dallas County Hospital District d/b/a Parkland Health ("Parkland") employs House Staff in The University of Texas Southwestern Medical Center ("UT Southwestern") sponsored Graduate Medical Education programs.

If for any reason the entity to which a Parkland employed House Staff member is assigned refuses to reimburse Parkland, this agreement formalizes the ability of Parkland to invoice the equivalent amount to the appropriate UT Southwestern Clinical Department.

In addition, this agreement formalizes the ability of Parkland to invoice a UT Southwestern Clinical Department as necessary and instructed by the leadership of that Clinical Department.

Fair and Reasonable Price Determination

N/A - Revenue

Financial Forecast

Current Board Approved Contract Amount	FY2026	FY2027	Total
(\$8,000,000)	(\$2,750,000)	(\$8,250,000)	(\$19,000,000)

Document Contact/Author:	Elizabeth Ponce / Kathleen Larry
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #4 Two-year extension and adding funds for Medtronic Electrophysiology Products and Accessories	
Business Owner: David Alexander		Business Owner Dept: Cardiac Lab	Contract Number: POCP-19784 A8
Vendor/Supplier: Medtronic USA, Inc. Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification		Original Contract (7/27/2021)	\$1,500,000
		Modification #1 (10/30/2024)	\$399,000
		Modification #2 (5/21/2025)	\$900,000
		Modification #3 (4/22/2026)	\$600,000
Revenue, Expense or Capital: Expense		Action(s) Since Last BOM Approval Action# 1 (09/22/2026)	\$99,000
		Board Approval Amount Modification# 4	\$3,001,000
Original Start Date: 8/14/2021 Current Expiration: 11/14/2026 Mod Start Date: 10/28/2026 Expiration after this Mod: 11/14/2028		New Total Contract Amount:	\$7,498,000
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): David Alexander, Senior Vice President, Nursing, Executive Nursing Leadership			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification for two-year extend and adding funds for Medtronic Electrophysiology Products and Accessories.

Background

This contract is for electrophysiology (EP) products used in the Cardiac Lab for cardiac ablation (procedures that ablate scar tissue in the heart to block abnormal electrical signals and restore normal heart rhythm). These products are proprietary to Arctic Front and PulseSelect capital equipment already placed here.

This additional funding is required due to sustained, multi-year growth in utilization driven by increased patient volume and a significant rise in Atrial Fibrillation (AFib) procedures, exceeding original forecasted demand. These products are used only for patients meeting established clinical criteria, and the increased utilization reflects both growing patient demand and the clinical needs of the population being treated. Rolling 12-month spend is approximately \$1.5 million. AFib procedure volume has increased steadily from approximately 210 cases in FY2023 to 268 cases in FY2024, 329 cases in FY2025, and 332 cases through August FY2026, demonstrating continued growth in service demand that necessitates additional contract funding.

Fair and Reasonable Price Determination

Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is average compared to other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Board Approved Contract Amount	FY2027	FY2028	FY2029	Total
\$3,498,000	\$1,833,333	\$2,000,000	\$166,667	\$7,498,000

Sole Source Justification

This contract is for a good or service for a good or service for which there is only one acceptable source. Parkland owns the Medtronic ablation system. The products and accessories are proprietary to these systems; and no other products are compatible.

Document Contact/Author:	Bryson Hendrix
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #2 Two- year extension and adding funds for Kahook Dual Blade Disposables	
Business Owner: David Alexander		Business Owner Dept: Ambulatory Service Center	Contract Number: POCP-21504 A4
Vendor/Supplier: New World Medical Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification		Original Contract (08/11/2017)	\$150,000
		Prior Board of Manager Approvals Original BOM (07/26/2022) Modification# 1 (04/23/2025)	\$70,000 \$274,000
Revenue, Expense or Capital: Expense		Board Approval Amount Modification# 2	\$315,000
Original Start Date: 8/11/2017 Current Expiration: 11/10/2026 Mod Start Date: 11/11/2026 Expiration after this Mod: 11/10/2028		New Total Contract Amount:	\$809,000
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): David Alexander, Senior Vice President, Nursing, Executive Nursing Leadership			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification for a two-year extension and adding funds for Kahook Dual Blade disposables.

Background

The Kahook Dual Blade (KDB) is a single-use, ophthalmic surgical blade used during minimally invasive glaucoma surgery to lower intraocular pressure. The dual blade is specially designed to remove the damaged tissue blocking the eye's natural drainage system, creating a more permanent opening than a simple incision, which may help reduce the risk of the drainage pathway closing over time. By improving fluid outflow, it can help lower eye pressure and protect vision from glaucoma-related damage. Additionally, the KDB is the instrument Parkland's physicians are trained and experienced to use for this procedure, supporting procedural consistency and efficiency.

Fair and Reasonable Price Determination

Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is consistent with other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Board Approved Contract Amount	FY2026	FY2027	FY2028	Total
\$494,000	\$13,125	\$157,500	\$144,375	\$809,000

Sole Source Justification

This contract is for a good or service for which there is only one acceptable source that contains these unique characteristics. The Kahook Dual Blade is unique because it removes eye tissue that's blocking fluid drainage without leaving an implant behind and without requiring expensive equipment. Its specially designed dual blades allow surgeons to precisely remove the blockage, helping lower eye pressure and potentially reducing the need for glaucoma medications.

Document Contact/Author:	Bryson Hendrix
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Durable Medical Equipment Prosthetic Devices, Prosthetics, Orthotics, and Supplies Services	
Business Owner: Shannan Bradley, Alissa Tran, Pamela Bryant		Business Owner Dept: Care Management, Hospital at Home, Supply Chain	Contract Number: POCS-25038
Vendor/Supplier/Contractor: One Source Medical Solutions, Inc.		Source Selection Methodology: Request for Proposals (Best Value)	Fair and Reasonable Price Determination: Adequate Competition
Revenue, Expense or Capital: Expense		Contract Dates	Contract Price
	Base Term:	12/14/2026 – 12/13/2029	\$9,000,000
	Out Years:	2 Year(s)	+\$6,000,000
	Total:	12/14/2026 – 12/13/2031	\$15,000,000
Lowest Bidder			
		Is this contractor the lowest bidder/supplier?	Yes
<u>If not</u> , what premium will be paid for this contract over the lowest bidder?			N/A
Approvals			
		Has the <u>final</u> contract been approved by Legal for legal sufficiency?	Yes
		Does this contract have an IT Component?	Yes; and IT approved
		Does this contract have a Construction Component?	No
Financial			
		Is Funding included in the applicable FY Budget?	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
		FTE Impact:	None
Submitted By (Division VP): Edmundo Castañeda, Executive Vice President & Chief Operating Officer			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract for Durable Medical Equipment Prosthetic Devices, Prosthetics, Orthotics, and Supplies Services.

Background

This contract is for Durable Medical Equipment (DME) Prosthetic devices, Prosthetics, Orthotics, and Supplies (POS) Services. This service provides DME which includes wheelchairs, walkers, canes, oxygen, and related supplies, to support safe patient discharge, continuity of care, and reduce patient length of stay to support the Care Management Department and the Hospital at Home Department. The selected supplier is also the incumbent provider of these services.

Fair and Reasonable Price Determination

A fair and reasonable price was determined through adequate competition.

Competitive Range				
Vendor	Key Strengths	Key Weaknesses	Non-Cost Score	Price Differential
One Source Medical Solutions, Inc.	-One Source demonstrated experience across the entire DME POS program, including reimbursement, Hospital at Home, reporting, and inventory management. -One Source has Therapeutic Fitters and four bilingual Certified Compression Specialists on staff. -One Source described a methodology for identifying, tracking, and reporting item-level cost savings. -One Source demonstrated inventory reconciliation, audit controls, and shrinkage reporting capabilities.		36	\$0
Vendor B	-The Offeror provides storefront availability seven days a week. -The Offeror has extensive experience providing oxygen equipment, Positive Airway Pressure (PAP) therapy, respiratory devices, and patient education.	-In the Outcomes and Results Achieved section, the Offeror listed activities as currently ongoing versus goals achieved.	33	\$9,726

One Source Medical Solutions, Inc. was the highest technically rated and the lowest price.

Financial Forecast

Base Term	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Totals
Expenses	\$2,500,000	\$3,000,000	\$3,000,000	\$500,000			\$9,000,000
Out Years	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Totals
Expenses				\$2,500,000	\$3,000,000	\$500,000	\$6,000,000
Totals	\$2,500,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$500,000	\$15,000,000

Document Contact/Author:	Tracy Hayford
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #1 Adding funds for two-year extension for the chemistry lab	
Business Owner: Tim Lenz		Business Owner Dept: Pathology	Contract Number: POCP-22984
Vendor/Supplier: Sebia, Inc		Board of Manager Approvals Original Contract and Initial Board (01/01/2024)	\$850,000
Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification			
Revenue, Expense or Capital: Expense		Board Approval Amount Modification# 1	\$485,000
Original Start Date: 1/1/2024 Current Expiration: 12/31/2026 Mod Start Date: 1/1/2027 Expiration after this Mod: 12/31/2028		New Total Contract Amount:	\$1,335,000
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Legal approved base document, amendment has no changes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Enrique Gallegos, Senior Vice President & Assoc Chief Operating Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification for Adding funds for two-year extension for the chemistry lab.

Background

This contract provides laboratory reagents used with the Sebia Capillarys and Hydrasys electrophoresis systems in the chemistry laboratory for the diagnosis and monitoring of protein and hemoglobin (blood) disorders. The systems perform serum, urine, and whole blood electrophoresis testing to detect conditions such as multiple myeloma, other monoclonal gammopathies, and hemoglobin variants associated with sickle cell disease and related disorders. The FDA-approved platform supports both quantitative and qualitative hemoglobin analysis. The agreement is currently in its option period, and the organization is exercising its unilateral right to extend the contract for an additional two years, which was previously approved by the Board.

Fair and Reasonable Price Determination

The option period pricing is based on full and open competition.

Financial Forecast

Current Board Approved Contract Amount	FY2027	FY2028	FY2029	Total
\$850,000	\$181,875	\$242,500	\$60,625	\$1,335,000

Sole Source Justification

The Sebia Capillarys and Hydrasys system is sole source for accepting serum, urine, and whole blood samples. This is the only FDA approved system to report quantitative hemoglobin A, A2 and F and qualitative hemoglobin S, C, E and D. In addition, Capillarys and Hydrasys instruments are owned by Parkland. The compatibility of equipment, accessories or replacement parts is the paramount consideration and there is no assurance that other supplies will perform the same function including additions or modifications to existing systems, software, licenses, maintenance, etc.

Document Contact/Author:	Tamisha Smallwood
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #2 Two-year extension and adding funds for Versajet accessories	
Business Owner: David Alexander		Business Owner Dept: Operating Room	Contract Number: POCP-18022 A5
Vendor/Supplier: Smith and Nephew, Inc. Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification		Original Contract (7/1/2020)	\$175,000
		Prior Board of Manager Approvals Initial (4/26/2022) Modification #1 (5/24/2023)	\$186,039 \$375,000
Revenue, Expense or Capital: Expense		Action(s) Since Last BOM Approval Action# 1 (9/16/2026)	\$85,000
		Board Approval Amount Modification# 2	\$315,000
Original Start Date: 7/1/2020 Current Expiration: 11/30/2026 Mod Start Date: 12/1/2026 Expiration after this Mod: 11/30/2028		New Total Contract Amount:	\$1,136,039
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): David Alexander, Senior Vice President, Nursing, Executive Nursing Leadership			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification to two-year extension and adding funds for Versajet accessories.

Background

This contract is for disposable accessories and supplies used with the Versajet wound cleaning system that Parkland already owns and uses in the operating room. The Versajet is a specialized surgical device that uses a high-pressure stream of saline to help surgeons accurately remove damaged, dead, or infected tissue from wounds, burns, and other soft tissue injuries. At the same time, it suctions away the removed tissue, bacteria, and debris, helping to clean the wound while preserving as much healthy tissue as possible. The accessories covered under this contract are required for the continued use of the Versajet system during these procedures.

Fair and Reasonable Price Determination

Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is average compared to other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Board Approved Contract Amount	FY2027	FY2028	Total
\$821,039	\$157,500	\$157,500	\$1,136,039

Sole Source Justification

This contract is for a good or service for which there is only one acceptable source. The products/services are additions or modifications to existing systems or equipment where there are no substitute or interchangeable components, software, or maintenance sources and compatibility is paramount. The accessories are proprietary to the Parkland owned Versajet console.

Document Contact/Author:	Bryson Hendrix
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Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Ob/Gyn Clinical Coverage	
Business Owner: Ryan Alcantar	Business Owner Dept: Employee Health Integration	Contract Number: POCS-26864	
Vendor/Supplier/Contractor: The University of Texas Southwestern Medical Center	Source Selection Methodology: Sole Source	Fair and Reasonable Price Determination: Market Price	
Revenue, Expense or Capital: Expense		Contract Dates	Contract Price
	Base Term:	10/1/2026 – 9/30/2029	\$3,992,679
	Out Years:	0 Year(s)	+\$0
	Total:	10/1/2026 – 9/30/2029	\$3,992,679
Lowest Bidder			
		Is this contractor the lowest bidder/supplier?	N/A-Interlocal Agreement
<u>If not</u> , what premium will be paid for this contract over the lowest bidder?			N/A
Approvals			
Has the <u>final</u> contract been approved by Legal for legal sufficiency?		Yes	
Does this contract have an IT Component?		No	
Does this contract have a Construction Component?		No	
Financial			
Is Funding included in the applicable FY Budget?		Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	
FTE Impact:		None	
Submitted By (Division VP): Edmundo Castañeda, Executive Vice President & Chief Operating Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract for Ob/Gyn Clinical Coverage.

Background

This contract is for OB/GYN clinical services provided by UT Southwestern Medical Center to Parkland employees. The clinical services provided in this contract include physician clinical services and medical administration for the Parkland outpatient employee health clinic.

Fair and Reasonable Price Determination

The Fair Market Value (FMV) for these services have been evaluated by an external third-party identified through Parkland's vendor selection process in accordance with institutional policies, procedures, and regulatory requirements. Funds are budgeted to cover the expense of this contract

Financial Forecast

Base Term	FY2027	FY2028	FY2029	Totals
Expenses	\$1,330,893	\$1,330,893	\$1,330,893	\$3,992,679

Sole Source Justification

This contract is an Interlocal Agreement, which is between local government entities or political subdivisions of the State of Texas. The government entity for this contract is The University of Texas Southwestern Medical Center, which is a state entity.

Document Contact/Author:	Ryan Alcantar / Kathleen Larry
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #5 Revenue Reporting Services for MIPS and TIPPS	
Business Owner: Keri Disney-Story		Business Owner Dept: Finance Department	Contract Number: POCS-20728 A5
Vendor/Supplier: The University of Texas Southwestern Medical Center		Original Contract (3/29/2022)	(\$297,440)
Basis of Original Contract Award N/A-Revenue		Prior Board of Manager Approvals: Modification #1 (8/23/2022)	(\$354,400)
Basis of this Modification Contract Extension without Competition		Modification #2 (8/23/2023)	(\$360,930)
		Modification #3 (10/30/2024)	(\$733,620)
		Modification #4 (12/17/2025)	(\$374,841)
Revenue, Expense or Capital:		Action(s): Action #1 (10/1/2026):	(\$36,495)
Revenue		This Board Approval Amount Modification# 5	(\$1,532,387)
Original Start Date: 3/9/2022 Current Expiration: 10/31/2026 Mod Start Date: 11/1/2026 Expiration after this Mod: 9/30/2029		New Total Contract Amount:	(\$3,690,113)
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? N/A-Revenue FTE Impact: None			
Submitted By (Division VP): Travis Smith, CFO			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification to continue providing MIPS and TIPPS services to UT Southwestern Medical Center.

Background

Under this contract, Parkland provides services and data to UT Southwestern Medical Center for Centers for Medicare & Medicaid Services ("CMS") Merit-based Incentive Payment System ("MIPS") and Texas Incentives for Physicians and Professional Services ("TIPPS") reporting. The data is then used by CMS to determine scores and payment adjustments for certain Medicare claims. These services are provided to UT Southwestern Medical Center by Parkland's Government Reimbursement and IT Departments.

Legal leadership from UT Southwestern Medical Center and Parkland decided to keep this contract separate from the Master Service Agreement between Parkland and UT Southwestern Medical Center. Amendments reflect contract extensions and actions reflect additional revenue.

Fair and Reasonable Price Determination

Revenue amounts are determined to be fair and reasonable based on the amount spent to complete these services, historical work provided, and the MSA amounts.

Financial Forecast

Current Board Approved Contract Amount	FY2027	FY2028	FY2029	Total
(\$2,121,231)	(\$488,484)	(\$510,466)	(\$533,437)	(\$3,690,113)

Exempt from Competition Justification

Contracts between governmental agencies are exempt from competition.

Document Contact/Author:	Stephanie Toth
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: # 3 Add funding to the Endoprosthesis Vascular Stents and Implants contract	
Business Owner: Cheston Chan and Shawn Grady		Business Owner Dept: Operating Room and Interventional Radiology	Contract Number: POCP-19370 A9
Vendor/Supplier: W.L. Gore & Associates, Inc.		BOM Approved Contract Total (4/27/2021)	\$2,850,000
Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification		Modification #1 (3/29/2023) Modification #2 (3/27/2024)	\$1,743,000 \$2,613,000
Revenue, Expense or Capital: Expense		Action(s) Since Last BOM Approval Action# 1 (7/1/2026)	\$95,000
		Board Approval Amount Modification #3	\$4,500,000
Original Start Date: 5/1/2021 Current Expiration: 8/28/2028 Mod Start Date: 10/29/2026 Expiration after this Mod: 8/28/2028		New Total Contract Amount:	\$11,801,000
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years' costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): David Alexander, Senior Vice President, Nursing, Executive Nursing Leadership			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification to add funding to the Endoprosthesis Vascular Stents and Implants contract.

Background

This contract modification facilitates the procurement of Gore vascular stents, implants, and related products used in the Operating Room and Interventional Radiology to treat blocked or weakened blood vessels and improve blood flow. Since the contract was originally approved in 2021, utilization of these products has gradually increased as demand for vascular and endovascular procedures, including treatments for blocked or narrowed blood vessels, has grown. As a result, contract expenditures have increased over the life of the agreement and additional funding is now required to support purchases through the remainder of the contract term. This modification will help ensure an uninterrupted supply of products and support the continued delivery of vascular care to Parkland patients.

Fair and Reasonable Price Determination

Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price aligns with other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Approved Contract Amount	FY2027	FY2028	Total
\$7,301,000	\$2,250,000	\$2,250,000	\$11,801,000

Sole Source Justification

This contract is for a good or service for which it is impractical to obtain competition. Implants, heart valves, bone screws, prosthetics, etc. are patient care devices and are exempt.

Document Contact/Author:	William Jones
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #4 Add funds to Pathways Forward Program	
Business Owner: Shannan Bradley		Business Owner Dept: Post Acute Services	Contract Number: PPPS-20382_A6
Vendor/Supplier: The Salvation Army		Original Contract (11/16/2021)	\$785,983
Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification		Prior Board of Manager Approvals Modification #2 (4/24/2024): \$699,500 Modification #3 (10/2/2026): \$908,982	\$699,500 \$908,982
Revenue, Expense or Capital: Expense		Board Approval Amount Modification# 4	\$250,000
Original Start Date: 3/1/2022 Current Expiration: 4/1/2027 Mod Start Date: 10/28/2026 Expiration after this Mod: 4/1/2027		New Total Contract Amount:	\$2,644,465
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Legal approved base document, amendment has no changes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes FTE Impact: None			
Submitted By (Division VP): Shannan Bradley, Vice President Care Management & Post-Acute Services, Operations Administration			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification to add funds to the Pathways Forward Program.

Background

Additional funding is required to support the Pathways Forward Program and cover anticipated expenditures through the remainder of the current contract term. The Pathways Forward Program primarily targets high-utilization homeless patients that frequent the Emergency Department (ED). The program pays for 30 beds, and its goal is to transition patients to permanent supportive housing and reduce unnecessary ED visits. The Salvation Army provides shelter, crisis stabilization, and homeless recovery services modeled after Critical Time Intervention (CTI). The program was originally funded by Health Resources and Services Administration (HRSA) through monies budgeted and approved for The Salvation Army in the HOMES American Rescue Plan Act (ARPA) through FY23 budgets under the categories "Maintaining & Increasing Capacity" and "Recovery & Stabilization". Beginning FY24, the program is fully funded by Parkland.

Fair and Reasonable Price Determination

Rates are based on historical pricing and consistent with fees for like services in Parkland's hospital community.

Financial Forecast

Current Approved Contract Amount	FY2027	Total
\$2,394,465	\$250,000	\$2,644,465

Sole Source Justification

This contract is for a good or service for which there is only one acceptable source. The service has no competition in Parkland's Hospital community area.

Document Contact/Author:	Terence Durham
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #7 Add funds for outstanding invoices for Outpatient Dialysis Services	
Business Owner: Shannan Bradley		Business Owner Dept: Care Management	Contract Number: POCS-20292_A11
Vendor/Supplier: Bio-Medical Applications of Texas, Inc		Original Contract (BOM 11/16/2021)	\$2,760,000
Basis of Original Contract Award Sole Source		Prior Board of Manager Approvals	
Basis of this Modification Sole Source Modification		Modification #1 (BOM not required)	\$0
		Modification #2 (BOM not required)	\$0
		Modification #3 (12/14/2022)	\$5,150,000
		Modification #4 (11/15/2023)	\$5,826,933
		Modification #5 (8/27/2025)	\$1,800,000
		Modification #6 (1/28/2026)	\$2,500,000
Revenue, Expense or Capital: Expense		Board Approval Amount Modification# 7	\$1,800,000
Original Start Date: 12/1/2021 Current Expiration: 12/31/2026 Mod Start Date: 10/28/2026 Expiration after this Mod: 12/31/2026		New Total Contract Amount:	\$19,836,933
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Legal approved base document, amendment has no changes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes FTE Impact: None			
Submitted By (Division VP): Shannan Bradley, Vice President Care Management & Post-Acute Services, Operations Administration			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification to add funds to Bio-Medical applications of Texas, Inc. for Outpatient Dialysis Services.

Background

Additional funding is required to remit outstanding invoices for Outpatient Dialysis Services and cover anticipated expenditures through the remainder of the current contract term. This contract provides patient dialysis services performed directly by Bio-Medical Applications of Texas, Inc. (Fresenius Kidney Care) at one of its local dialysis facilities for patients referred by Parkland's Dialysis Center. Additionally, Fresenius provides emergency backup dialysis services for Parkland Correctional Health patients when needed.

The outstanding invoices have been submitted for payment without adequate funds remaining in the current contract to remit payment. The amount of the outstanding invoice is \$1.2M dating back to July 2026 due to delays in assessing the need for additional funding.

Parkland has completed a RFP process and selected vendors for outpatient dialysis services which the board approved in June 2026. As the newly awarded agreements are being finalized, this agreement will cover the necessary transactions from the current contract ending December 31, 2026.

Fair and Reasonable Price Determination

Pricing based on Medicare rates.

Financial Forecast

Current Approved Contract Amount	FY2027	Total
\$18,036,933	\$1,800,000	\$19,836,933

Document Contact/Author:	Terence Durham
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #2 Add funding to immunology reagent contract for the Parkland owned Dynex DSX machine	
Business Owner: Tim Lenz		Business Owner Dept: Laboratory Services	Contract Number: POCP-18997
Vendor/Supplier: Werfen USA LLC		Original Contract & Initial Board (9/28/2016)	\$413,215
Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification		Prior Board of Manager Approvals Modification #1 (8/24/2021)	\$401,545
Revenue, Expense or Capital:		Action(s) Since Last BOM Approval Action# 1 (11/01/2025) Action# 2 (9/22/2026)	\$50,000 \$40,000
Expense		Board Approval Amount Modification# 2	\$85,000
Original Start Date: 11/1/2016 Current Expiration: 10/31/2027 Mod Start Date: 10/28/2026 Expiration after this Mod: 10/31/2027		New Total Contract Amount:	\$989,760
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Legal approved base document, amendment has no changes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Enrique Gallegos, Senior Vice President & Assoc Chief Operating Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification to Add funding to immunology reagent contract for the Parkland owned Dynex DSX machine.

Background

This contract provides the Hematology department with the testing supplies and reagents needed to run enzyme linked immunosorbent assay (ELISA) tests on Parkland's existing Dynex DSX machine. The Dynex DSX is an automated laboratory instrument that helps detect and measure substances in blood, such as antibodies and antigens, which can aid in diagnosing autoimmune conditions and infectious diseases. This funding request will provide sufficient supplies to support testing needs through the remainder of the current contract term.

Fair and Reasonable Price Determination

Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is 3% higher than the average because volumes are substantially smaller than those of other member hospitals. During the last extension in 2021, pricing was negotiated to remain firm. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Board Approved Contract Amount	FY2027	Total
\$904,760	\$85,000	\$989,760

Sole Source Justification

This contract is for a good or service for which there is only one acceptable source. The reagents are proprietary to the Dynex DSX analyzer owned by Parkland and no other products are compatible.

Document Contact/Author:	Tamisha Smallwood
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Design Services for Southeast Dallas Health Center	
Business Owner: Asma Momin	Business Owner Dept: Planning, Design, and Construction	Contract Number: POCRE-25927	
Vendor/Supplier/Contractor: Cannon Design Inc.	Source Selection Methodology: Request for Qualifications	Fair and Reasonable Price Determination: Adequate Competition	
Revenue, Expense or Capital: Capital		Contract Dates	Contract Price
	Base Term:	10/29/2026 – 12/31/2030	\$23,626,298
	Out Years:	0 Year(s)	+\$0
	Total:	10/29/2026 – 12/31/2030	\$23,626,298
Lowest Bidder Is this contractor the lowest bidder/supplier? N/A-Request for Qualifications If not, what premium will be paid for this contract over the lowest bidder? N/A			
Approvals Has the <u>final</u> contract been approved by Legal for legal sufficiency? Yes Does this contract have an IT Component? No Does this contract have a Construction Component? Yes; and Construction is approved			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Lance Mendiola, Vice President, Construction, Facilities, Real Estate			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract for Design Services for Southeast Dallas Health Center.

Background

This contract will provide professional architectural and engineering design services for the replacement of the Southeast Dallas Health Center. The project includes development of a new facility to accommodate urgent care, an ambulatory surgery center (ASC), specialty services, imaging, infusion, and associated support functions. The scope also includes development of a site plan that considers future building expansions and campus growth, as well as site infrastructure improvements, parking, and demolition of the existing Health Center.

Fair and Reasonable Price Determination

A fair and reasonable price for the most qualified firm was established through an evaluation of historical pricing from comparable construction projects, alignment with the District's internal cost estimates, and validation by the Facilities team.

Competitive Range			
Vendor	Key Strengths	Key Weaknesses	Score (Max. 800)
Cannon Design	Great examples of past projects, discussed activation and proposal to compress timeline, solid methodology, well-resourced team with deep bench of expertise, Dallas-based key personnel, only team that addressed operations and approach to multi-hospital systems		699
Vendor A	Good team composition, strategy, relevant experience, good methodology	Program validation lacking	689
Vendor B	Good examples of past projects	Small team, no data/strategy focus, validating approach	675
Vendor C	Good examples of past projects	Small team, program validation lacking	633
Vendor D	Methodology acceptable	Team info limited and not robust, past experience not relevant	630

Financial Forecast

Base Term	FY2027	FY2028	FY2029	FY2030	FY2031	Totals
Expenses	\$5,197,786	\$5,670,312	\$5,670,312	\$5,670,312	\$1,417,576	\$23,626,298

Document Contact/Author:	Steve Adrian
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: # 2 Big OK Paper Parking Lot Improvements	
Business Owner: Paul Woodard		Business Owner Dept: Parkland Design and Construction	Contract Number: POCRE-19095
Vendor/Supplier: Gilbert May, Inc. d/b/a Phillips May Corporation Basis of Original Contract Award Request for Proposals (Best Value) Basis of this Modification Non-Sole Source Modification		Original Contract (04/24/2024)	\$3,994,303
		Modification #1 (01/28/2026)	\$320,160
		Board Approval Amount Modification# 2	\$164,160
		New Total Contract Amount:	\$4,478,623
Revenue, Expense or Capital: Capital			
Original Start Date: 4/24/2024 Current Expiration: 12/31/2026 Mod Start Date: 11/1/2026 Expiration after this Mod: 12/31/2026			
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? Yes; and Construction is approved			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP):		Lance Mendiola, Vice President of Construction, Facilities, Real Estate, Operations Administration	

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification to OK Paper Parking Lot Improvements.

Background

This change is for an added amount of \$164,160 to Phillips-May for the removal and haul-off of 6,880 cubic yards of soil and 1,100 cubic yards of concrete. This material needed to be removed from the site (soil) to reduce the project's surface elevation to that required for the parking surface and to eliminate material (sub-surface concrete) because it was in the way of underground utility installation. This is for the benefit of the BIG OK Paper surface parking lot.

Fair and Reasonable Price Determination

A fair and reasonable price was determined through adequate competition for the original Task Order. The Facilities team has reviewed the change order costs, and a fair and reasonable price has been confirmed based on historical pricing for similar construction projects and the District's internal estimates. Based on Parkland's internal knowledge and cost assessments, the costs are in line with the market.

Financial Forecast

Current Board-Approved Contract Amount	FY2026	FY2027	Total
\$3,994,303	\$320,160	\$164,160	\$4,478,623

Document Contact/Author:	Kimberly Bell
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026	Product or Service: Commercial Contract of Sale for the purchase of 5431 Gregg Street, Dallas, TX		
Business Owner: Beall Carothers	Business Owner Dept: Planning Design & Construction	Contract Number: POCRE-26891	
Vendor/Supplier/Contractor: 4304 Live Oak, LP	Source Selection Methodology: Real Estate – Exemption	Fair and Reasonable Price Determination: Sole Source	
Revenue, Expense or Capital: Expense: Court Approval		Contract Dates	Contract Price
	Base Term:	11/4/2026 – 3/19/2027	\$1,100,000
	Out Years:	Choose an item. Year(s)	+not applicable
	Total:	11/4/2026 – 3/19/2027	\$1,100,000
Lowest Bidder Is this contractor the lowest bidder/supplier? N/A-Real Estate If not, what premium will be paid for this contract over the lowest bidder? N/A			
Approvals Has the <u>final</u> contract been approved by Legal for legal sufficiency? Yes Does this contract have an IT Component? No Does this contract have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes FTE Impact: None			
Submitted By (Division VP): Lance Mendiola, Vice President, Construction, Facilities, Real Estate			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract for Commercial Contract of Sale for the purchase of 5431 Gregg Street, Dallas, TX.

Background

The contract provides for the purchase of approximately 11,000 square feet of land at 5431 Gregg Street, Dallas, Texas, improved with an approximately 4,991-square-foot tenant-occupied building. This acquisition presents a unique opportunity to acquire property near Parkland's main campus, contiguous to Parkland's recently purchased properties at 5415 Gregg Street (King Lawn Sprinkler building) and 2339 Butler Street (car wash site), as well as vacant land at 5423/5427 Gregg Street, which closed on October 13, 2026. At the September 22, 2026 Budget & Finance Committee meeting, Parkland's Director of Real Estate Development referenced the possibility of providing additional information regarding a potential purchase of 5431 Gregg Street. This briefing is the result of completed negotiations with the ownership of 5431 Gregg Street. Parkland also executed purchase and sale agreements with the sellers of 2411 and 2415 Butler Street on October 13, 2026. If all pending purchases close, Parkland could own approximately 3.19 acres (approximately 139,282 square feet) of land and improvements at the Gregg Street/Butler Street intersection.

Fair and Reasonable Price Determination

Current submarket sales and comparable data indicate the purchase price is of fair and reasonable value. A real estate appraisal will be completed prior to the expiration of the inspection period to confirm the asset value.

Financial Forecast

Base Term	FY2027
Purchase Price:	\$1,100,000

During the contract's Inspection/Diligence period of one hundred twenty (120) days, Parkland will engage with independent, third-party vendors to perform a site survey based upon American Land Title Association standards (an "ALTA survey"), appraisal of the asset and Phase I Environmental Site Assessment ("Phase I ESA"). Diligence expenditures are estimated to total \$11,000 (\$3,000 for Phase I ESA, \$2,500 for appraisal, \$3,000 for ALTA survey and \$2,500 contingency).

Sole Source Justification

N/A – Real Estate Exemption

Document Contact/Author:	Beall Carothers Director Real Estate Development
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BOM Date: October 28, 2026	Modification: #2 - 4th Amendment to Office Lease (for Parkland Foundation & Corporate Communications)	
Business Owner: Beall Carothers	Business Owner Dept: Planning Design & Construction	Contract Number: POCRE-19330 A2
Vendor/Supplier: Albany Road-Mockingbird, LLC Basis of Original Contract Award Real Estate – Exemption Basis of this Modification Sole Source Modification	Original Contract (8/1/2017 commencement date w/ 4-25-2017 BOM approval)	\$1,793,948
	Prior Board of Manager Approvals Modification #1 (8/23/2022 BOM approval w/ 2-1-23 commencement date)	\$1,378,672
	Board Approval Amount Modification #2	\$2,506,324
Revenue, Expense or Capital: Expense: Court Approval		
Original Start Date: 8/1/2017 Current Expiration: 11/30/2026 Mod Start Date: 12/1/2026 Expiration after this Mod: 1/31/2032	New Total Contract Amount:	\$5,678,944
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? Yes; and Construction is approved		
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None		
Submitted By (Division VP): Lance Mendiola, Vice President of Construction, Facilities, Real Estate, Operations Administration		



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract modification #2 to 4th Amendment to Office Lease (for Parkland Foundation & Corporate Communications)

Background

In August 2018, the Parkland Foundation was forced to relocate to Suite 1100E of Mockingbird Towers, located at 1341 W. Mockingbird Lane, after the owner of its prior building at 2777 Stemmons Freeway declined to honor lease terms that had been negotiated in good faith with Parkland. Parkland's Real Estate Director subsequently secured 17,563 rentable square feet of replacement lease space at Mockingbird Towers for the Parkland Foundation and PCHP. PCHP has since relocated to another floor within the same facility under a separate lease agreement, and Corporate Communications has backfilled the space previously occupied by PCHP.

This Fourth Amendment to Lease renews the lease term for the 11th floor from December 1, 2026, through January 31, 2032. The landlord is providing a tenant improvement allowance of \$316,134 or \$18.00 per rentable square foot. After deducting the landlord's construction management fee and architectural allowance, \$288,606 is available for construction.

In April 2025, before any discussions with the landlord or leasing team regarding a tenant improvement allowance, Parkland's Planning, Design and Construction team estimated that refurbishing Suite 1100E would cost \$557,600. As mentioned above, subsequent lease negotiations secured a \$316,134 tenant improvement allowance from the landlord.

The project budget includes the base bid for new paint, carpet and solid surface covering; adding and/or reconfiguring offices from semi-private workspaces with half walls to private offices; related lighting, mechanical/HVAC and fire/life-safety work; FF&E; IT; signage; and contingency. The project breakdown is:

6/11/2026 (updated 7-20-26)

Parkland Foundation & Corp. Comm - 11th Floor, 1341 W. Mockingbird Improvement Breakdown
17,563 rentable square feet

	total	per sf
Landlord Provided Tenant Improvement:	\$316,134	\$18.00
CM Fee:	(\$12,645)	(\$0.72)
Architectural Fees:	(\$14,883)	(\$0.85)
Tenant Improvement Available for Construction:	\$288,606	\$16.43
Tenant Improvement Base Bid:	(\$211,071)	(\$12.02)
Remaining Tenant Improvement Allowance:	\$77,535	\$4.41
Add alternates:	(\$146,661)	(\$8.35)
FF&E (7-17-26):	(\$276,935)	(\$15.77)
IT (7-17-26):	(\$92,758)	(\$5.28)
Signage (7-17-26):	(\$11,182)	(\$0.64)
Contingency:	(\$107,599)	(6.13)
Total Out of Pocket Expense:	(\$557,600)	(\$31.75)
Project Estimate 4-29-25	\$557,600	\$31.75
Over/under project estimate of 4-29-25:	\$0	\$0.00

A comprehensive search of the submarket and as confirmed by Costar commercial property database platform determined Parkland is receiving a fair market value for this transaction. Additionally, Parkland Real Estate Department has negotiated an effective rate of \$22.57/sf over the lease renewal term or 24% below the quoted rental rate of \$28/sf and a tenant improvement allowance of \$18/sf or 260% above the quoted tenant improvement allowance of \$5.00/sf.

Financial Forecast

Current Approved Contract Amount	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	Total
\$3,172,620							
Base Rent:	\$261,250	\$398,095	\$406,876	\$415,658	\$424,439	\$141,968	\$2,048,286
Common Area Maintenance ("CAM") Estimates:	\$66,676	\$83,488	\$87,454	\$91,607	\$95,959	\$32,854	\$458,038
FY Totals	\$327,926	\$481,583	\$494,330	\$507,265	\$520,398	\$174,822	\$2,506,324
New Contract Amount:							\$5,678,944

Note the "New Contract Amount" of \$5,678,944 represents the total for Suite 1100E. Parkland also leases additional square footage for Parkland Community Health Plan ("PCHP") (4th floor) and Sleep Lab/Nurse Call Line (3rd floor). Each of these suites are tracked in Parkland's contract management system as "individual" leases as each floor has unique lease terms and conditions as well as stand-alone lease commencement/expiration dates. As such, there have been additional funds approved by previous Board/Court actions obligating Parkland to rental expenditures exceeding \$5,678,944 as follows:

- Original Lease (11th floor (Foundation)): \$1,793,948 (lease term of 8-1-2017 to 1-31-2023)
- 1st Amd. to Lease (3rd floor (Sleep Lab)): \$6,601,819 (lease term of 12-31-2019 to 10-31-2030, plus renewal term of 11-1-2030 to 10-31-2035)
- 2nd Amd. to Lease (4th floor (PCHP)): \$4,237,630 (lease term of 8-1-2020 to 5-31-2031)
- 3rd Amd. to Lease (11th floor): \$1,378,672 (lease term from 2-1-24 to 11-30-26)
- 4th Amd. To Lease (11th floor): \$2,506,324 (lease term from 12-1-26 to 1-31-32)
- Total lease obligation committed to vendor: \$16,518,393

Sole Source Justification

N/A – Real Estate Exemption

Document Contact/Author:	Beall Carothers, Director Real Estate Development
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Acoustic Wall Panel Installation	
Business Owner: Hymavathi Vennapusa	Business Owner Dept: Parkland Design & Construction	Contract Number: POCRE-26829	
Vendor/Supplier/Contractor: Mexzim Corporation	Source Selection Methodology: Invitation for Bids	Fair and Reasonable Price Determination: Adequate Competition	
Revenue, Expense or Capital: Capital		Contract Dates	Contract Price
	Base Term:	11/1/2026 – 1/31/2027	\$208,022
	Out Years:	0 Year(s)	+\$0
	Total:	11/1/2026 – 1/31/2027	\$208,022
Lowest Bidder			
		Is this contractor the lowest bidder/supplier?	Yes
If not, what premium will be paid for this contract over the lowest bidder?			N/A
Approvals			
Has the <u>final</u> contract been approved by Legal for legal sufficiency?		Yes	
Does this contract have an IT Component?		No	
Does this contract have a Construction Component?		Yes; and Construction is approved	
Financial			
Is Funding included in the applicable FY Budget?		Yes	
FTE Impact:		None	
Submitted By (Division VP): Lance Mendiola, Vice President, Construction, Facilities, Real Estate			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract for Acoustic Wall Panel Installation.

Background

This contract is for the turnkey furnishing and installation of acoustical wall panels in the first-floor Psychiatric Emergency Unit (PEU) at Parkland Hospital. The work includes all required labor, materials, equipment, supervision, infection-control measures, protection, cleanup, and closeout documentation. The acoustic wall installation is intended to address excessive reverberation and ambient noise levels within the PEU, creating a more therapeutic and supportive environment for patients while improving communication and speech intelligibility for staff and visitors. The acoustic wall panels will enhance patient comfort, reduce noise-related stressors, and support the operational needs of a behavioral health care setting.

The selected materials will be durable, cleanable, and designed for use in occupied healthcare environments, including behavioral health settings. Installation will be completed in a manner that minimizes disruption to ongoing hospital operations and maintains compliance with applicable safety, infection control, and facility requirements.

Fair and Reasonable Price Determination

A fair and reasonable price was determined through adequate competition. An Invitation to Bid was issued, and three bids were received. The recommended vendor is deemed the lowest responsive and responsible bidder.

Vendor	Price Differential
Mexzim Corporation	\$0
Vendor B	\$ 32,354
Vendor C	\$ 50,211

Financial Forecast

Base Term	FY2027	Totals
Expense	\$208,022	\$208,022

Document Contact/Author:	Kimberly Bell
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Epic Resource for Epic Refuel Project (Project Align)	
Business Owner: Greggory Ervin and Brian Ramirez		Business Owner Dept: Information Technology	Contract Number: POIT-26872
Vendor/Supplier/Contractor: EPIC		Source Selection Methodology: Sole Source	Fair and Reasonable Price Determination: Sole Source
Revenue, Expense or Capital: Expense		Contract Dates	Contract Price
	Base Term:	11/9/2026 – 9/30/2027	\$342,200
	Out Years:	0 Year(s)	+\$0
	Total:	11/9/2026 – 9/30/2027	\$342,200
Lowest Bidder Is this contractor the lowest bidder/supplier? N/A-Sole Source If not, what premium will be paid for this contract over the lowest bidder? N/A			
Approvals Has the <u>final</u> contract been approved by Legal for legal sufficiency? Yes Does this contract have an IT Component? Yes; and IT approved Does this contract have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes FTE Impact: None			
Submitted By (Division VP): Joe Longo, Senior Vice President & Chief Information Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract for Epic Resource for Epic Refuel Project (Project Align).

Background

This contract is for Epic consulting resources to support the Epic Refuel (Project Align) initiative, including application build, configuration, testing, implementation, and stabilization activities. These resources are needed because internal IT Digital Health analysts are heavily dedicated to the project and have limited capacity to perform the extensive Epic build and related implementation work required to meet project timelines. The services will support Parkland's Epic environment and benefit clinical, operational, and patient-facing departments by helping deliver a standardized, optimized Epic foundation while maintaining continuity of operations throughout the project lifecycle.

Fair and Reasonable Price Determination

The proposed pricing is fair and reasonable based on the specialized nature of the services and Epic's exclusive ability to provide qualified Epic resources for the Project Align implementation. As the software manufacturer and sole source provider of Epic-certified implementation resources, Epic is uniquely positioned to deliver the expertise required to support project objectives, implementation timelines, and stabilization activities.

Financial Forecast

Base Term	FY2027	Totals
Expenses	\$342,200	\$342,200

Sole Source Justification

Epic implementation services require specialized Epic system knowledge, proprietary tools, and established methodologies that are only available through Epic. Competition is not practicable because Epic is uniquely qualified to provide Epic-certified resources with the expertise necessary to support the Project Align initiative, including system build, configuration, testing, implementation, and stabilization activities. Utilizing Epic resources ensures alignment with Epic best practices, maintains system integrity, minimizes implementation risk, and supports continuity of operations throughout the project lifecycle.

Document Contact/Author:	Tonya Calhoun
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Epic Refuel 2026 – Licenses for Application Implementation (Project Align)	
Business Owner: Greggory Ervin and Deborah Johnson		Business Owner Dept: Information Technology	Contract Number: POIT-26816
Vendor/Supplier/Contractor: EPIC		Source Selection Methodology: Sole Source	Fair and Reasonable Price Determination: Sole Source
Revenue, Expense or Capital: Expense		Contract Dates	Contract Price
	Base Term:	10/28/2026 – 12/31/2028	\$1,494,232
	Out Years:	0 Year(s)	+\$0
	Total:	10/28/2026 – 12/31/2028	\$1,494,232
Lowest Bidder Is this contractor the lowest bidder/supplier? N/A-Sole Source If not, what premium will be paid for this contract over the lowest bidder? N/A			
Approvals Has the <u>final</u> contract been approved by Legal for legal sufficiency? Yes Does this contract have an IT Component? Yes; and IT approved Does this contract have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Joe Longo, Senior Vice President & Chief Information Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract for Epic Refuel 2026 – Licenses for Application Implementation (Project Align).

Background

This contract is for Epic implementation services to support the Project Align initiative and return Parkland's Epic environment to a standardized, enterprise-wide foundational build. The project includes the implementation and optimization of Epic Radiant Breast Imaging, Cupid Cardiology, and Lumens Endoscopy applications, along with associated interfaces, training, project coordination, and conversion services. These services will support enterprise standardization, workflow optimization, improved integration across Epic applications, and enhanced clinical documentation and reporting. The initiative will benefit radiology, breast imaging, cardiology, and endoscopy physicians, clinicians, technologists, and support staff through streamlined workflows, documentation, reporting, and imaging integration capabilities.

Fair and Reasonable Price Determination

The price is determined to be fair and reasonable based on the unique nature of the services, the strategic role of Epic as Parkland's core electronic health record vendor, and Epic's exclusive ability to provide Refuel implementation services.

Financial Forecast

Base Term	FY2027	FY2028	Totals
Expenses / Licenses / Implementation	\$747,116	\$747,116	\$1,494,232

Sole Source Justification

These services require unique system knowledge, tools, and methodologies that are not available from third-party vendors. Competition is not practicable due to the need to ensure system integrity, continuity of operations, and alignment with Epic best practices.

Document Contact/Author:	Tonya Calhoun
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Harmony Healthcare IT- Historical Healthcare Data Archiving solutions.	
Business Owner: Deborah Johnson		Business Owner Dept: Information Technology	Contract Number: POIT-26827
Vendor/Supplier/Contractor: Harmony Healthcare IT (HHIT)		Source Selection Methodology: Sole Source	Fair and Reasonable Price Determination: Market Price
Revenue, Expense or Capital: Expense		Contract Dates	Contract Price
	Base Term:	11/1/2026 – 8/31/2027	\$550,000
	Out Years:	0 Year(s)	+\$0
	Total:	11/1/2026 – 8/31/2027	\$550,000
Lowest Bidder			
		Is this contractor the lowest bidder/supplier?	Yes
If not, what premium will be paid for this contract over the lowest bidder?			N/A
Approvals			
		Has the <u>final</u> contract been approved by Legal for legal sufficiency?	Yes
		Does this contract have an IT Component?	Yes; and IT approved
		Does this contract have a Construction Component?	No
Financial			
		Is Funding included in the applicable FY Budget?	Yes
		FTE Impact:	None
Submitted By (Division VP): Joe Longo, Senior Vice President & Chief Information Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract for Harmony Healthcare IT- Historical Healthcare Data Archiving solutions.

Background

Parkland Health maintains historical data across six legacy applications: PeopleSoft, SuccessFactors, CIPS, Accuflo, Pearl, and PMAS. Although these systems are no longer needed for routine operations, they contain financial, HR, supply chain, pharmacy, and departmental records that must remain accessible for compliance, legal, audit, regulatory, and historical purposes. Parkland requires an enterprise data archiving solution to securely consolidate and preserve legacy data in a centralized, searchable repository. The solution being provided by HHIT will support required data retention and access while enabling Parkland to reduce reliance on aging systems, lower IT overhead and technical debt, strengthen security and data governance, and support future system retirement and IT transformation.

Fair and Reasonable Price Determination

The proposed price is considered fair and reasonable based on an evaluation of the scope, complexity, level of effort, and professional services required to meet Parkland Health's historical data archiving requirements.

Financial Forecast

Base Term	FY2027	Totals
Licenses/ Support/ Maintenance	\$550,000	\$550,000

Sole Source Justification

Sole source is justified based on HHIT's unique qualifications and specialized expertise required to implement Parkland Health's centralized, secure, and searchable enterprise data archive. HHIT was identified through a previously conducted Request for Information (RFI) process and was recognized as a Tier 1 vendor based on Gartner research. The solution provided will preserve historical data, support applicable retention requirements, and facilitate the retirement of legacy systems.

Document Contact/Author:	Caroline Joel
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026	Product or Service: Hyland LLC multi-year co-terming of existing Software Maintenance and Subscriptions for OnBase, Brainware, and Intelligent Medical Records (IMR)		
Business Owner: Deborah Johnson	Business Owner Dept: Information Technology	Contract Number: POIT-26831	
Vendor/Supplier/Contractor: Hyland LLC	Source Selection Methodology: Sole Source	Fair and Reasonable Price Determination: Market Price	
Revenue, Expense, or Capital: Expense		Contract Dates	Contract Price
	Base Term:	11/1/2026 – 10/31/2031	\$3,673,382
	Out Years:	0 Year(s)	+\$0
	Total:	11/1/2026 – 6/30/2031	\$3,673,382
Lowest Bidder Is this contractor the lowest bidder/supplier? N/A-Sole Source If <u>not</u> , what premium will be paid for this contract over the lowest bidder? N/A			
Approvals Has the <u>final</u> contract been approved by Legal for legal sufficiency? Yes Does this contract have an IT Component? Yes; and IT approved Does this contract have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Joe Longo, Senior Vice President & Chief Information Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract for Hyland LLC multi-year co-terming of existing Software Maintenance and Subscriptions for OnBase, Brainware, and Intelligent Medical Records (IMR).

Background

Parkland Health uses Hyland OnBase, Brainware, and Intelligent Medical Records (IMR) to support document management, data capture, and medical-record processing. This contract consolidates existing maintenance and subscriptions into a single five-year agreement, converts applicable licenses to subscriptions, and locks in pricing for the contract term.

Fair and Reasonable Price Determination

This is a sole-source subscription to co-term existing enterprise software services provided to Parkland Health by Hyland LLC, chosen for their ability to provide applicable technical and proprietary requirements. Price reasonableness was established through comparison with historical pricing.

Financial Forecast

Base Term	FY2027	FY2028	FY2029	FY2030	FY2031	Totals
On-Premise Software Subscriptions/Maintenance	\$736,441	\$734,235	\$734,235	\$734,235	\$734,235	\$3,673,382

Sole Source Justification

This contract is for professional services to work on the multi-year co-terming of existing Software Maintenance and Subscriptions for OnBase, Brainware, and Intelligent Medical Records (IMR), currently provided to Parkland Health solely by Hyland LLC.

Document Contact/Author:	Caroline Joel
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Revenue Cycle Solutions: SmarterPrebill, SmarterDenials, and SmarterCharges	
Business Owner: Kelli Rossi	Business Owner Dept: Revenue Cycle	Contract Number: POIT-26802	
Vendor/Supplier/Contractor: SmarterDX, Inc.	Source Selection Methodology: Sole Source	Fair and Reasonable Price Determination: Market Price	
Revenue, Expense or Capital: Expense		Contract Dates	Contract Price
	Base Term:	11/1/2026 – 10/31/2029	\$240,000
	Out Years:	2 Year(s)	+\$240,000
	Total:	11/1/2026 – 10/31/2031	\$480,000
Lowest Bidder			
Is this contractor the lowest bidder/supplier?		N/A-Sole Source	
If not, what premium will be paid for this contract over the lowest bidder?		N/A	
Approvals			
Has the <u>final</u> contract been approved by Legal for legal sufficiency?		Yes	
Does this contract have an IT Component?		Yes; and IT approved	
Does this contract have a Construction Component?		No	
Financial			
Is Funding included in the applicable FY Budget?		Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	
FTE Impact:		None	
Submitted By (Division VP): Kelli Rossi, Senior Vice President, Revenue Cycle			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract for Revenue Cycle Solutions: SmarterPrebill, SmarterDenials, and SmarterCharges.

Background

This acquisition helps Parkland recover revenue that might otherwise be missed by improving billing accuracy, identifying undercoded services, and increasing successful insurance claim recoveries. The solution is expected to generate approximately \$19.5 million annually in revenue improvement opportunities while reducing the administrative burden on staff.

Fair and Reasonable Price Determination

The pricing is considered fair and reasonable because the majority of fees are performance-based and tied directly to demonstrated revenue improvements. SmarterPrebill and SmarterCharges utilize a contingency fee structure equal to 20% of realized revenue improvements, ensuring vendor compensation is directly aligned with measurable financial results. The SmarterDenials solution includes a 12-month no-cost trial period, with subscription fees of \$10,000 per month commencing in Year 2. The agreement further protects Parkland's interests through a 90-day termination provision, minimizing financial risk while allowing Parkland to evaluate actual performance and value delivered.

Financial Forecast

Base Term	FY2027	FY2028	FY2029	FY2030	FY2031	Totals
Expenses / Consumables		\$120,000	\$120,000			\$240,000
Out Years	FY2027	FY2028	FY2029	FY2030	FY2031	Totals
Expenses / Consumables				\$120,000	\$120,000	\$240,000
Grand Totals		\$120,000	\$120,000	\$120,000	\$120,000	\$480,000

Sole Source Justification

This contract is for a service for which it is impractical to obtain competition because of required implementation timelines. Delaying the procurement would postpone revenue integrity improvements, reimbursement optimization opportunities, and operational efficiencies associated with clinical documentation improvement, coding accuracy, denial management, and charge capture activities. In addition, Parkland is currently engaged in Project Align and other transformation initiatives, and postponing implementation would likely increase project complexity, resource constraints, and overall costs. The anticipated delay would result in lost revenue recovery opportunities and defer financial benefits that are expected to be realized immediately upon implementation.

Document Contact/Author:	Baruh Bosch
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Utilization Management Solution: SmarterUtilization	
Business Owner: Kelli Rossi	Business Owner Dept: Revenue Cycle	Contract Number: POIT-26803	
Vendor/Supplier/Contractor: SmarterDX, Inc.	Source Selection Methodology: Sole Source	Fair and Reasonable Price Determination: Market Price	
Revenue, Expense or Capital: Expense		Contract Dates	Contract Price
	Base Term:	11/1/2026 – 10/31/2029	\$0
	Out Years:	2 Year(s)	+\$500,000
	Total:	11/1/2026 – 10/31/2031	\$500,000
Lowest Bidder			
Is this contractor the lowest bidder/supplier?		N/A-Sole Source	
If not, what premium will be paid for this contract over the lowest bidder?		N/A	
Approvals			
Has the <u>final</u> contract been approved by Legal for legal sufficiency?		Yes	
Does this contract have an IT Component?		Yes; and IT approved	
Does this contract have a Construction Component?		No	
Financial			
Is Funding included in the applicable FY Budget?		Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	
FTE Impact:		None	
Submitted By (Division VP): Kelli Rossi, Senior Vice President, Revenue Cycle			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract for Utilization Management Solution: SmarterUtilization.

Background

In simple terms, this solution helps Parkland staff quickly understand a patient's medical situation and make informed decisions about the appropriate level of care, discharge planning, and care coordination. By automatically summarizing patient information, the technology reduces time spent reviewing medical records, improves staff efficiency, and helps ensure patients receive the right care at the right time. The agreement also provides the solution at no cost through March 2030 and includes waived implementation fees, allowing Parkland to realize operational benefits with minimal financial risk.

Fair and Reasonable Price Determination

The pricing is considered fair and reasonable based on the scope of services provided, including implementation support, Epic integration, training, ongoing support, product enhancements, and access to SmarterUtilization's AI-enabled utilization management platform. SmarterDx will provide the solution at no charge through March 2030 and has waived implementation and integration fees totaling approximately \$40,000, resulting in immediate cost avoidance to Parkland. The agreement also includes a 90-day termination provision, which mitigates risk by allowing Parkland to evaluate performance and discontinue services if expected operational benefits are not realized. The anticipated benefits include improved workflow efficiency, enhanced utilization review processes, improved discharge planning activities, and support for workforce effectiveness initiatives.

Financial Forecast

Base Term	FY2027	FY2028	FY2029	FY2030	FY2031	Totals
Expenses / Consumables	\$0	\$0	\$0			\$0
Out Years	FY2027	FY2028	FY2029	FY2030	FY2031	Totals
Expenses / Consumables				\$250,000	\$250,000	\$500,000
Grand Totals	\$0	\$0	\$0	\$250,000	\$250,000	\$500,000

Sole Source Justification

This contract is for a service for which it is impractical to obtain competition due to required implementation timelines. Delaying procurement would postpone operational efficiencies associated with utilization management, care coordination, discharge planning, and medical necessity review workflows. The solution supports staff responsible for utilization management activities through the use of artificial intelligence designed to enhance workflow effectiveness. SmarterDx was selected based on the business owner's evaluation of the solution's functionality, its ability to integrate directly into Parkland's Epic environment, and its alignment with Parkland's utilization management and care coordination objectives. Conducting a competitive procurement at this time would delay implementation and defer anticipated operational benefits.

In addition, Parkland is actively engaged in Project Align and other organizational transformation initiatives. Implementing the solution at this time aligns with current organizational priorities and available implementation resources. Delaying implementation could defer anticipated operational benefits and increase implementation complexity as resources are directed toward future transformation efforts.

Document Contact/Author:	Baruh Bosch
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Refurbishment of two (2) 300 hp Cleaver Brooks steam boilers located in the Linen department	
Business Owner: Jay Dyck	Business Owner Dept: Linen Services	Contract Number: PONCS-26654	
Vendor/Supplier/Contractor: Cleaver-Brooks Sales and Service, Inc.	Source Selection Methodology: Invitation for Bids	Fair and Reasonable Price Determination: Adequate Competition	
Revenue, Expense or Capital: Expense		Contract Dates	Contract Price
	Base Term:	11/1/2026 – 10/31/2027	\$202,045
	Out Years:	0 Year(s)	+\$0
	Total:	11/1/2026 – 10/31/2027	\$202,045
Lowest Bidder			
		Is this contractor the lowest bidder/supplier?	Yes
<u>If not</u> , what premium will be paid for this contract over the lowest bidder?			N/A
Approvals			
		Has the <u>final</u> contract been approved by Legal for legal sufficiency?	Yes
		Does this contract have an IT Component?	No
		Does this contract have a Construction Component?	No
Financial			
		Is Funding included in the applicable FY Budget?	Yes
		FTE Impact:	None
Submitted By (Division VP): Eric Walker, Vice President, Support Services			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract for Refurbishment of two (2) 300 hp Cleaver Brooks steam boilers located in the Linen department.

Background

This contract covers the refurbishment of two 300-hp Cleaver Brooks steam boilers in the Linen Department. Installed when the laundry facility was constructed in 1989, the boilers are 37 years old. Laundry operations require at least one boiler to remain in service at all times, while the second provides backup capacity. Aging components have increased repair and maintenance costs, resulting in several major repairs and upgrades during the past year, including replacement of the condensate return system and steam header valves.

Replacing the boilers would require significant unbudgeted costs because of their location, including wall demolition and rental of a temporary boiler to prevent service interruptions. Boiler industry professionals and state inspectors confirmed that comprehensive refurbishment could restore the existing units to a like-new condition for approximately 25% to 30% of the cost of new boilers. This is a widely accepted practice in the boiler industry and offers a more budget-conscious alternative to full replacement. The solution is intended to extend the operational life of the existing boilers by an estimated 10 to 15 years, whereas new boiler installations would typically provide a service life of 25 to 30 years.

The contract includes refurbishment of both boilers. One unit is currently out of service and awaiting repair. These boilers are essential to laundry operations; failure of both units would halt laundry services.

Fair and Reasonable Price Determination

Parkland had issued an Invitation to Bid (IFB). Consistent with the IFB process, selection is based on the lowest responsive and responsible bid. The selected vendor, Cleaver Brooks, submitted the lowest bid that met all IFB requirements.

Vendor	Price Differential
Cleaver Brooks	\$0
Vendor B	\$94,844
Vendor C	\$179,575

Financial Forecast

Base Term	FY2027	Totals
Expenses / Consumables	\$202,045	\$202,045

Document Contact/Author:	Gracy Thomas
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: Purchase 17 Affinity Birthing Beds	
Business Owner: Andrew Hohman	Business Owner Dept: Clinical Engineering	Contract Number: POCP-26861	
Vendor/Supplier/Contractor: Hill-Rom Company, Inc.	Source Selection Methodology: GPO Purchase	Fair and Reasonable Price Determination: Adequate Competition	
Revenue, Expense or Capital: Capital		Contract Dates	Contract Price
	Base Term:	11/1/2026 – 6/30/2027	\$258,438
	Out Years:	0 Year(s)	+\$0
	Total:	11/1/2026 – 6/30/2027	\$258,438
Lowest Bidder			
Is this contractor the lowest bidder/supplier?		GPO Purchase	
If not, what premium will be paid for this contract over the lowest bidder?		N/A	
Approvals			
Has the <u>final</u> contract been approved by Legal for legal sufficiency?		Yes	
Does this contract have an IT Component?		No	
Does this contract have a Construction Component?		No	
Financial			
Is Funding included in the applicable FY Budget?		Yes	
FTE Impact:		None	
Submitted By (Division VP): Lance Mendiola, Vice President, Construction, Facilities, Real Estate			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract for Purchase 17 Affinity Birthing Beds.

Background

Parkland Health is purchasing 17 of the 47 birthing beds planned for replacement in the Labor & Delivery department to replace equipment that has exceeded its 10-year useful life. The existing beds are 11 to 13 years old and experiencing significant wear, increased maintenance needs, and reliability concerns. This purchase will complete the replacement of all 47 birthing beds as part of the fleet renewal initiative, improving safety, standardization, and operational reliability while supporting high-quality patient care for Labor & Delivery patients and clinical staff.

Fair and Reasonable Price Determination

The GPO contract and pricing was obtained in a solicitation process performed by Vizient. Market research conducted through ECRI shows that the Parkland pricing is consistent with pricing paid by other healthcare facilities for comparable equipment. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

A fair and reasonable price was determined through adequate competition.

Financial Forecast

Base Term	FY2026
Expenses	\$258,438

Document Contact/Author:	Adrian Baltimore
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #3 One year extension of Benefits Flexible Spending Account Administrative Services	
Business Owner: Tawana McCullough		Business Owner Dept: Office of Talent Management	Contract Number: HR-20128_A4
Vendor/Supplier: Inspira Financial Health, Inc. Basis of Original Contract Award Request for Proposals (Best Value) Basis of this Modification Contract Extension without Competition		Original Contract (1/1/2015)	\$665,000
		Prior Board of Manager Approvals Modification #1 (8/27/2019)	\$100,000
		Modification #2 (9/28/2021)	\$541,500
		Revenue, Expense or Capital: Expense	
Original Start Date: 1/1/2015 Current Expiration: 12/31/2026 Mod Start Date: 1/1/2027 Expiration after this Mod: 12/31/2027		New Total Contract Amount:	\$1,414,650
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Felicia Miller, Executive Vice President & Chief Talent Officer			

**DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT**

Parkland

Recommendation

Approve this contract modification for a One year extension of Benefits Flexible Spending Account Administrative Services.

Background

The contract for Benefits Flexible Spending Account (FSA) Administrative Services consists of administering Parkland's Health Care FSA and Dependent Care FSA programs, including enrollment and eligibility management, claims processing and reimbursement, debit card administration, participant customer service, regulatory compliance, required plan documentation, reporting, and employee communications and education. The services also include system integration, account management, and ongoing support to ensure efficient and compliant program operations.

The contract was originally awarded through a competitive Request for Proposal (RFP) process, with an effective contract date of January 2015. In August 2019, the contract was extended for an additional one-year term. A second one-year extension was granted in 2020 due to operational impacts associated with the COVID-19 pandemic. Following the expiration of the extended term, a new Request for Proposal (RFP) was issued, and the incumbent vendor was awarded the contract in July 2021.

An extension is requested due to the significant implementation effort required to transition to a new vendor. Parkland's IT resources are currently focused on the Workday and EPIC Refuel initiatives, limiting the ability to support the extensive system integration, data migration, testing, and implementation activities necessary for a vendor transition. Extending the current agreement will ensure uninterrupted services and mitigate operational and implementation risks.

Fair and Reasonable Price Determination

A fair and reasonable price was determined through adequate competition

Financial Forecast

Current Board Approved Contract Amount	FY2027	FY2028	Total
\$1,306,500	\$81,113	\$27,037	\$1,414,650

Document Contact/Author:	Terence Durham
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Parkland

Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Modification: #2 One-year term extension and change to the Scope of Work - Consulting Services for Affordable Care Act (ACA) Exchange Plan	
Business Owner: Kristin Alvarez		Business Owner Dept: Value-Based Care	Contract Number: PONCS-24546 A3
Vendor/Supplier: Milliman, Inc. Basis of Original Contract Award Request for Proposals (Best Value) Basis of this Modification Non-Sole Source Modification		Original Contract (BOM 10/30/2024)	\$1,290,000
		Modification #1 (02/25/2026)	\$1,600,000
		Board Approval Amount Modification # 2	\$1,725,000
Revenue, Expense or Capital: Expense			
Original Start Date: 11/14/2024 Current Expiration: 11/13/2026 Mod Start Date: 11/14/2026 Expiration after this Mod: 11/13/2027		New Total Contract Amount:	\$4,615,000
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Yes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Monal Shah, SVP, Chief Clin Transf Officer			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

Recommendation

Approve this contract modification for one-year term extension and change to the Scope of Work - Consulting Services for Affordable Care Act (ACA) Exchange Plan.

Background

The original engagement consisted of two parts: optimization of existing contracts/revenue cycle and feasibility of an ACA plan. The second term covered the implementation phase of the Affordable Care Act (ACA). Each year, the scope is updated based on progress from the previous year and will be carried through to completion by Plan Year 1 (CY2028), when members will begin receiving services through the health plan. The proposed SOW for the upcoming term covers ACA Plan Strategy & Operational Implementation Support, Plan Year (PY/CY) 2028 Actuarial Services & Rate Setting, PY2028 Qualified Health Plan (QHP) Form and Binder Filing, and PY2028 Risk Adjustment Operations.

Parkland has moved from the planning phase for the ACA plan to the implementation phase, including continued work on the following: Texas Department of Insurance (TDI) licensing in 2026; QHP licensing in 2027, to allow enrollment starting in November 2027; Pharmacy Benefit Manager (PBM) and off-exchange exploration; and product development. The development of an ACA plan will increase enterprise value by allowing Parkland Community Health Plan (PCHP) access to federal premium tax credit subsidies that will ultimately pay for medical claims. If this does not get approved, Parkland will not be able to receive the federal tax subsidies through the ACA.

Fair and Reasonable Price Determination

A fair and reasonable price was determined through adequate competition.

Financial Forecast

Current Board Approved Contract Amount	FY2027	FY2028	Total
\$2,890,000	\$1,581,250	\$143,750	\$4,615,000

Document Contact/Author:	Gracy Thomas
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Board Approval Request For Contracts Over \$200,000

BOM Date: October 28, 2026		Product or Service: OMEGA E-View AI ERCP Fluoroscopy System	
Business Owner: Patrick Eaton		Business Owner Dept: Clinical Engineering	Contract Number: POCP-26830
Vendor/Supplier/Contractor: Omega Medical Imaging, LLC		Source Selection Methodology: Sole Source	Fair and Reasonable Price Determination: Market Price
Revenue, Expense or Capital: Capital	Contract Dates		Contract Price
	Base Term:	11/6/2026 – 11/5/2027	\$998,128
	Out Years:	0 Year(s)	+\$0
	Total:	11/6/2026 – 11/5/2027	\$998,128
Lowest Bidder			
		Is this contractor the lowest bidder/supplier?	N/A-Sole Source
If not, what premium will be paid for this contract over the lowest bidder?		N/A	
Approvals			
		Has the <u>final</u> contract been approved by Legal for legal sufficiency?	Yes
		Does this contract have an IT Component?	Yes; and IT approved
		Does this contract have a Construction Component?	No
Financial			
		Is Funding included in the applicable FY Budget?	Yes
		FTE Impact:	None
Submitted By (Division VP): Lance Mendiola,Vice President, Construction, Facilities, Real Estate			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: OMEGA E-View AI ERCP Fluoroscopy System

VENDOR: Omega Medical Imaging, LLC

COST:	Base Term:	\$998,128
	Out Years:	+ \$0
	Total:	\$998,128

Recommendation

Approve this contract for OMEGA E-View AI ERCP Fluoroscopy System.

Background

This contract is for the purchase of an OMEGA Fluoroscopy System to replace the existing Siemens Fluoroscopy System in the main Gastroenterology (GI) Lab. The system is used to provide real-time X-ray imaging during procedures and specifically can be used for ERCP (Endoscopic Retrograde Cholangiopancreatography) and Advanced GI procedures. The current system is twelve years old and at the end of support, which limits serviceability and parts availability. Replacing it with a supported model will reduce the risk associated with limited-service coverage and obsolete parts. Additionally, the department currently operates one of these systems. Procuring a second system would maintain equipment standardization, support consistent clinical workflows, and reduce variation in staff training and system operation.

Fair and Reasonable Price Determination

The item being purchased is a sole source for the reasons discussed below ECRI market research shows that the Parkland price is average compared to other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2026
Equipment / Licenses	\$998,128

Sole Source Justification

This contract is for a good or service for which there is only one acceptable source. The product or service has no competition. This product offers functionalities that no other system on the market provides. Clinical studies and internal vendor research have shown that it can reduce radiation exposure to patients and staff significantly. It is the only system specifically designed and built for Interventional Endoscopy Procedures. Additionally, the innovative I-C design allows the C-arm to swing away from the table, enabling the table to be used for non-X-ray procedures such as EUS. This design also facilitates safer patient loading and provides full access to the patient during emergency situations—features that no other system on the market offers.

Document Contact/Author:	Andrew Barter
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Monthly Ratification Report

Require Board Approval

Contract		Vendor		Description		Cost		Department	
Date		Number				Center			
						Number			
4/30/2025, 10/1/2026		PPPS-20382_AS		The Salvation Army		Mod # 3 Pathways Forward Program, adding funds		\$808,983 86490	
								Post Acute Services	

CEO Approval

Fred Cerise

Fred Cerise (Oct 2, 2026 07:55:09 CDT)

Dr. Fred Cerise

10/02/2026

Date



Parkland

Ratification Notice

BOM Date: October 28, 2026		Modification: Mod # 3 Pathways Forward Program, adding funds	
Business Owner: Shannan Bradley		Business Owner Dept: Post Acute Services	Contract Number: PPPS-20382_A5
Vendor/Supplier: The Salvation Army Basis of Original Contract Award Sole Source Basis of this Modification Sole Source Modification		Aggregate amount last approved by the BOM (4/24/2024): Action #1:	\$1,485,483 \$99,999
Revenue, Expense or Capital: Expense-Ratification		Amount to be Ratified: (4/30/2025): \$758,983 (10/1/2026): \$50,000	\$808,983
Original Start Date: 3/1/2022 Current Expiration: 4/1/2027 Mod Start Date: 9/30/2026 Expiration after this Mod: 4/1/2027		New Contract Amount:	\$2,394,465
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Legal approved base document, amendment has no changes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Shannan Bradley, Vice President Care Management & Post-Acute Services, Operations Administration			



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod # 3 Pathways Forward Program, adding funds

VENDOR: The Salvation Army

COST: Aggregate amount last approved by the
BOM (4/24/2024): \$1,485,483

Action #1: \$99,999

Amount to be Ratified + **\$808,983**

Amount to be Approved (going forward):

Total: \$2,394,465

Recommendation

Approve this contract modification to Pathways Forward Program, adding funds.

Ratification Reason

Ratification is required because additional funds were added to the contract without obtaining the required Board approval, after the applicable board approval threshold was exceeded.

Background

The Pathways Forward Program primarily targets high-utilization homeless patients that frequent the Emergency Department (ED). The program pays for 30 beds and its goal is to transition patients to permanent supportive housing and reduce unnecessary ED visits. The Salvation Army provides shelter, crisis stabilization, and homeless recovery services modeled after Critical Time Intervention (CTI). The program was originally funded by Health Resources and Services Administration (HRSA) through monies budgeted and approved for The Salvation Army in the HOMES American Rescue Plan Act (ARPA) through FY23 budgets under the categories "Maintaining & Increasing Capacity" and "Recovery & Stabilization". Beginning FY24 the Program is fully funded by Parkland.

Fair and Reasonable Price Determination

Rates are based on historical pricing and consistent with fees for like services in Parkland's hospital community.

Financial Forecast

Current Contract Amount	FY2025	FY2026	Total
\$1,485,483	\$858,982	\$50,000	\$2,394,465

Sole Source Justification

This contract is for a good or service for which there is only one acceptable source. The service has no competition in Parkland's Hospital community area.

Document Contact/Author:	Terence Durham
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Monthly Ratification Report

136 Item R2

Require Board Approval

Contract Date	Contract Number	Vendor Name	Description	Amount	Cost Center Number	Department
4/3/2026, 4/6/2026,6/17/2026, 9/18/2026	PPPS-18364_A10	The Salvation Army	Mod # 3 Recuperative Care, adding funds	5160,446	86490	Post Acute Services

CEO Approval

Fred Cerise

Fred Cerise (Oct 2, 2026 07:55:35 CDT)

Dr. Fred Cerise

10/02/2026

Date



Parkland

Ratification Notice

BOM Date: October 28, 2026		Modification: Mod # 3 Recuperative Care, adding funds	
Business Owner: Shannan Bradley		Business Owner Dept: Post Acute Services	Contract Number: PPPS-18364_A10
Vendor/Supplier: The Salvation Army		Aggregate amount last approved by the BOM (4/24/2024):	\$396,666
Basis of Original Contract Award Sole Source			
Basis of this Modification Sole Source Modification		Action #1:	\$99,900
Revenue, Expense or Capital: Expense-Ratification		Amount to be Ratified: Action #1 (4/3/2026): \$10,801 Action #2 (4/6/2026): \$9,645 Action #3 (6/17/2026): \$40,000 Action #4 (9/18/2026): \$100,000	\$160,446
Original Start Date: 11/15/2020 Current Expiration: 4/1/2027		New Contract Amount:	\$657,012
Mod Start Date: 9/29/2026 Expiration after this Mod: 4/1/2027			
Approvals Has the <u>final</u> modification been approved by Legal for legal sufficiency? Legal approved base document, amendment has no changes Does this modification have an IT Component? No Does this modification have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. FTE Impact: None			
Submitted By (Division VP): Shannan Bradley, Vice President Care Management & Post-Acute Services, Operations Administration			



DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING
DOCUMENT

Parkland

SUBJECT: Mod # 3 Recuperative Care, adding funds

VENDOR: The Salvation Army

COST: Aggregate amount last approved by the BOM
(4/24/2024): \$396,666
Action #1: \$99,900
Amount to be Ratified + \$160,446
Amount to be Approved (going forward):

Total: \$657,012

Recommendation

Approve this contract modification to Recuperative Care, adding funds.

Ratification Reason

Ratification is required because additional funds were added to the contract without obtaining the required Board approval, after the applicable board approval threshold was exceeded.

Background

The Recuperative Care Program provides short-term residential care for patients who no longer need hospitalization but still require support during recovery. The program pays for 8 recuperative care beds specifically for homeless patients who lack insurance and have no place to be discharged to after hospitalization. Parkland pays for beds at The Salvation Army Carr Facility for surgical recovery for its unfunded patients through the established Recuperative Care Program which was established during the Covid pandemic period rather than sending the non-funded patients to our skilled nursing facilities.

Fair and Reasonable Price Determination

Rates are based on historical pricing and consistent with fees for like services in Parkland's hospital community.

Financial Forecast

Current Contract Amount	FY2026	Total
\$396,666	\$260,346	\$657,012

Sole Source Justification

This contract is for a good or service for which there is only one acceptable source. The service has no competition in Parkland's Hospital community area.

Document Contact/Author:	Terence Durham
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Parkland

Approved Deviation Request New Contract

139

Must be approved before: October 1 st , 2026		Reason for deviation request: The Anatomic Pathology (AP) lab's tissue processors are experiencing frequent breakdowns that require costly repairs. The breakdowns are directly impacting the AP's ability to issue patient results in a timely manner.	
BOM Date: October 28, 2026		Product or Service: Purchasing new Sakura Tissue-Tek VIP (Vacuum Infiltration Processor) equipment for Laboratory Services	
Business Owner: Tim Lenz/Bernie Buenvenida	Business Owner Dept: Clinical Engineering	Contract Number: POCP-26751	
Vendor/Supplier/Contractor: Sakura Finetek USA, Inc.	Source Selection Methodology: Sole Source	Fair and Reasonable Price Determination: Market Price	
Revenue, Expense or Capital: Capital-Approved Deviation		Contract Dates	Contract Price
	Base Term:	10/1/2026 – 9/30/2027	\$472,592
	Out Years:	0 Year(s)	+\$0
	Total:	10/1/2026 – 9/30/2027	\$472,592
Lowest Bidder Is this contractor the lowest bidder/supplier? N/A-Sole Source If not, what premium will be paid for this contract over the lowest bidder? N/A			
Approvals Has the <u>final</u> contract been approved by Legal for legal sufficiency? Yes Does this contract have an IT Component? No Does this contract have a Construction Component? No			
Financial Is Funding included in the applicable FY Budget? Yes FTE Impact: None			
Submitted By (Division VP): Jenni Burnes, Vice President, Ancillary Services, Operations Administration			
Request: Authorize the appropriate Contracting Officer to execute this contract with the stipulation that it will be presented to the Parkland Board of Managers for approval at the next regularly scheduled meeting.		<i>Fred Cerise</i> Fred Cerise (Oct 2, 2026 07:40:06 CDT) Date: _____ Dr. Fred Cerise, President & CEO <i>RFMA</i> RFMA (Oct 2, 2026 09:22:53 CDT) Date: _____ Chair Finance Committee	



DALLAS COUNTY HOSPITAL DISTRICT PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Purchasing new Sakura Tissue-Tek VIP (Vacuum Infiltration Processor) equipment for Laboratory Services

VENDOR: Sakura Finetek USA, Inc.

COST:	Base Term:	\$472,592
	Out Years:	+ \$0
	Total:	\$472,592

Recommendation

Approve this contract for Purchasing new Sakura Tissue-Tek VIP (Vacuum Infiltration Processor) equipment for Laboratory Services.

Approved Deviation Reason

This deviation is requested to expedite the purchase of a Sakura Tissue-Tek VIP tissue processor to replace aging equipment experiencing frequent breakdowns and costly repairs. These failures are delaying AP's ability to provide timely patient results and impacting patient care. Due to extended contract negotiations with the vendor, the agreement missed the September Board deadline, and AP cannot delay the purchase until the October Board given the continued equipment failures and associated patient care impact.

Background

Two of the laboratory's five current processors are currently nonfunctional. The existing processors are approximately 12 years old, exceeding their typical seven-year life cycle. AP lab is acquiring 6 new units to replace the five current malfunctioning units and add an additional unit due to volume increase. These instruments are critical to preparing patient biopsies and resections for diagnostic testing, and equipment failures can irreversibly affect tissue quality and subsequent in-house and molecular testing. The Sakura Tissue-Tek VIP was identified as the only solution meeting the laboratory's requirements for processing quality, capacity, configuration, and space constraints while supporting existing histology, Immunohistochemistry (IHC), special stain, and molecular workflows. With the six new processors, capacity will increase from approximately 200 to 275–300 cassettes per instrument, helping accommodate daily volumes of 500–750 cassettes and allowing tissue-specific processing programs to improve workflow efficiency and specimen quality. Individual processing chambers also help minimize workflow disruption and specimen impact in the event of an instrument malfunction.

Fair and Reasonable Price Determination

Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price falls below the average price range and is 5% lower than that of other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2027	Totals
Equipment / Licenses	\$472,592	\$472,592

Sole Source Justification

This contract is for a good or service for which there is only one acceptable source. The products are additions or modifications to existing equipment where there are no substitute or interchangeable components and compatibility is paramount. The Sakura Tissue-Tek instrument is compatible with current reagents and instrumentation for subsequent testing Hematoxylin and Eosin (H&E) staining, IHC staining, Special stains, and molecular testing), and the available space in the lab. Other vendors were evaluated and compared to current instrumentation, but none offer the same level of quality, specimen capacity, reagent use, and instrument footprint as the Sakura instrument.

Document Contact/Author:	Tamisha Smallwood
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CONTRACT RESOLUTION
Board of Managers
October 28, 2026

PARKLAND HEALTH

RESOLUTION NO. _____

Be it resolved, the Parkland Health Board of Managers, by a vote of _____ Yes and _____ Nay, does by this resolution (adopt/reject) _____ the following:

WHEREAS, Parkland Health management requested approval for certain contracts and approval/rejection is as checked below:

Approved	Rejected	Withdrawn	Type	Service or Product	Vendor	Contract Term	Aggregate Contract Amount Approved	Budgeted
			Expense	Mod# 2 Extension and adding funds for Abbott Electrophysiology Products and Accessories	Abbott Laboratories	8/19/2021 - 8/31/2028	\$3,901,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Expense	Mod# 2 Two-year contract extension and adding new products for staining supplies	Agilent Technologies, Inc.	5/30/2018 - 11/30/2028	\$812,100	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Revenue	House Staff Services	The University of Texas Southwestern Medical Center	9/1/2025 - 6/30/2027	(\$11,000,000)	N/A-Revenue
			Expense	Mod#4 Two-year extension and adding funds for Medtronic Electrophysiology Products and Accessories	Medtronic USA, Inc.	8/14/2021-11/14/2028	\$3,001,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Expense	Mod#4 Two- year extension and adding funds for Kahook Dual Blade Disposables	New World Medical	8/11/2017-11/10/2028	\$315,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Durable Medical Equipment Prosthetic Devices, Prosthetics, Orthotics, and Supplies Services	One Source Medical Solutions, Inc.	12/14/2026 – 12/13/2031	\$15,000,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod#1 Adding funds for two-year extension for the chemistry lab	Sebia, Inc	1/1/2024-12/31/2028	\$485,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod#2 Two-year extension and adding funds for Versajet accessories	Smith and Nephew, Inc.	7/1/2020 - 11/30/2028	\$315,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Ob/Gyn Clinical Coverage	The University of Texas Southwestern Medical Center	10/1/2026 – 9/30/2029	\$3,992,679	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Revenue	Mod# 5 Revenue Reporting Services for MIPS and TIPPS	The University of Texas Southwestern Medical Center	3/9/2022-9/30/2029	(\$1,532,387)	N/A-Revenue
			Expense	Mod# 3 Add funding to the Endoprosthesis Vascular Stents and Implants contract	W.L. Gore & Associates, Inc.	5/1/2021-8/28/2028	\$4,500,000	Yes, for the current fiscal year. Additional years' costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod#4 Add funds to Pathways Forward Program	The Salvation Army	3/1/2022-4/1/2027	\$250,000	Yes
			Expense	Mod#7 Add funds for outstanding invoices for Outpatient Dialysis Services	Bio-Medical Applications of Texas, Inc	12/1/2021-12/31/2026	\$1,800,000	Yes
			Expense	Mod#2 Add funding to immunology reagent contract for the Parkland owned Dynex DSX machine	Werfen USA LLC	11/1/2016-10/31/2027	\$85,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Capital	Design Services for Southeast Dallas Health Center	Cannon Design Inc.	10/29/2026 – 12/31/2030	\$23,626,298	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Capital	Mod#2 Adding contingency funds Big OK Paper Parking Lot Improvements	Gilbert May, Inc. d/b/a Phillips May Corporation	4/24/2024 - 12/31/2026	\$164,160	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets

			Expense: Court Approval	Commercial Contract of Sale for the purchase of 5431 Gregg Street, Dallas, TX	4304 Live Oak, LP	11/4/2026 – 3/19/2027	\$1,100,000	Yes
			Expense: Court Approval	Mod# 2 4th Amendment to Office Lease (for Parkland Foundation & Corporate Communications)	Albany Road-Mockingbird, LLC	8/1/2017-1/31/2032	\$2,506,324	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Capital	Acoustic Wall Panel Installation	Mexzim Corporation	11/1/2026 – 1/31/2027	\$208,022	Yes
			Expense	Epic Resource for Epic Refuel Project (Project Align)	EPIC	11/9/2026 – 9/30/2027	\$342,200	Yes
			Expense	Epic Refuel 2026 – Licenses for Application Implementation (Project Align)	EPIC	10/28/2026 – 12/31/2028	\$1,494,232	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Expense	Harmony Healthcare IT- Historical Healthcare Data Archiving solutions.	Harmony Healthcare IT (HHIT)	11/1/2026 – 8/31/2027	\$550,000	Yes
			Expense	Hyland LLC multi-year co-terming of existing Software Maintenance and Subscriptions for OnBase, Brainware, and Intelligent Medical Records (IMR)	Hyland LLC	11/1/2026 – 6/30/2031	\$3,673,382	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Expense	Revenue Cycle Solutions: SmarterPrebill, SmarterDenials, and SmarterCharges	Smarter DX , Inc.	11/1/2026 – 10/31/2031	\$480,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Expense	Utilization Management Solution: SmarterUtilization	Smarter DX , Inc.	11/1/2026 – 10/31/2031	\$500,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Expense	Refurbishment of two (2) 300 hp Cleaver Brooks steam boilers located in the Linen department	Cleaver-Brooks Sales and Service, Inc.	11/1/2026 – 10/31/2027	\$202,045	Yes
			Capital	Purchase 17 Affinity Birthing Beds	Hill-Rom Company, Inc	11/1/2026 – 6/30/2027	\$258,438	Yes
			Expense	Mod#3 One year extension of Benefits Flexible Spending Account Administrative Services	Inspira Financial Health, Inc.	1/1/2015 -12/31/2027	\$108,150	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Expense	Mod#2 One-year term extension and change to the Scope of Work - Consulting Services for Affordable Care Act (ACA) Exchange Plan	Milliman, Inc.	11/14/2024-11/13/2027	\$1,725,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets
			Capital	OMEGA E-View AI ERCP Fluoroscopy System	Omega Medical Imaging, LLC	11/6/2026 – 11/5/2027	\$998,128	Yes

THEREFORE, BE IT RESOLVED, that the Parkland Health Board of Managers approves these contracts as noted.

Dated this 28th of October 2026.

Vincent Hall
Chair

Brad Nitschke, JD
Assistant Secretary

Eric G. Bing, MD, PhD	Yes	_____	No	_____	Abstain	_____	Absent	_____
Byron Cryer, MD	Yes	_____	No	_____	Abstain	_____	Absent	_____
Todd Furniss, JD	Yes	_____	No	_____	Abstain	_____	Absent	_____
Reina Gonzalez, JD	Yes	_____	No	_____	Abstain	_____	Absent	_____
Vincent Hall	Yes	_____	No	_____	Abstain	_____	Absent	_____
Ramon Miguez, PE	Yes	_____	No	_____	Abstain	_____	Absent	_____
Farida Minner, RN	Yes	_____	No	_____	Abstain	_____	Absent	_____
Marjorie Petty, JD	Yes	_____	No	_____	Abstain	_____	Absent	_____
Miriam Sharma, RN	Yes	_____	No	_____	Abstain	_____	Absent	_____
Yasmin Simon, JD	Yes	_____	No	_____	Abstain	_____	Absent	_____
Jeff Tillotson, JD	Yes	_____	No	_____	Abstain	_____	Absent	_____

Update and Report Regarding Parkland Financial Performance Presentation

Executive Summary for the Month of September 2026 (Hospital Only)

For the month of September, Parkland Health recognized a net income of \$108.3M which is \$89.5M higher than the budgeted net income of \$18.8M and \$45.8M favorable compared to the prior year net income of \$62.5M.

Parkland Health's operating margin and operating cash flow margin for the month of September are 28.5% and 41.1%, respectively. The operating margin was favorable compared to the budget of 0.1% and the operating cash flow margin is favorable compared to budget of 2.9%. Parkland Health's operating margin is favorable compared to prior year operating margin of 13.6% and favorable to the operating cash flow margin of 23.5% from the prior year.

Parkland Health's patient cash collections in September were \$132.3M, which is higher than budget by \$10.3M and \$36.3M higher than the prior year. Parkland Health's days cash on hand of 241.9 days for the month is an increase of 13.2 days compared to prior month of 228.7 days and compared to the prior year September of 221.8 days, an increase of 20.0 days.

Patient Volume	Current Month Actual	Current Month Budget	Actual vs Budget	Actual vs Budget %
Adjusted Patient Days	60,154	56,021	4,133	7.4%
Equivalent Patient Days (inpatient only)	28,401	28,134	267	0.9%
Ambulatory Visits	113,068	105,618	7,450	7.1%
Emergency Room Visits	22,132	19,843	2,289	11.5%
Deliveries	996	1,240	(244)	-19.7%
Surgeries (total)	2,019	1,872	147	7.9%
Total Adult Average Daily Census (incl. Observation)	864	856	8	0.9%
Neonatal ICU Average Daily Census	81	82	(1)	-1.2%
Total Average Daily Census	945	938	7	0.8%

Volume and Patient Revenues

- Gross patient revenue is an indicator of Parkland Health's overall volume of activity and patient mix. From the perspective of gross patient revenue, Parkland Health's total dollar volume of gross patient revenue is \$83.3M or 10.2% more than budget for the month. This favorable variance is due to a combination of inpatient revenue higher than budget by \$19.3M or 6.8%, outpatient revenue being higher than budget by \$52.9M or 12.0% and emergency room revenue being higher than budget by \$11.1M or 12.5%. Compared to prior year's gross patient revenues for the month, total patient revenue is higher by \$63.8M or 7.6% with inpatient revenue higher by \$17.0M or 5.9%, outpatient revenues being higher by \$40.1M or 8.9% and emergency room revenues being higher by \$6.7M or 7.2%.
- Parkland Health's gross patient revenue for the month of September is comprised of 34.0% IP revenue, 54.9% OP revenue, and 11.1% ED revenue. This is compared to a budget for the month of 35.1% IP, 54.0% OP, and 10.9% ED.
- Equivalent Patient Days, which is the sum of traditional inpatient + observation + short stay census days, is 0.9% higher than budget and 5.8% higher than the prior year.

- The Average Length of Stay (ALOS) for adult increased by 0.05 days or 0.9% higher or unfavorable to budget and the Neonatal ICU ALOS increased by 6.71 days or 33.1% higher or unfavorable to budget. Compared to the previous year, the ALOS for Adult increased by 0.31 days or 5.6% higher or unfavorable to budget and the ALOS for Neonatal ICU increased by 8.78 days or 48.2% higher or unfavorable to the prior year.

The actual mix of inpatient services that drive Equivalent Patient Days is different than Parkland Health's budget for September as described below:

- Total Inpatient Discharges were lower than budget by 3.5% and 4.7% lower than the prior year,
 - Observation/Short Stay Discharges are 23.6% above budget and 26.4% above the prior year,
 - Total Adjusted Patient Days (a proxy for overall inpatient and outpatient volume) are 7.4% higher than budget and 8.2% higher than the prior year,
 - Inpatient surgery cases are 6.9% favorable to budget and 0.9% unfavorable to the prior year.
 - Surgeries of all types are 7.9% higher than budget and 1.9% higher than the prior year.
 - Deliveries are 19.7% lower than budget and 17.0% lower than the prior year.
- The volume of Parkland Health's Outpatient, Ambulatory and ED services to the community that integrate with, and impact Parkland Health's inpatient business is also different than budget, especially ambulatory visits.
 - Total outpatient visits of 113,068 for September are 7.1% higher than budget of 105,618 and 1.5% higher than the prior year of 111,367. Outpatient visits include the following types:
 - COPC Visits; 38.9% of total outpatient visits
 - Ambulatory Specialty Clinics; 35.2% of total outpatient visits
 - Women's Health Centers Visits; 18.7% of total outpatient visits
 - Employee Health Integration; 2.5% of total outpatient visits
 - All Other Divisions; 4.8% of total outpatient visits
 - Approximately 57.6% of all outpatient visits are completed at the COPCs, Women's Health Centers or Community Centers. This statistic indicates that patients have access to care closer to their home and in lower cost settings other than the hospital-based clinics.
 - Total ED visits are 11.5% higher than budget for September and 9.8% higher than the prior year. The "left without being seen" statistic of 1.7% is lower than the budget of 1.8% and favorable to the prior year statistic of 1.8%.

- Outpatient Surgery cases performed at the hospital are above budget by 18.7% and 11.8% higher than the prior year. Day Surgery cases performed at the ASC are 5.3% lower than budget and 7.0% lower than the prior year.
- The September Case Mix Index (CMI) for Adult Acute of 1.91 is 1.4% lower than the prior year, the Rehabilitation CMI of 1.36 is 15.2% higher than the prior year and the NICU CMI of 3.66 is 4.0% higher than the prior year. The WISH CMI of 0.93 is 4.1% higher than the prior year and the Psychiatry CMI of 1.4 is 6.9% lower than the prior year.
- Parkland Health's actual patient cash collection rate from payors as a percentage of gross revenue is 14.7% for the month compared to a goal of 15.0%. Days in AR were 58 days compared to last month of 62 days.
- Parkland Health's September payor mix for gross patient revenue is:

Payor	MTH Act FY26	MTH Bud FY26	Variance Actual to Budget	MTH Act FY25
Commercial	7.9%	2.9%	5.0%	7.6%
ACA (Affordable Care Act)	6.2%	13.0%	-6.8%	6.6%
Medicaid	18.5%	20.0%	-1.5%	20.5%
Medicare	16.8%	17.3%	-0.5%	17.6%
Charity - Self Pay	50.6%	46.7%	3.9%	47.7%
Total	100%	100%	0.1%	100.0%

Federal Emergency Management Agency Stimulus Funds

In September, Parkland Health recognizes \$2.0M in Stimulus Funds.

Government Subsidies

Government subsidies are \$142.6M higher than budget for the month of September due to the finalization of the Medicaid supplemental program for the year and prior year reconciliations.

Other Operating Revenues

Other operating revenues are \$9.8M higher than budget for the month of September primarily due to higher Replacement Drugs and Tobacco Settlement revenues.

Operating Expenses

September's operating expenses (excluding depreciation) are \$231.9M. This is \$24.0M or 9.4% lower than the budgeted operating expenses and lower than the prior year by \$77.0M or 24.9%. Variances for the month include the following:

Salaries, Benefits and FTEs

- Salaries and Benefits as a percentage of operating revenue are 39.0% compared to a budget of 57.4%, and prior year of 46.9%.

- Salaries and benefits are \$153.5M which is \$2.1M or 1.4% higher than budget for the month.
- Salaries (including contract labor) are \$1.6M or 1.5% lower than budget for the month.
- Actual FTE count (excluding both nursing homes and jail FTEs) for September was 13,076 compared to a budget of 13,018 and actual FTEs of 12,817 in the prior year. Total FTEs are 58.3 or 0.4% above budget and 259.6 or 2.0% above the prior year.
- Productivity – The 6.3 FTEs per Adjusted Occupied Bed (AOB), which excludes both nursing homes and jail FTEs are lower than the budget of 6.7 FTEs per AOB for the month and lower than the prior year actual FTEs of 6.6 FTEs per AOB.

Purchased Medical Services

Purchased medical services are \$1.1M or 3.7% lower than budget for the month.

Supplies, Fees, Pharmaceuticals and Other Expenses

Supplies, Fees, Pharmaceuticals and Other Expenses are \$25.0M lower compared to budget for the month mainly due to higher Drug Replacement Program.

Non-operating Revenues (Expenses)

Non-operating losses of (\$3.9)M are unfavorable to budgets by \$22.6M, 121.2%, due to unrealized market losses.

Executive Summary for the YTD 2026 (Hospital Only)

For the YTD, Parkland Health recognized a net income of \$141.9M which is \$24.2M higher than the budgeted net income of \$117.7M and \$104.4M unfavorable compared to the prior YTD net income of \$246.3M.

Parkland Health's operating margin and operating cash flow margin for the YTD are 1.9% and 5.9%, respectively, and is higher compared to the budgeted operating margin of 0.0% and favorable compared to the budgeted operating cash flow margin of 2.9%. Parkland Health's operating margin is lower than the prior YTD operating margin of 3.8% and unfavorable when compared to the prior YTD operating cash flow margin of 7.7%.

Parkland Health's patient cash collections for the YTD are \$1,503.1M which is \$84.4M higher than the YTD budget and \$161.8M higher than the prior YTD.

Volume variances to budget:

Patient Volume	YTD Actual	YTD Budget	Actual vs Budget	Actual vs Budget %
Adjusted Patient Days	695,853	669,194	26,659	4.0%
Equivalent Patient Days (inpatient only)	334,394	329,484	4,910	1.5%
Ambulatory Visits	1,323,956	1,294,332	29,624	2.3%
Emergency Room Visits	252,982	247,668	5,314	2.1%
Deliveries	12,118	13,300	(1,182)	-8.9%
Surgeries (total)	24,131	23,248	883	3.8%
Total Adult Average Daily Census (incl. Observation)	840	822	18	2.2%
Neonatal ICU Average Daily Census	76	80	(4)	-5.0%
Total Average Daily Census	916	902	14	1.6%

Volume and Patient Revenues

- Gross patient revenue is an indicator of Parkland Health's overall volume of activity and patient mix. From the perspective of gross patient revenue, Parkland Health's total dollar volume of gross patient revenue is \$425.7M or 4.3% higher than budget for the YTD. This favorable variance is due to the combination of outpatient revenues higher than budget by \$250.6M or 4.6%, emergency room revenue higher than budget by \$34.7M or 3.2%, and inpatient revenue higher than budget by \$140.3M or 4.1%. Compared to prior years, gross patient revenue increased \$645.0M or 6.6% with inpatient revenues greater than budget by \$210.4M or 6.2%, outpatient revenues higher by \$423.7M or 8.1%, and emergency room revenues higher by \$10.9M or 1.0%.
- Parkland Health's gross patient revenue for the YTD is comprised of 34.5% inpatient revenue, 54.7% OP revenue, and 10.8% ED revenue. This is compared to a budget for YTD of 34.6% IP, 54.5% OP, and 10.9% ED.
- Equivalent Patient Days, which is the sum of traditional inpatient + observation + short stay census days, are 1.5% higher than budget for the YTD and 2.2% higher than prior YTD.
- The Average Length of Stay (ALOS) for adult was 2.9% higher than or unfavorable to budget for the YTD and the Neonatal ICU ALOS was 0.8% lower than or favorable to budget for the YTD.

Compared to the previous year, the ALOS for Adult and was 2.8% higher or unfavorable to the prior year and the Neonatal ICU was 6.0% higher or unfavorable to the prior year.

The actual mix of inpatient services that drive Equivalent Patient Days is different than Parkland Health's budget for the YTD:

- Total Inpatient Discharges are 0.8% lower than budget and 0.6% lower than the prior YTD,
 - Observation/Short Stay Discharges are 2.4% higher than budget and 4.2% higher than the prior YTD,
 - Total Adjusted Patient Days (a proxy for overall inpatient and outpatient volume) for the current YTD are 4.0% higher than budget and 4.9% greater than the prior YTD,
 - Inpatient surgery cases are 7.9% higher than budget and 7.8% above the prior YTD,
 - Surgeries of all types are 3.8% higher than budget and 6.0% above the prior YTD,
 - Deliveries are lower than budget by 8.9% and 9.4% lower than the prior YTD.
- The volume of Parkland Health's Outpatient, Ambulatory and ED services to the community that integrates with, and impacts Parkland Health's inpatient business is also different than budget, especially ambulatory visits.
 - Total outpatient visits of 1,323,956 for the YTD are 2.3% higher than budget of 1,294,332 and 2.7% above the prior YTD of 1,288,729. Outpatient visits include the following types:
 - COPC Visits; 39.7% of total outpatient visits
 - Ambulatory Specialty Clinics; 34.5% of total outpatient visits
 - Women's Health Centers Visits; 18.5% of total outpatient visits
 - Employee Health Integration; 2.5% of total outpatient visits
 - All Other Divisions; 4.7% of total outpatient visits
 - Approximately 58.2% of all outpatient visits are completed at the COPCs, Women's Health Centers or Community Centers. This statistic indicates that patients have access to care closer to their home and in lower cost settings other than the hospital-based clinics.
 - Total ED visits are 2.1% higher than budget for the YTD and 2.7% higher than the prior YTD. The "left without being seen" statistic of 2.1% is higher than budget of 1.6% and unfavorable to the prior year statistic of 1.6%.
 - Outpatient Surgery cases performed at the hospital are 3.8% higher than budget YTD and 2.7% higher than the prior YTD. Day Surgery cases performed at the ASC are 3.1% less than budget for the YTD and 8.1% greater than the prior YTD.

- The YTD Case Mix Index (CMI) for Adult Acute of 23.82 is 0.5% lower than the prior YTD, the WISH CMI of 11.21 is 5.2% higher than the prior YTD, the Psychiatry CMI of 16.32 is 0.0% lower than the prior YTD, and the NICU CMI of 41.83 is 3.0% lower than the prior YTD. The Rehabilitation CMI of 16.20 is 0.2% lower than the prior YTD.
- Parkland Health's actual patient cash collection rate from payors as a percentage of gross revenue is 14.7% for the YTD compared to the budget of 13.4%.
- Parkland Health's year-to-date payor mix for gross patient revenue is:

Payor	YTD Act FY26	YTD Bud FY26	Variance Actual to Budget	YTD Act FY25
Commercial	8.1%	7.9%	0.2%	7.6%
ACA (Affordable Care Act)	6.2%	7.0%	-0.8%	6.6%
Medicaid	19.4%	21.0%	-1.6%	20.5%
Medicare	17.2%	17.3%	-0.1%	17.6%
Charity - Self Pay	49.1%	46.8%	2.3%	47.7%
Total	100%	100%	0.0%	100%

Federal Emergency Management Agency Stimulus Funds

YTD Parkland Health recognized \$7.4M in Stimulus Funds from the Federal Emergency Management Agency (FEMA).

Government Subsidies

YTD Government subsidies are \$623.9M, 29.6%, higher than budget the budget of \$481.4M. During September the Medicaid supplemental program for the year and several prior year reconciliations were finalized.

Other Operating Revenues

Other operating revenues are \$62.2M higher than budget for the YTD primarily due to the Replacement Drug Program.

Operating Expenses

YTD operating expenses (excluding depreciation) of \$3,075.4M are higher than budget by \$27.3M or 0.9% and higher than the prior YTD by \$169.0M or 5.8%. Variances for the YTD include the following:

Salaries, Benefits and FTEs

- Salaries and Benefits as a percentage of operating revenue for the YTD are 54.5% compared to a budget of 56.8%, and prior year of 54.0%.
- Salaries and benefits are \$2.1M or 0.1% lower than budget for the YTD.
- Salaries (including contract labor) are \$5.6M or 0.4% lower than budget for the YTD.

- Actual FTE count (excluding both nursing homes and jail FTEs) for YTD was 12,875 compared to a budget of 12,854 and actual FTEs of 12,775 for the prior YTD. Total FTEs are 20.4 or 0.16% higher than budget for the YTD and 100 or 0.8% above the prior YTD.
- Productivity - The 6.5 FTEs per Adjusted Occupied Bed (AOB), which excludes both nursing homes and jail FTEs, is lower than the budget of 6.7 FTEs per AOB for the YTD and lower than the prior YTD of 6.7 FTEs per AOB.

Purchased Medical Services

Purchased medical services are \$1.3M or 0.4% higher than budget for the YTD.

Supplies, Fees, Pharmaceuticals and Other

Supplies, Fees, Pharmaceuticals and Other Expenses are \$28.1M higher compared to budget for the YTD mainly due to higher Drug-Replacement Program.

Non-operating Revenues (Expenses)

Non-operating revenues of \$80.2M are unfavorable to budget by \$36.3M or 31.1% for the YTD due to unrealized losses on market investments.

GENERAL INFORMATION

Key Operating Statistics/Charts

Volume-related (slides)

- **Hospital Discharges**
- **Total Average Daily Census**
- **Average Length of Stay**
- **Case Mix Index**
- **Total Emergency Visits** include Urgent Care Visits, as well as hospital Emergency Room visits.
- **Total Ambulatory Visits**
- **Surgeries** includes both inpatient and day surgery.
- **Deliveries**
- **Adjusted Patient Days** are a summation of inpatient activity (IP Census Days + Observation Days + Short Stay Days).

Labor and Operating Cost Efficiency

Evaluating Parkland Health's overall patient activity level and Parkland Health's cost structure in relation to that activity uses a common and standard industry factor called "Adjusted Patient Days". It is a calculated number based on revenue. The calculation uses Parkland Health's inpatient census days and extrapolates from them an estimate of "Adjusted Patient Days" that essentially incorporates both inpatient days and a "notional" value of estimated outpatient activity. The outpatient segment is calculated with a gross charge-based formula. The actual formula is described in the Glossary of Terms.

YTD Staffing Information

FTEs are Parkland Health's largest cost element. Volume alone is not the only driver, nor even the most important driver, of Parkland Health's staffing patterns – quality and safety come first. The leadership team is keenly focused on understanding how to better balance all these factors to deliver the highest quality care at the lowest feasible resource cost.

FTE per Adjusted Occupied Bed (AOB)

Parkland Health attempts to adjust staffing levels for actual patient activity. Flexing FTEs can be complicated and does not necessarily follow a linear pattern with volume. (Refer to the FTEs per Adjusted Occupied Bed slide).

Receivables and Collections Management

- **Patient Cash Collections and Total Cash Collections:** Any increases in cash collections are a reflection of the concerted efforts by the Revenue Cycle team to resolve delays in billing due to claim edits and the identification of a funding source for uninsured patients.
- **Days Cash on Hand:** Days cash on hand is a factor of cash balances compared to the required daily cash outlays needed to operate the organization.
- **Days in Accounts Payable:** The Days in Accounts Payable (AP) metric is calculated using the mathematical formula of total current liabilities less deferred revenues divided by total operating expenses less depreciation divided by the total days in the period of calculation. This metric represents the number of days on average it takes to pay outstanding accounts payable.
- **Days in Patient Accounts Receivable:** The Days in Accounts Receivable (AR) metric is calculated using the traditional mathematical formula of Net Accounts Receivable divided by Average Daily Net Patient Service Revenue (refer to the Days in Patient AR slide). Parkland Health's large proportion of Medicaid Pending Accounts Receivable – compared to most hospitals -- means that this traditional, industry-standard formula handicaps Parkland Health's comparison to most hospitals. It does not fully reflect the high degree of success Parkland Health's Patient Financial Services team delivers in collecting cash since the "degree of difficulty" of Parkland Health's collection efforts is much higher than most hospitals experience.

Budget and Finance Committee

Parkland Health

Financials Updated as of September 2026

October 27, 2026



Income Statement

MTD September 2026

PHHS Without Nursing Homes MTD
(Dollars In Thousands)

	FY26 Actual	FY26 Budget	Var From Budget	% Var From Budget	FY25 Actual	Var FY26-25	%Var FY26-25
REVENUES							
Net Patient Revenues	\$ 113,433	\$ 124,211	\$ (10,778)	-8.7%	\$ 141,531	\$ (28,098)	-19.9%
Net Ad Valorem Taxes	64,147	77,742	(13,595)	-17.5%	59,537	4,610	7.7%
Government Programs	182,749	40,114	142,636	355.6%	166,279	16,470	9.9%
Stimulus Funds	2,040	21	2,019	9690.6%	(1,917)	3,956	206.4%
Other Revenues	31,341	21,525	9,816	45.6%	38,157	(6,816)	-17.9%
OPERATING REVENUES	393,710	263,613	130,097	49.4%	403,587	(9,877)	-2.4%
EXPENSES							
Salaries and Benefits	153,481	151,389	(2,092)	-1.4%	189,123	35,641	18.8%
Supplies	58,625	49,452	(9,173)	-18.5%	52,876	(5,749)	-10.9%
Purchased Medical Services	28,468	29,567	1,100	3.7%	31,666	3,198	10.1%
Other Expenses	(8,678)	25,479	34,157	134.1%	35,265	43,944	124.6%
Depreciation	49,568	7,551	(42,017)	-556.5%	39,935	(9,633)	-24.1%
OPERATING EXPENSES	281,463	263,438	(18,025)	-6.8%	348,865	67,402	19.3%
OPERATING INCOME (LOSS)	\$ 112,247	\$ 175	\$ 112,072	64091.1%	\$ 54,722	\$ 57,525	105.1%
Grants and Contributions	6,712	15,953	(9,242)	-57.9%	3,832	2,879	75.1%
Other NonOperating Revenues (Ex	(10,653)	2,659	(13,311)	-500.7%	3,963	(14,616)	-368.8%
NonOperating Income	(3,941)	18,612	(22,553)	-121.2%	7,796	(11,737)	-150.6%
Total Net Income (Loss)	\$ 108,306	\$ 18,787	\$ 89,519	476.5%	\$ 62,518	\$ 45,788	73.2%
=====							
Cash Flow Margin	\$ 161,815	\$ 7,726	\$ 154,089	1994.5%	\$ 94,657	\$ 67,158	70.9%
Operating Cash Flow Margin %	41.1%	2.9%	118.4%		23.5%		
Operating Margin %	28.5%	0.1%	86.1%		13.6%		

All Entities Month to Date Income Statement

(Dollars In Thousands)

	FY 26 Actual	FY 26 Budget	Var From Budget	%Var From Budget	FY 25 Actual	Var FY26-25	%Var FY26-25
REVENUES							
Net Patient Revenues	\$ 150,662	\$ 152,438	\$ (1,776)	-1.2%	\$ 172,708	\$ (22,046)	-12.8%
Net Ad Valorem Taxes	64,147	77,742	(13,595)	-17.5%	59,537	4,610	7.7%
Government Programs	194,386	43,231	151,155	349.6%	170,295	24,091	14.1%
Stimulus Funds	2,040	21	2,019	9,690.6%	(1,917)	3,956	206.4%
PCHP Premium Revenues	37,696	47,944	(10,248)	-21.4%	46,599	(8,902)	-19.1%
Other Revenues	63,798	59,148	4,650	7.9%	82,430	(18,632)	-22.6%
OPERATING REVENUES	512,729	380,524	132,205	34.7%	529,653	(16,924)	-3.2%
EXPENSES							
Salaries and Benefits	179,100	172,815	(6,284)	-3.6%	211,379	32,279	15.3%
Supplies	70,074	59,564	(10,510)	-17.6%	62,158	(7,916)	-12.7%
Purchased Medical Service	28,468	29,567	1,100	3.7%	31,666	3,198	10.1%
Other Expenses	12,558	36,124	23,566	65.2%	49,632	37,074	74.7%
PCHP Claims	47,236	70,743	23,507	33.2%	80,248	33,011	41.1%
Depreciation	49,694	7,696	(41,998)	-545.7%	40,100	(9,594)	-23.9%
OPERATING EXPENSES	387,131	376,511	(10,620)	-2.8%	475,183	88,053	18.5%
OPERATING INCOME (LOSS)	\$ 125,599	\$ 4,014	\$ 121,585	3,029.1%	\$ 54,469	\$ 71,129	130.6%
NonOperating Income	(7,460)	18,325	(25,785)	-140.7%	(4,051)	(3,409)	-84.1%
Total Net Income (Loss)	\$ 118,138	\$ 22,339	\$ 95,799	428.8%	\$ 50,418	\$ 67,720	134.3%
Cash Flow Margin	\$ 175,293	\$ 11,710	\$ 163,582	1,396.9%	\$ 94,569	\$ 80,723	85.4%
Operating Cash Flow Margin %	34.2%	3.1%	60.2%		17.9%		
Operating Margin %	24.5%	1.1%	92.0%		10.3%		



Income Statement

FYTD September 2026

PHHS Without Nursing Homes YTD
(Dollars In Thousands)

	FY26 Actual	FY26 Budget	Var From Budget	% Var From Budget	FY25 Actual	Var FY26-25	%Var FY26-25
REVENUES							
Net Patient Revenues	\$ 1,396,153	\$ 1,467,304	\$ (71,151)	-4.8%	\$ 1,327,117	\$ 69,036	5.2%
Net Ad Valorem Taxes	919,311	932,905	(13,595)	-1.5%	863,169	56,141	6.5%
Government Programs	623,905	481,363	142,542	29.6%	683,066	(59,161)	-8.7%
Stimulus Funds	7,371	250	7,121	2848.4%	2,433	4,938	203.0%
Other Revenues	320,277	258,080	62,197	24.1%	274,287	45,990	16.8%
OPERATING REVENUES	3,267,016	3,139,903	127,114	4.0%	3,150,072	116,944	3.7%
EXPENSES							
Salaries and Benefits	1,780,866	1,782,986	2,119	0.1%	1,701,804	(79,062)	-4.6%
Supplies	677,706	605,895	(71,811)	-11.9%	587,559	(90,146)	-15.3%
Purchased Medical Services	354,239	352,919	(1,319)	-0.4%	341,819	(12,419)	-3.6%
Other Expenses	262,624	306,327	43,702	14.3%	275,274	12,650	4.6%
Depreciation	129,868	90,532	(39,336)	-43.5%	123,488	(6,380)	-5.2%
OPERATING EXPENSES	3,205,303	3,138,658	(66,645)	-2.1%	3,029,945	(175,358)	-5.8%
OPERATING INCOME (LOSS)	\$ 61,713	\$ 1,245	\$ 60,469	4858.2%	\$ 120,127	\$ (58,414)	-48.6%
Grants and Contributions	51,903	62,759	(10,857)	-17.3%	51,368	535	1.0%
Other NonOperating Revenues (Ex	28,312	53,714	(25,402)	-47.3%	74,787	(46,476)	-62.1%
NonOperating Income	80,214	116,473	(36,259)	-31.1%	126,155	(45,941)	-36.4%
Total Net Income (Loss)	\$ 141,927	\$ 117,718	\$ 24,210	20.6%	\$ 246,282	\$ (104,355)	-42.4%
Cash Flow Margin	\$ 191,581	\$ 91,776	\$ 99,805	108.7%	\$ 243,615	\$ (52,033)	-21.4%
Operating Cash Flow Margin %	5.9%	2.9%	78.5%		7.7%		
Operating Margin %	1.9%	0.0%	47.6%		3.8%		



All Entities Year to Date Income Statement

(Dollars In Thousands)

	FY 26 Actual	FY 26 Budget	Var From Budget	%Var From Budget	FY 25 Actual	Var FY26-25	%Var FY26-25
REVENUES							
Net Patient Revenues	\$ 1,781,271	\$ 1,810,789	\$ (29,518)	-1.6%	\$ 1,668,645	\$ 112,625	6.7%
Net Ad Valorem Taxes	919,311	932,905	(13,595)	-1.5%	863,169	56,141	6.5%
Government Programs	712,675	518,774	193,901	37.4%	747,536	(34,861)	-4.7%
Stimulus Funds	7,371	250	7,121	2,848.4%	2,433	4,938	203.0%
PCHP Premium Revenues	533,897	577,529	(43,631)	-7.6%	610,691	(76,794)	-12.6%
Other Revenues	774,141	700,578	73,563	10.5%	657,316	116,825	17.8%
OPERATING REVENUES	4,728,666	4,540,826	187,841	4.1%	4,549,792	178,875	3.9%
EXPENSES							
Salaries and Benefits	2,048,380	2,040,352	(8,028)	-0.4%	1,944,605	(103,776)	-5.3%
Supplies	792,018	726,502	(65,516)	-9.0%	690,210	(101,808)	-14.8%
Purchased Medical Service	354,239	352,919	(1,319)	-0.4%	341,819	(12,419)	-3.6%
Other Expenses	454,038	419,967	(34,070)	-8.1%	443,513	(10,525)	-2.4%
PCHP Claims	877,286	880,930	3,645	0.4%	904,702	27,416	3.0%
Depreciation	131,652	92,286	(39,365)	-42.7%	125,430	(6,222)	-5.0%
OPERATING EXPENSES	4,657,613	4,512,958	(144,654)	-3.2%	4,450,279	(207,334)	-4.7%
OPERATING INCOME (LOSS)	\$ 71,053	\$ 27,867	\$ 43,186	155.0%	\$ 99,513	\$ (28,459)	-28.6%
NonOperating Income	81,898	113,359	(31,461)	-27.8%	118,488	(36,590)	-30.9%
Total Net Income (Loss)	\$ 152,951	\$ 141,226	\$ 11,725	8.3%	\$ 218,000	\$ (65,049)	-29.8%
Cash Flow Margin	\$ 202,705	\$ 120,154	\$ 82,552	68.7%	\$ 224,943	\$ (22,238)	-9.9%
Operating Cash Flow Margin %	4.3%	2.6%	2.0%		4.9%		
Operating Margin %	1.5%	0.6%	23.0%		2.2%		



Key Statistics



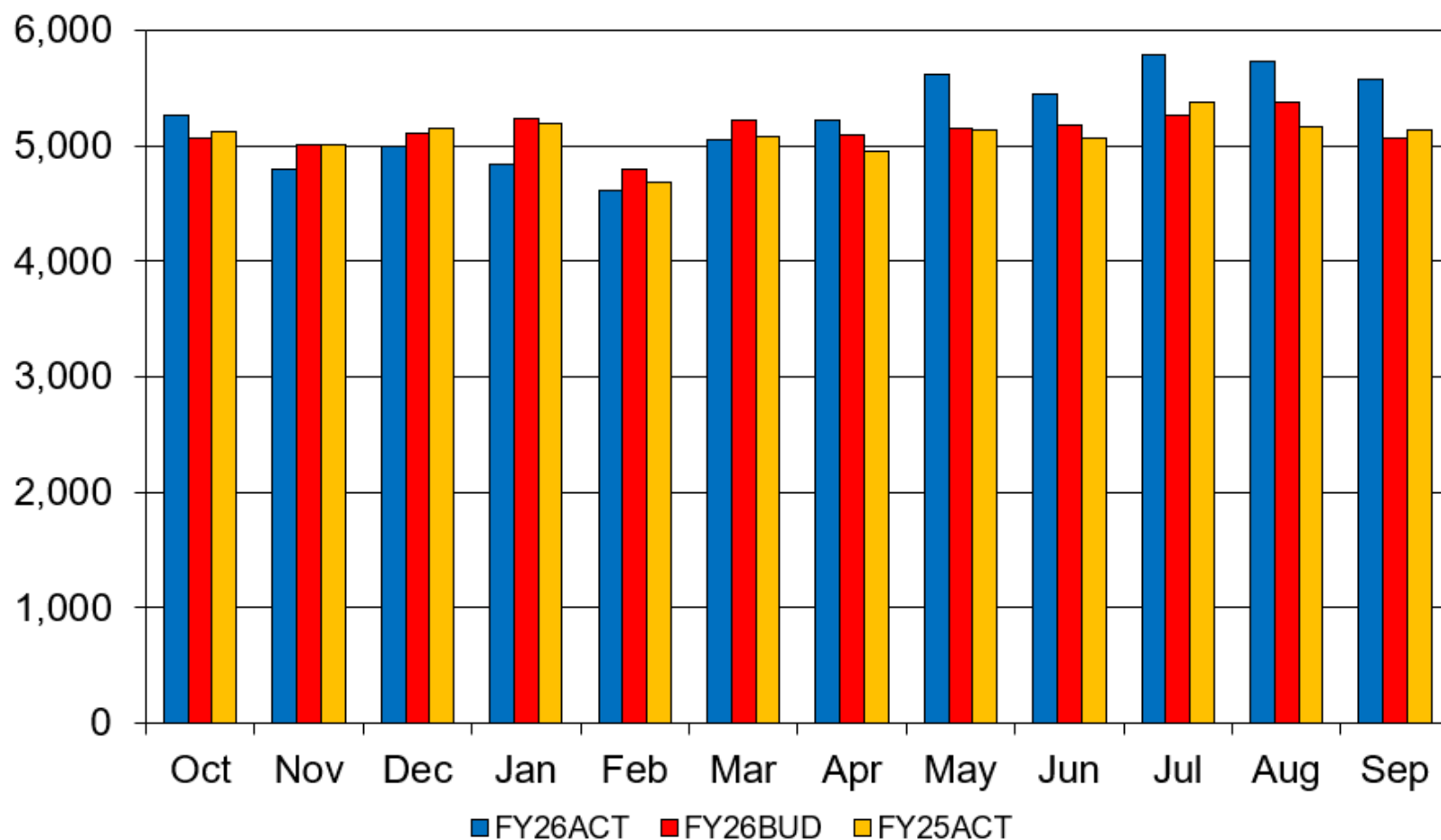
	<u>Actual</u>	<u>Budget</u>	<u>Budget Variance</u>	<u>Budget % Variance</u>	<u>PY Actual</u>	<u>PY Actual % Variance</u>
Hospital Discharges (Adult, NICU and Obs)	5,581	5,065	516	10.2%	5,140	8.6%
Average Daily Census (Adult, NICU and Obs)	945	938	7	0.7%	896	5.5%
Average Length of Stay (Adult)	5.82	5.77	(0.05)	-0.9%	5.51	-5.6%
Case Mix Index (Acute Service Line)	1.91	1.98	(0.07)	-3.5%	1.90	0.5%
Emergency Visits	22,132	19,843	2,289	11.5%	20,152	9.8%
Ambulatory Visits	113,068	105,618	7,450	7.1%	111,367	1.5%
Surgeries	2,019	1,872	147	7.9%	1,982	1.9%
Deliveries	996	1,240	(244)	-19.7%	1,200	-17.0%



	<u>Actual</u>	<u>Budget</u>	<u>Budget Variance</u>	<u>Budget % Variance</u>	<u>PY Actual</u>	<u>PY Actual % Variance</u>
Hospital Discharges (Adult, NICU and Obs)	62,955	61,580	1,375	2.2%	61,066	3.1%
Average Daily Census (Adult, NICU and Obs)	916	902	14	1.6%	897	2.1%
Average Length of Stay (Adult)	5.97	5.80	(0.17)	-2.9%	5.81	-2.8%
Case Mix Index (Acute Service Line)	1.95	1.98	(0.03)	-1.5%	1.98	-1.5%
Emergency Visits	252,982	247,668	5,314	2.1%	246,426	2.7%
Ambulatory Visits	1,323,956	1,294,332	29,624	2.3%	1,288,729	2.7%
Surgeries	24,131	23,248	883	3.8%	22,757	6.0%
Deliveries	12,118	13,300	(1,182)	-8.9%	13,374	-9.4%

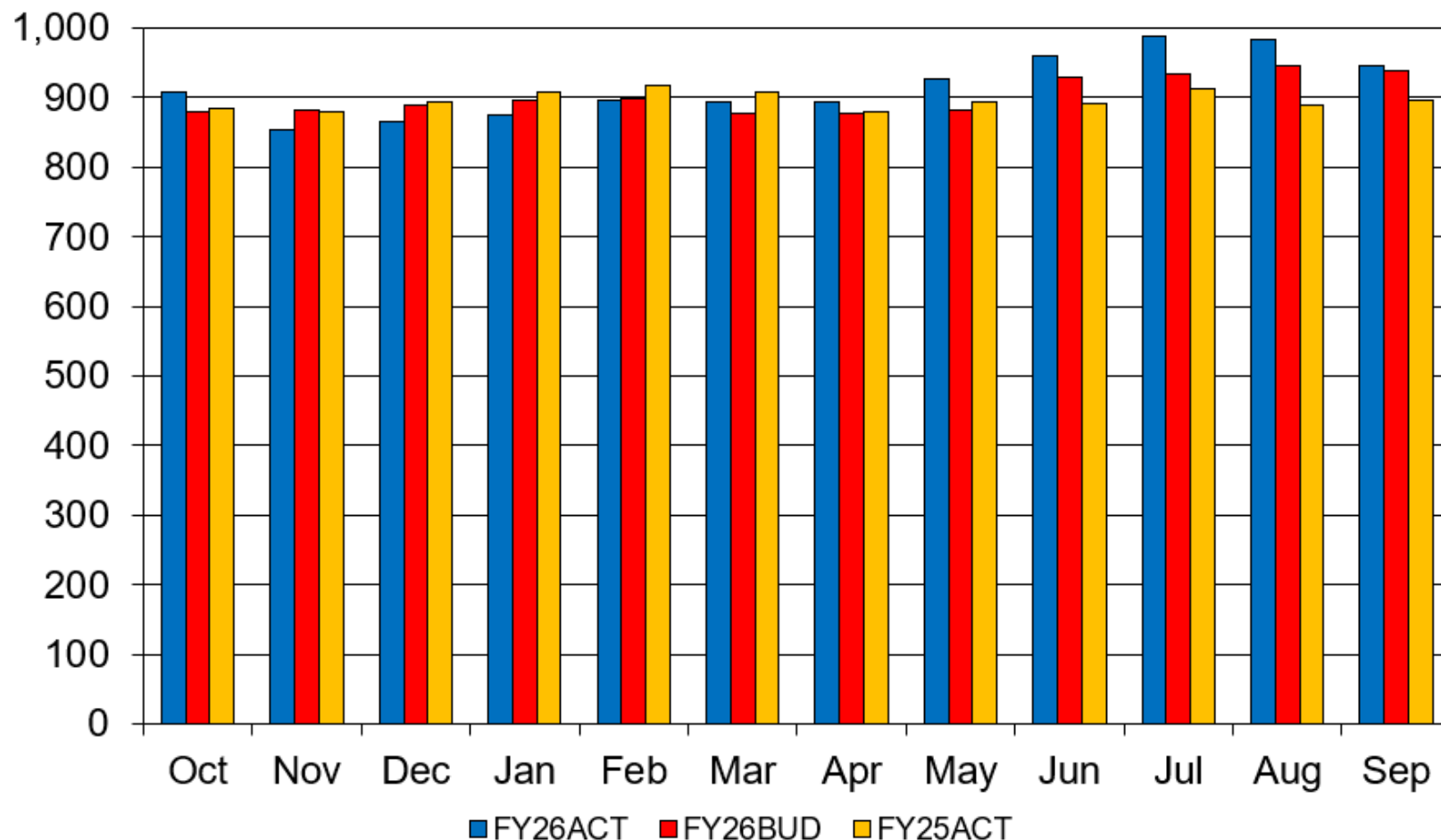


Hospital Discharges (Adult, NICU and Obs)



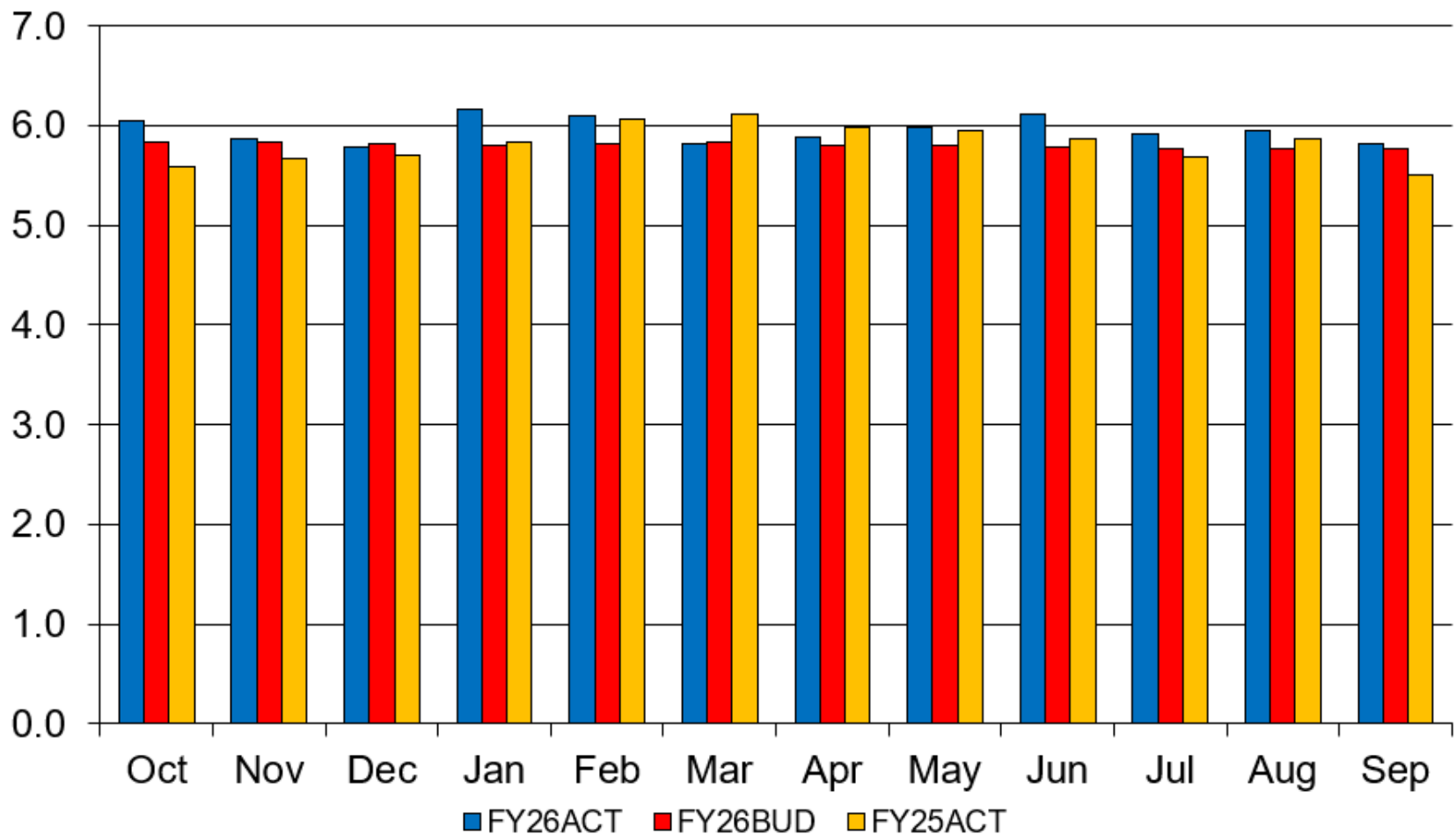


Average Daily Census (Adult, NICU and Obs)

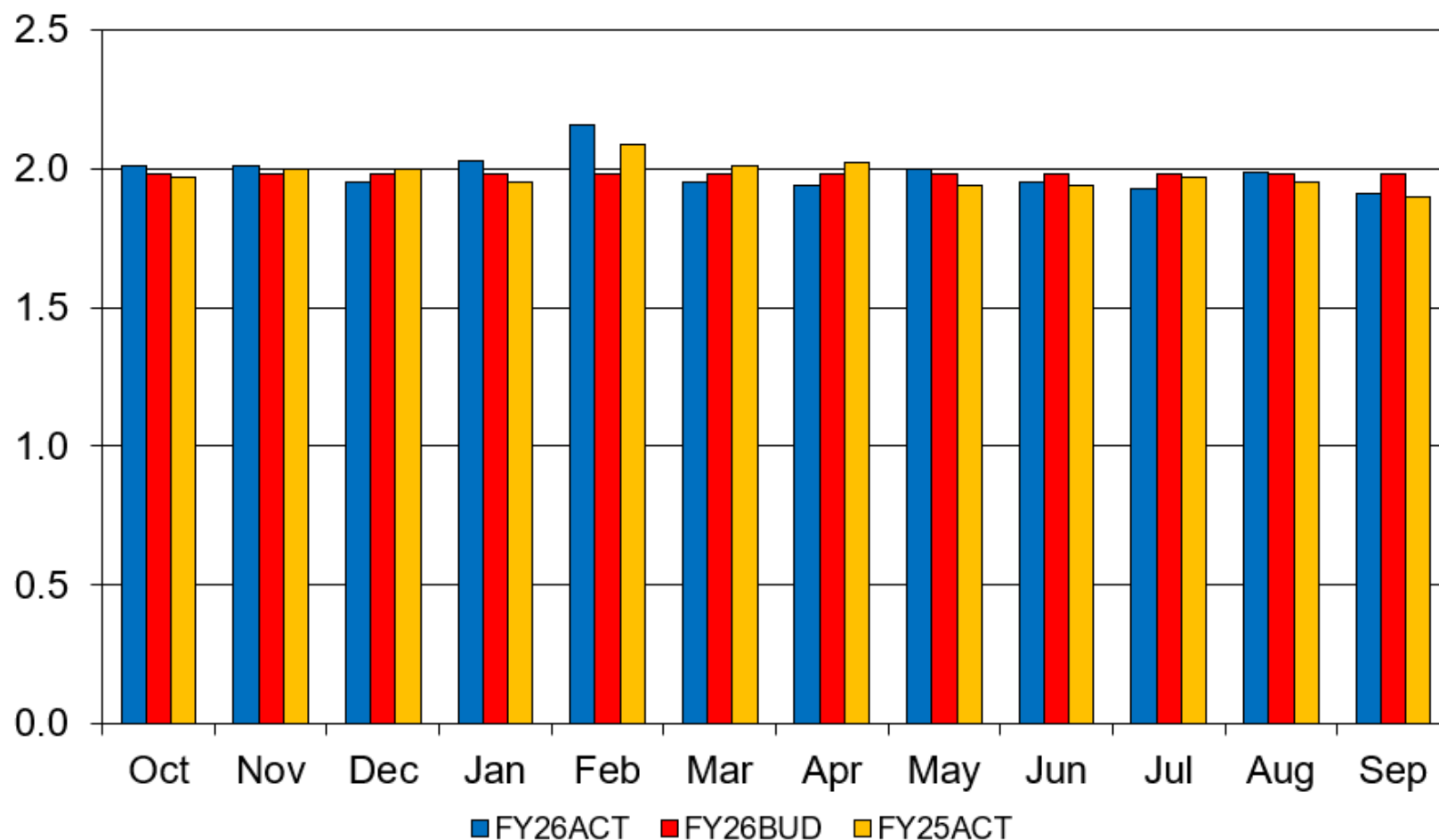




Average Length of Stay (Adult)

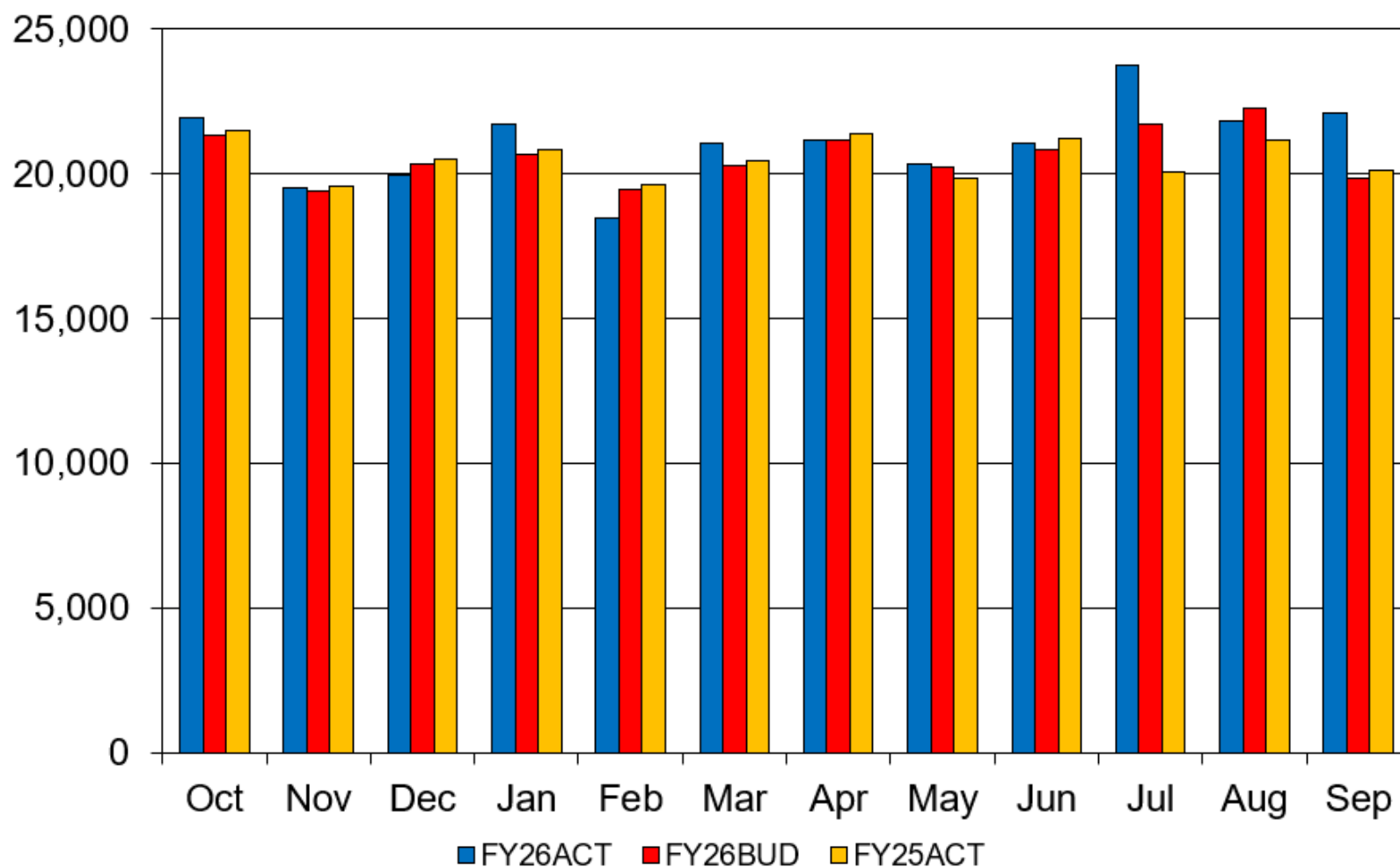


Case Mix Index (Acute Service Line)



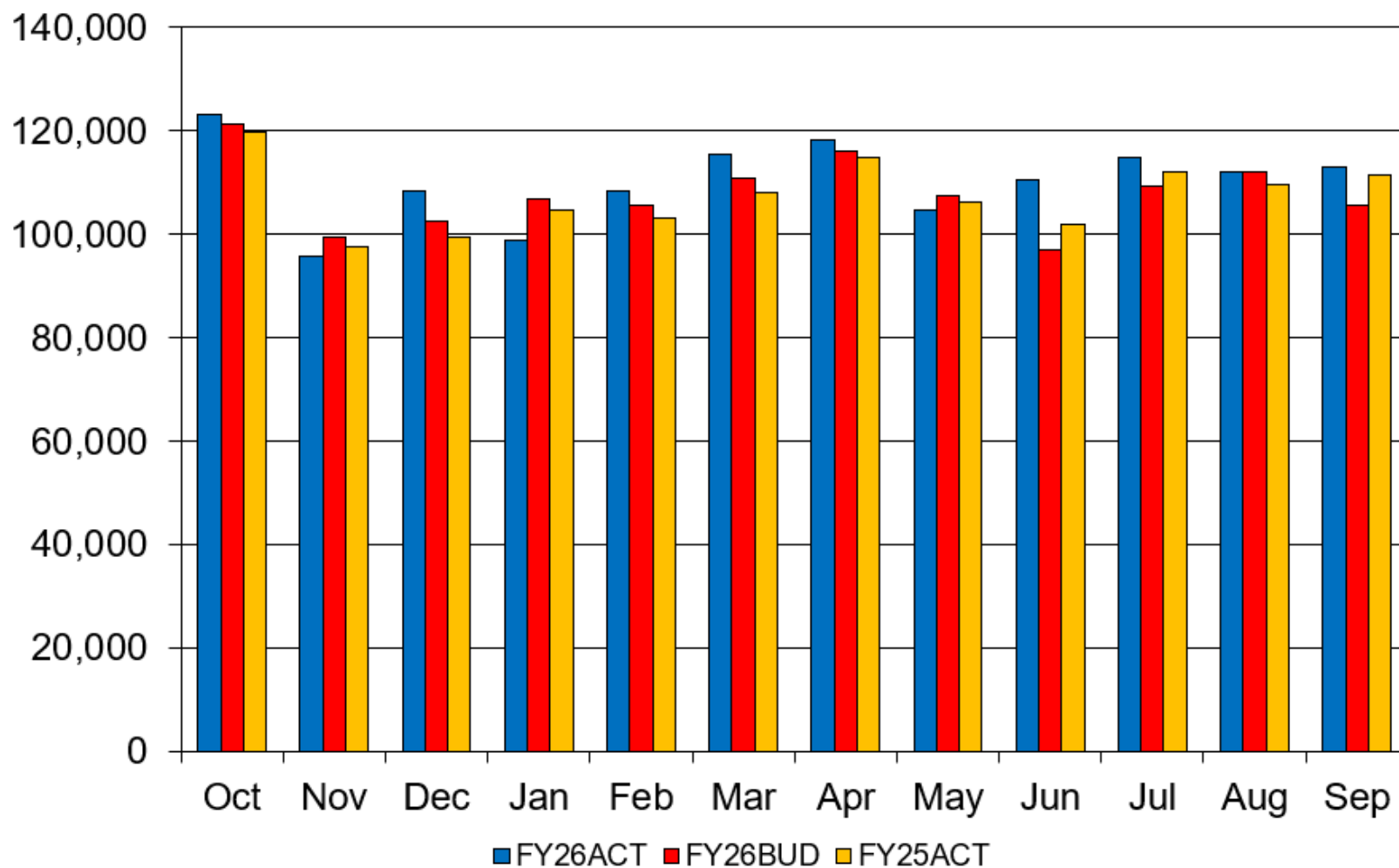


Total Emergency Visits

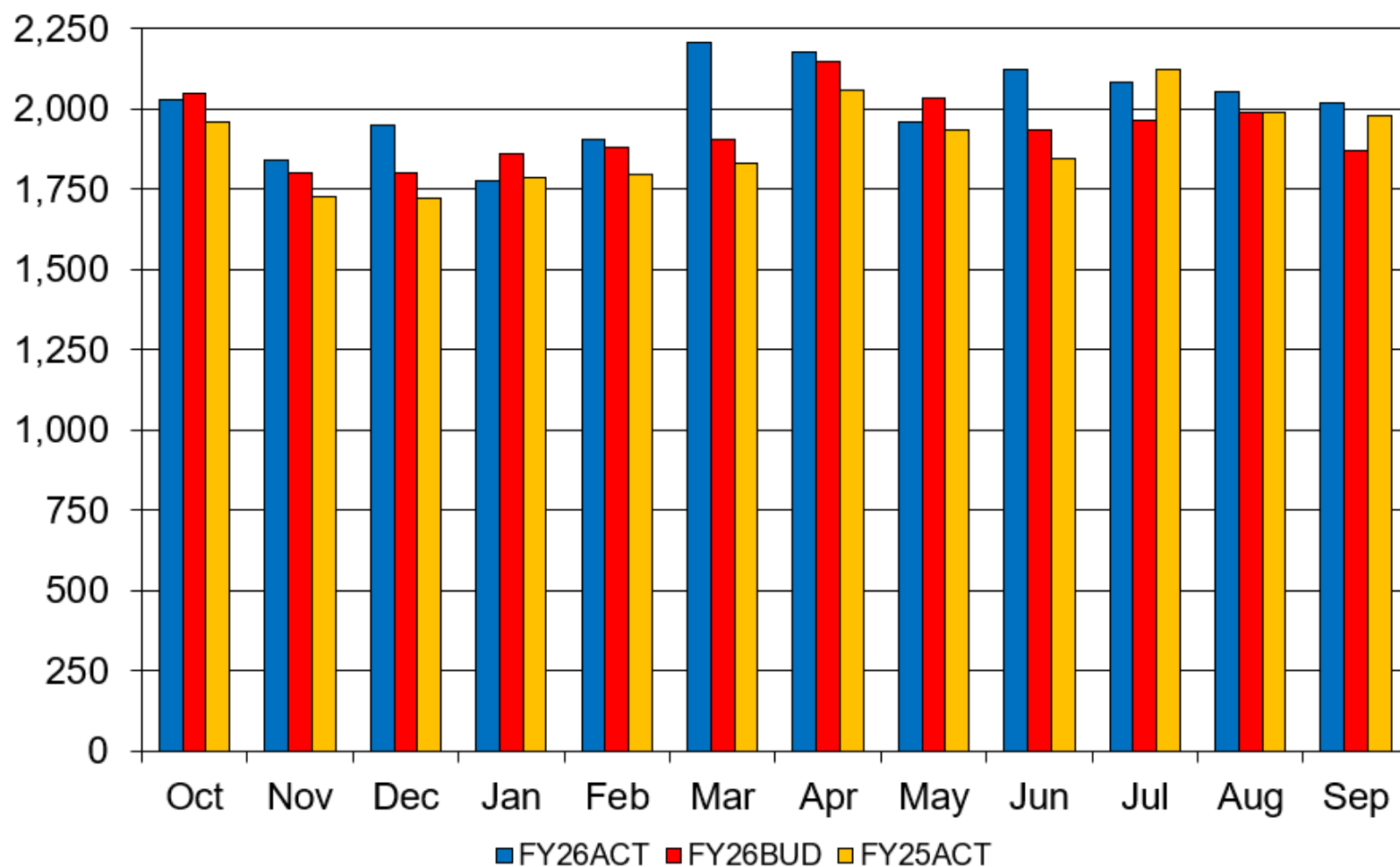




Total Ambulatory Visits

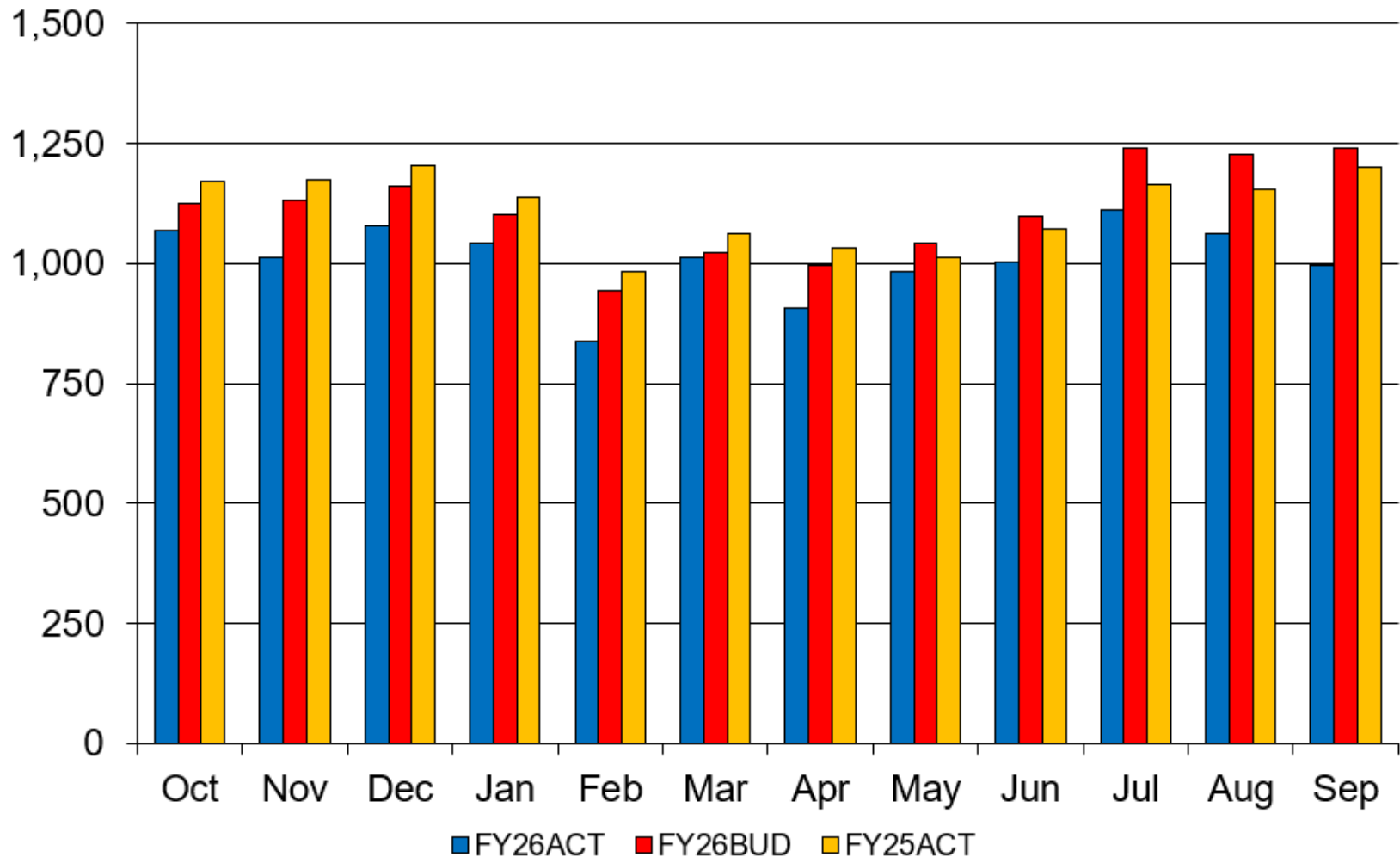


Surgeries



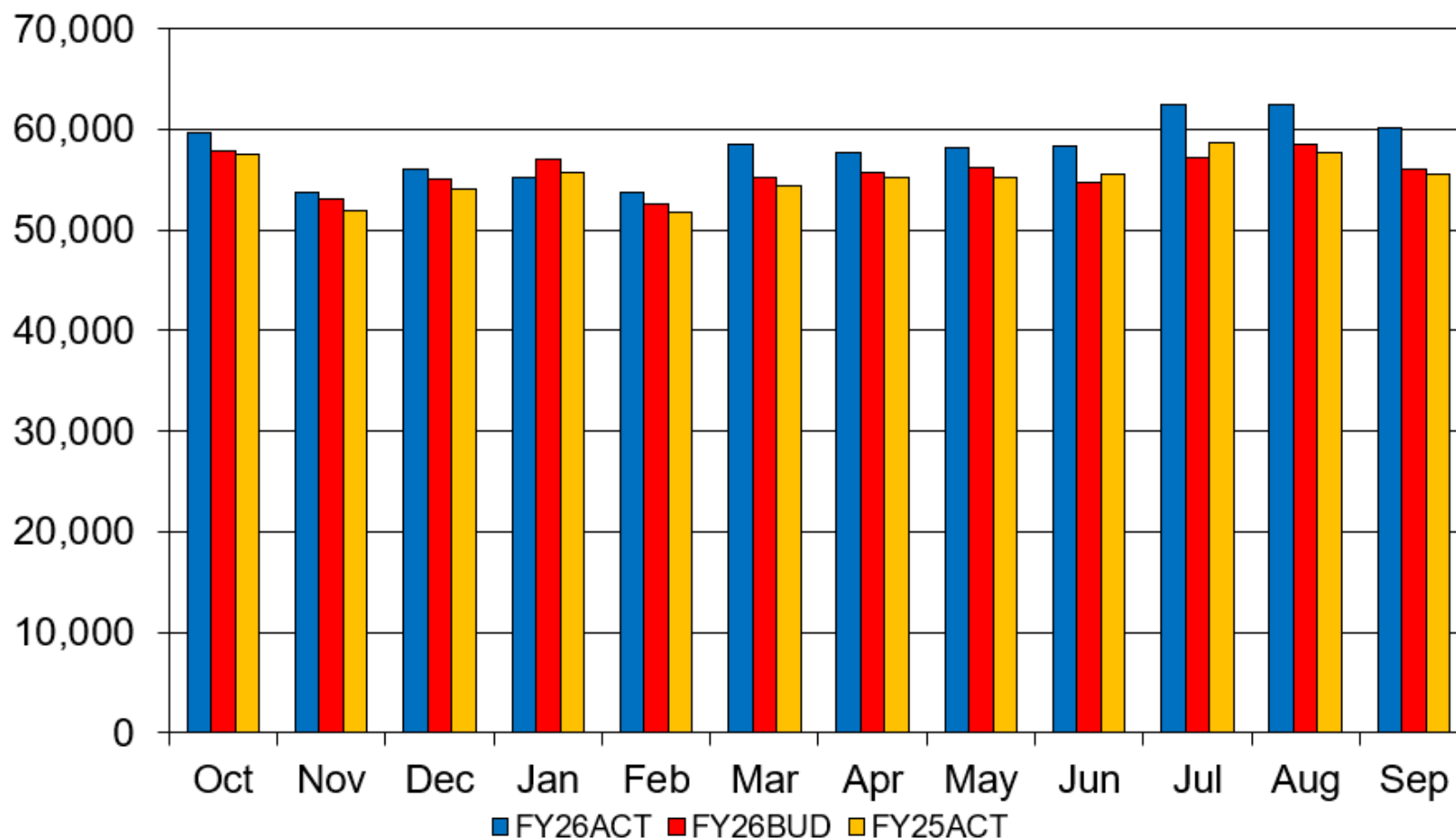


Deliveries



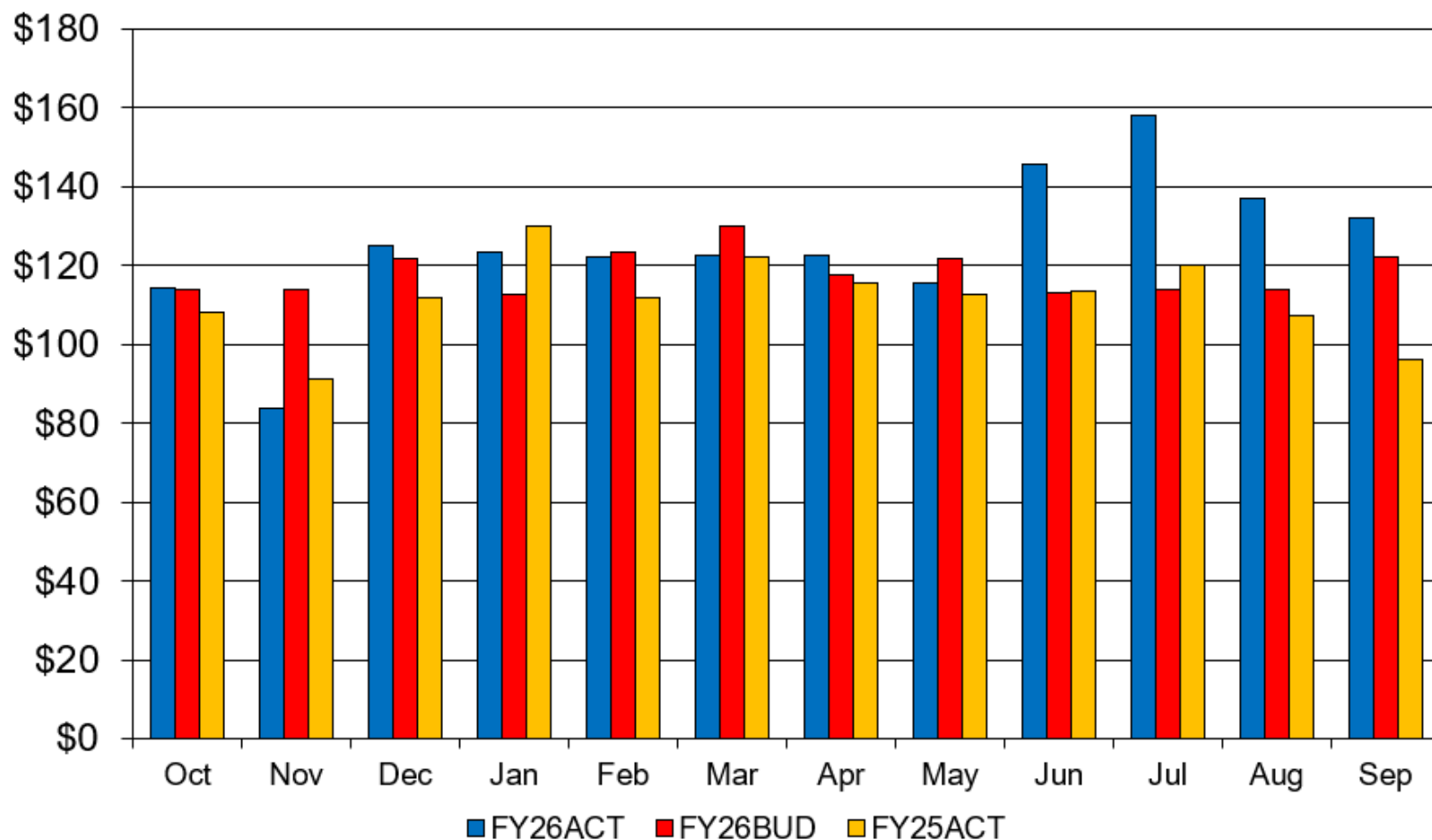


Adjusted Patient Days (Calculated Proxy for Inpatient + Outpatient Volume)



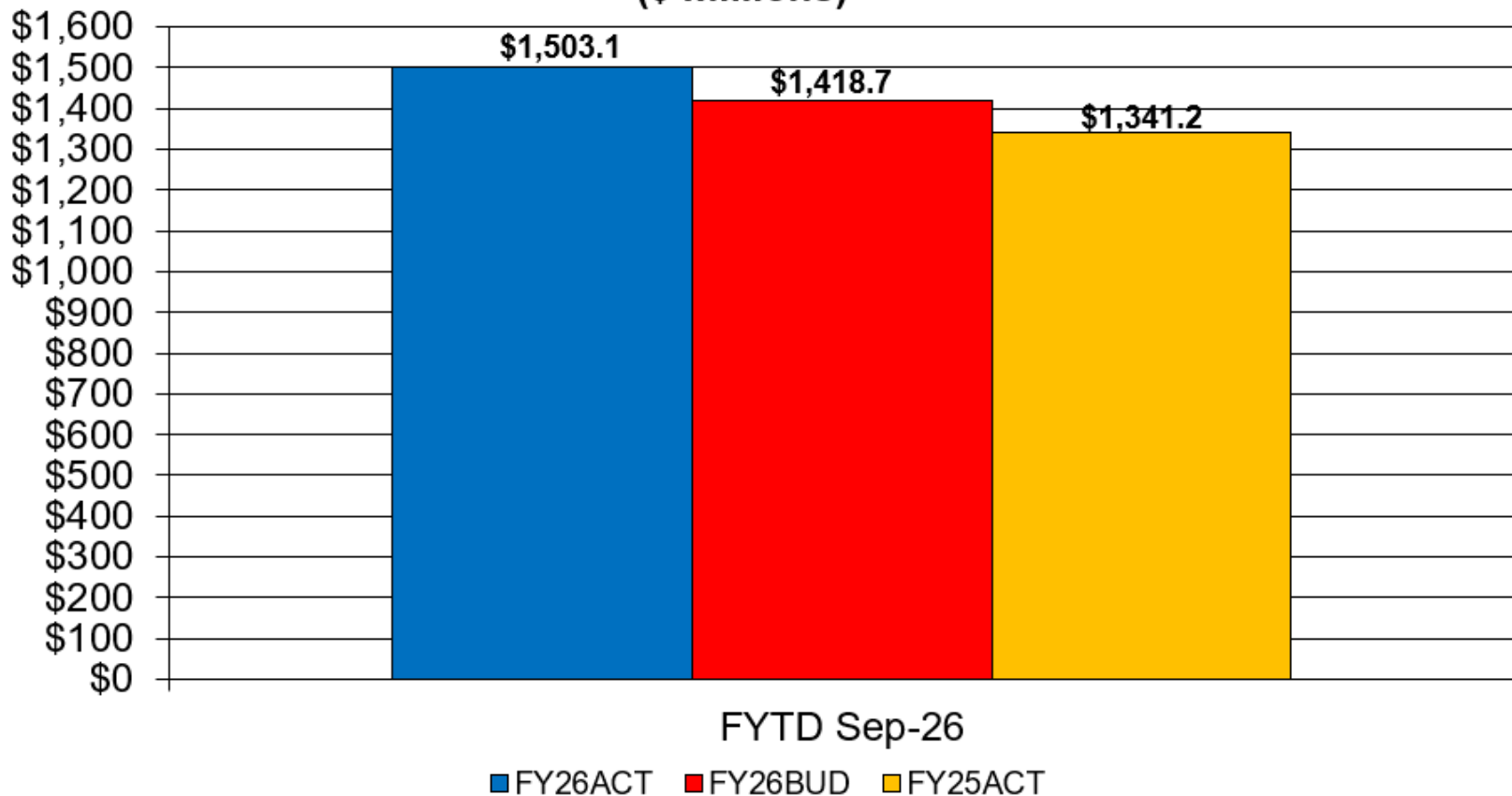
Normalized to remove retail pharmacy Medicaid charging adjustment booked in August

Patient Cash Collections (\$ millions)

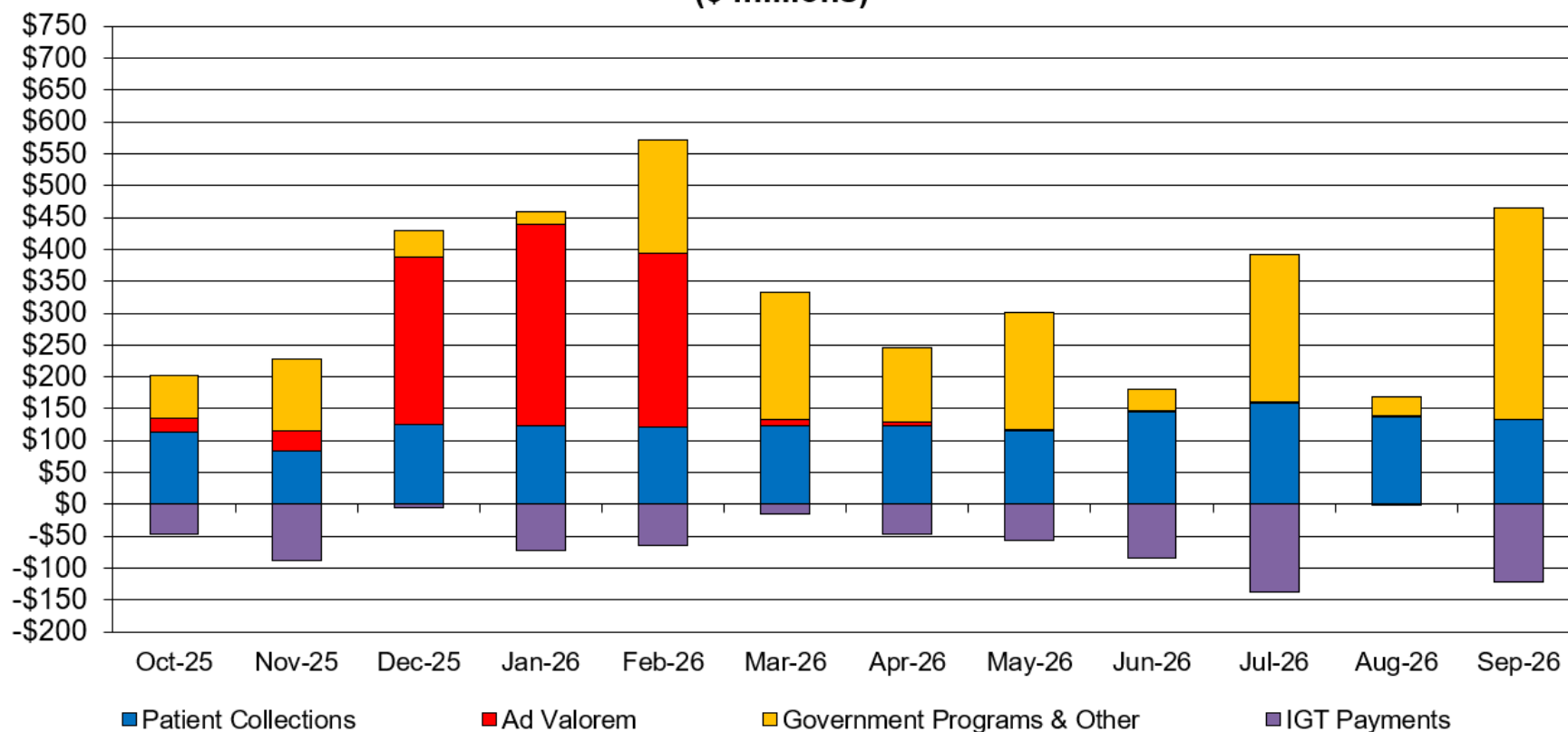




Patient Cash Collections Cumulative Year to Date (\$ millions)

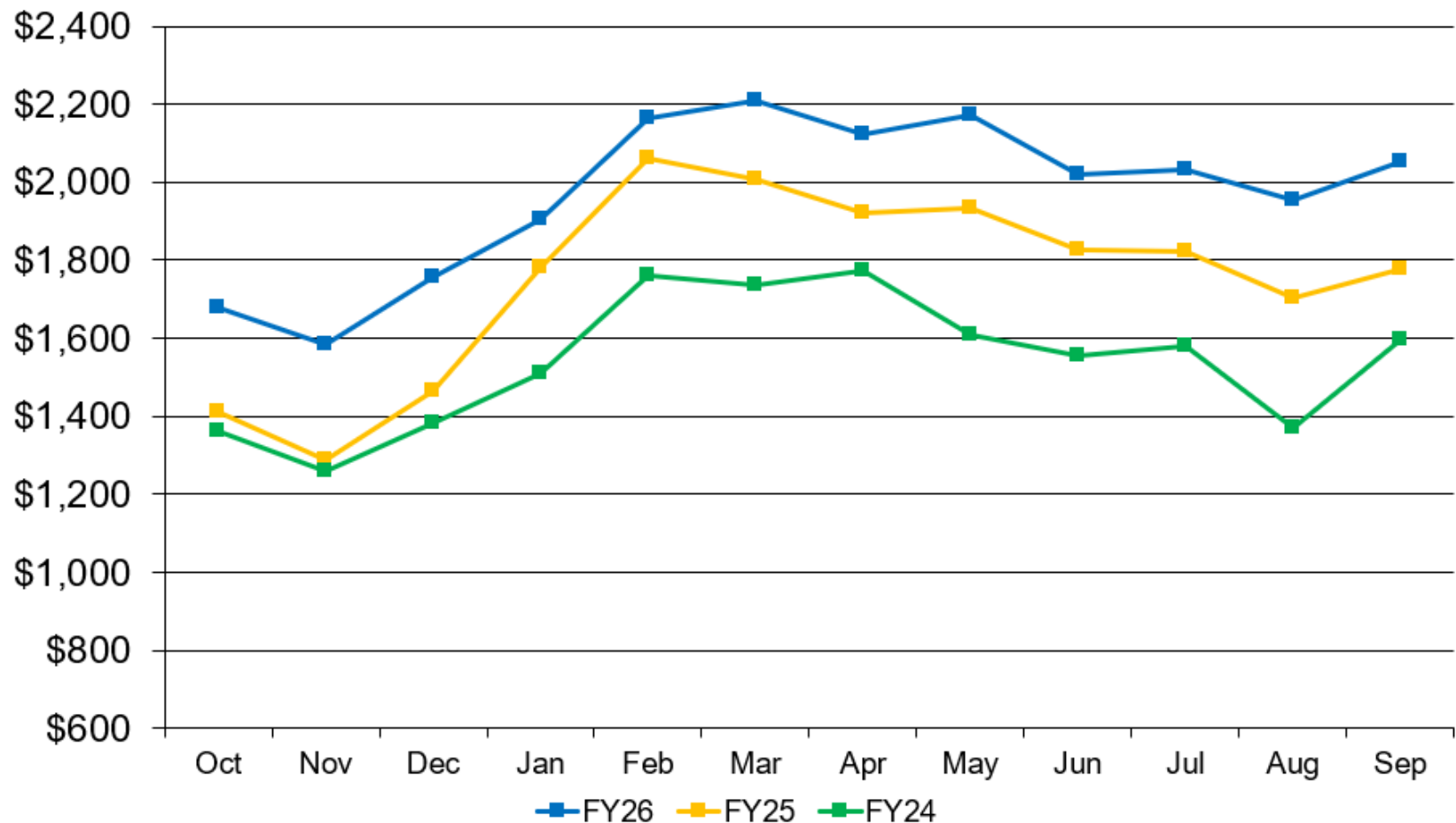


Total Cash Collections (\$ millions)



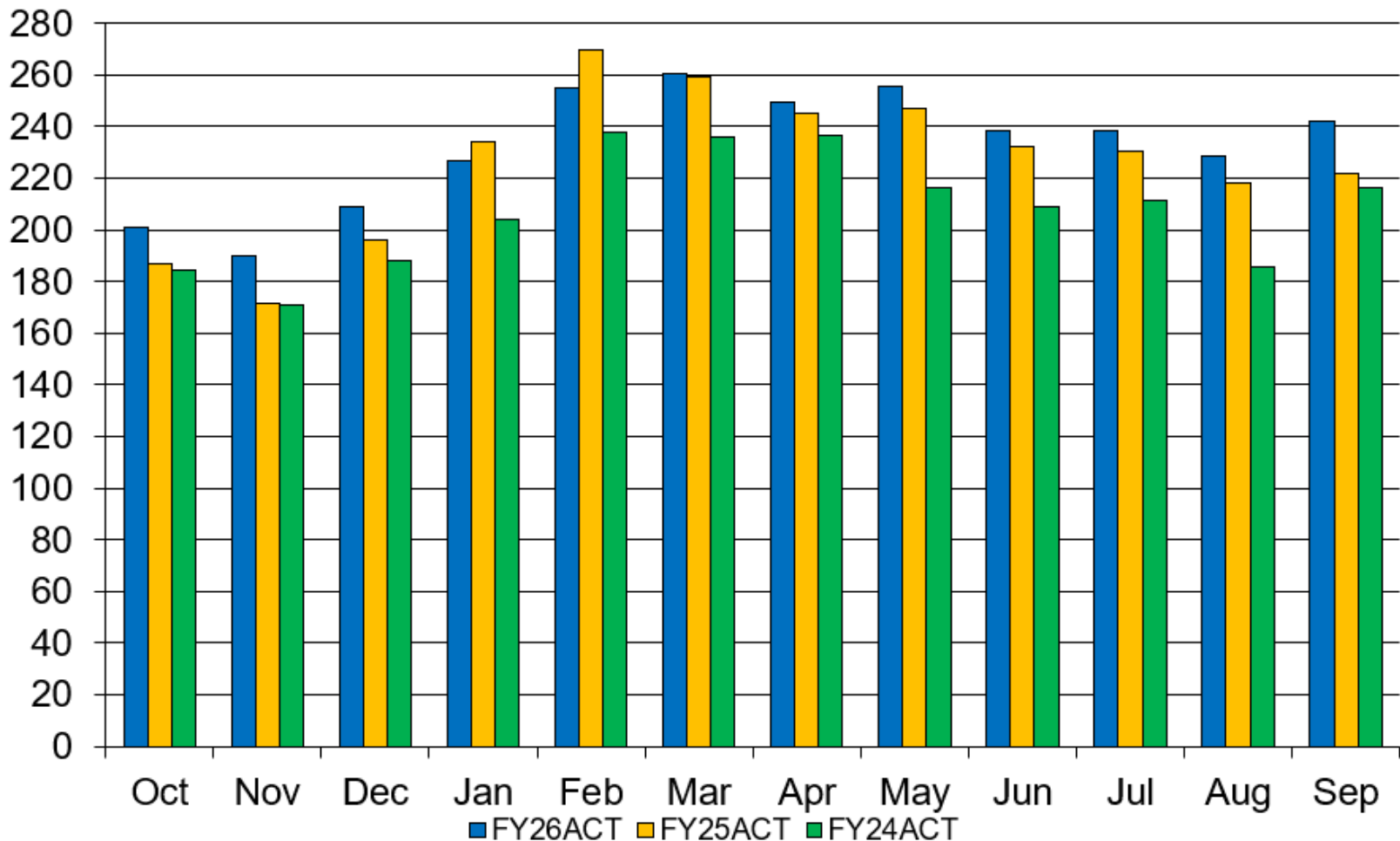


Cash Balance Trending (\$ millions)





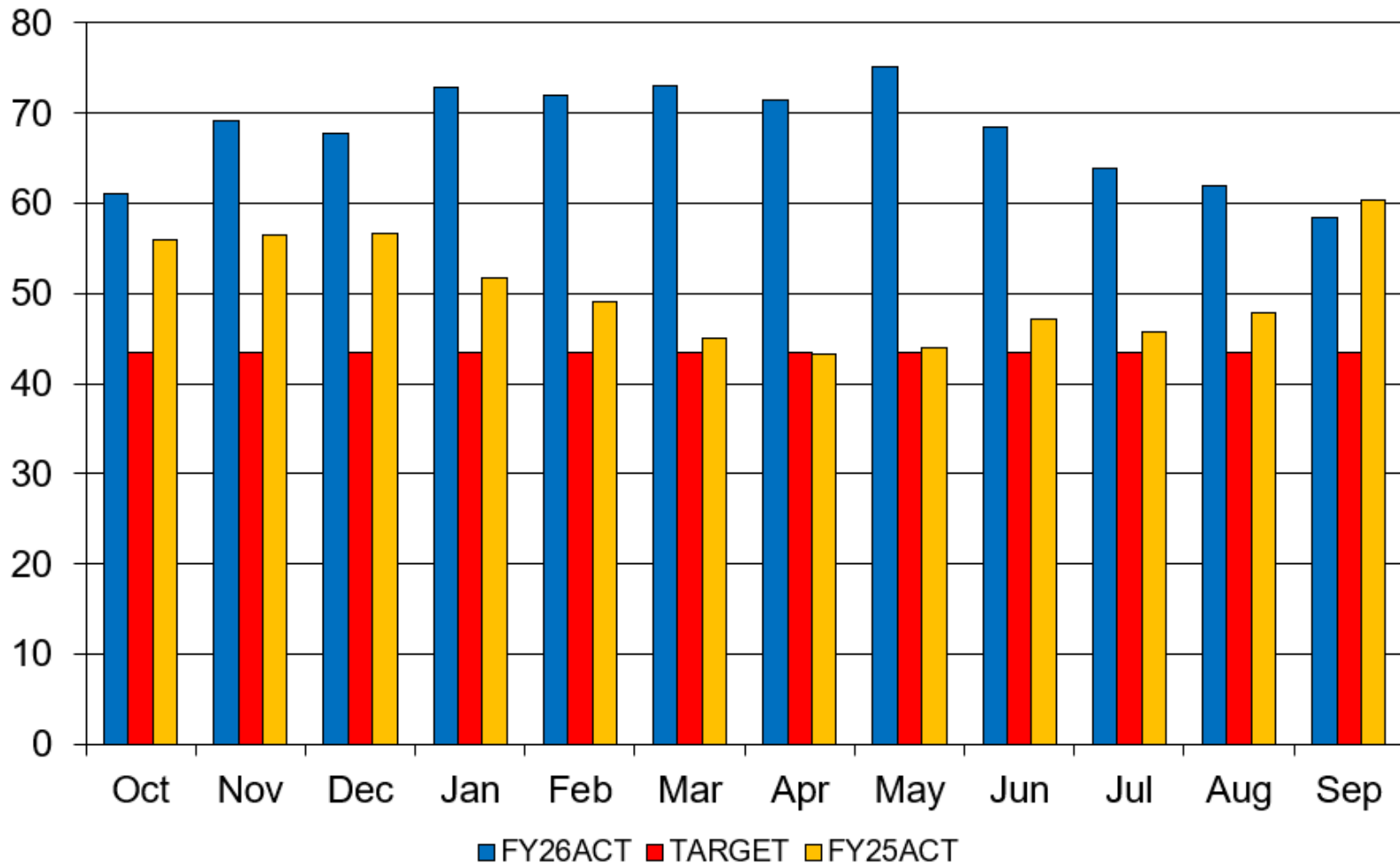
Days Cash on Hand



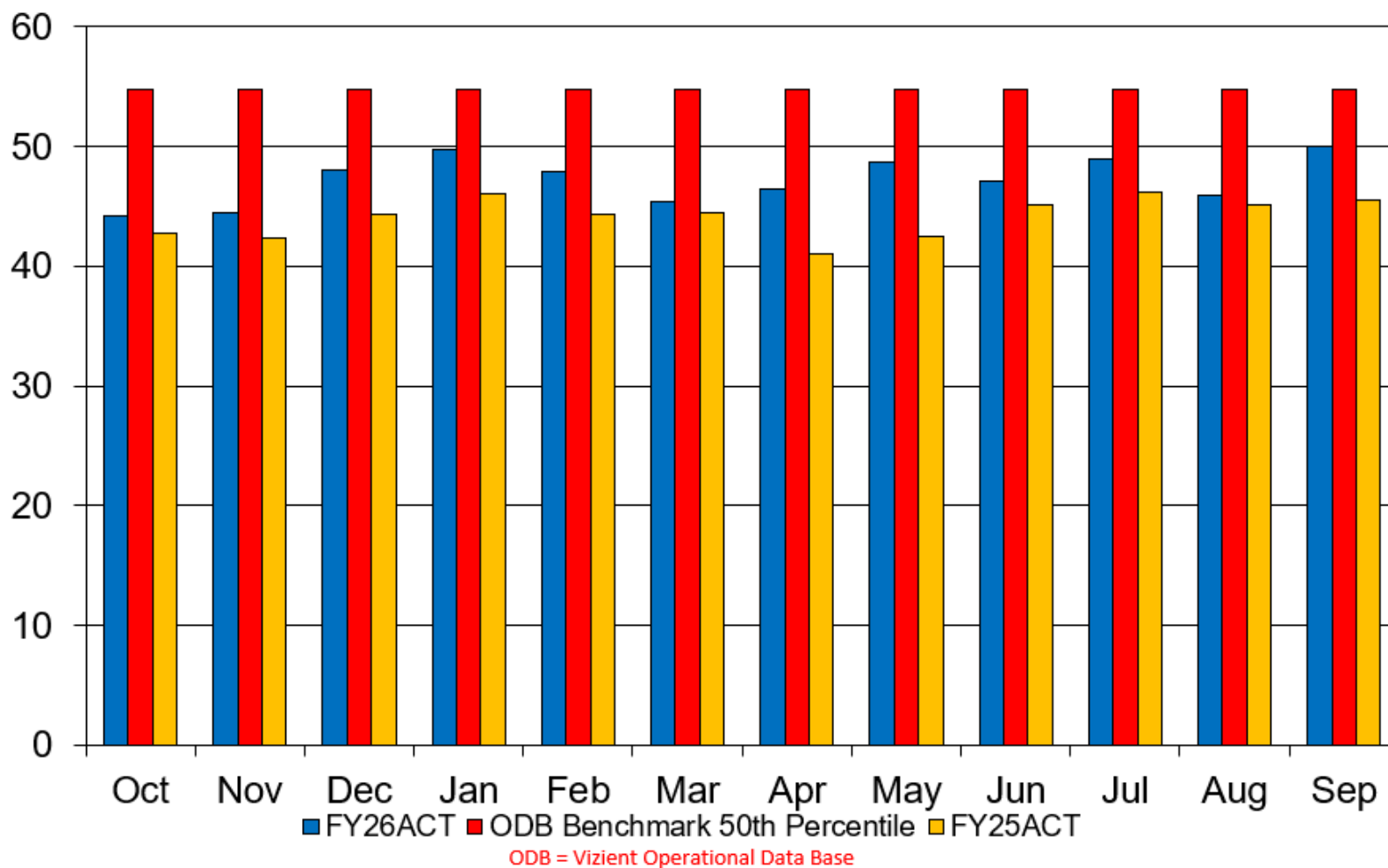
Excludes LPPF and insurance and debt reserves, which are included in total cash



Days in Accounts Receivable

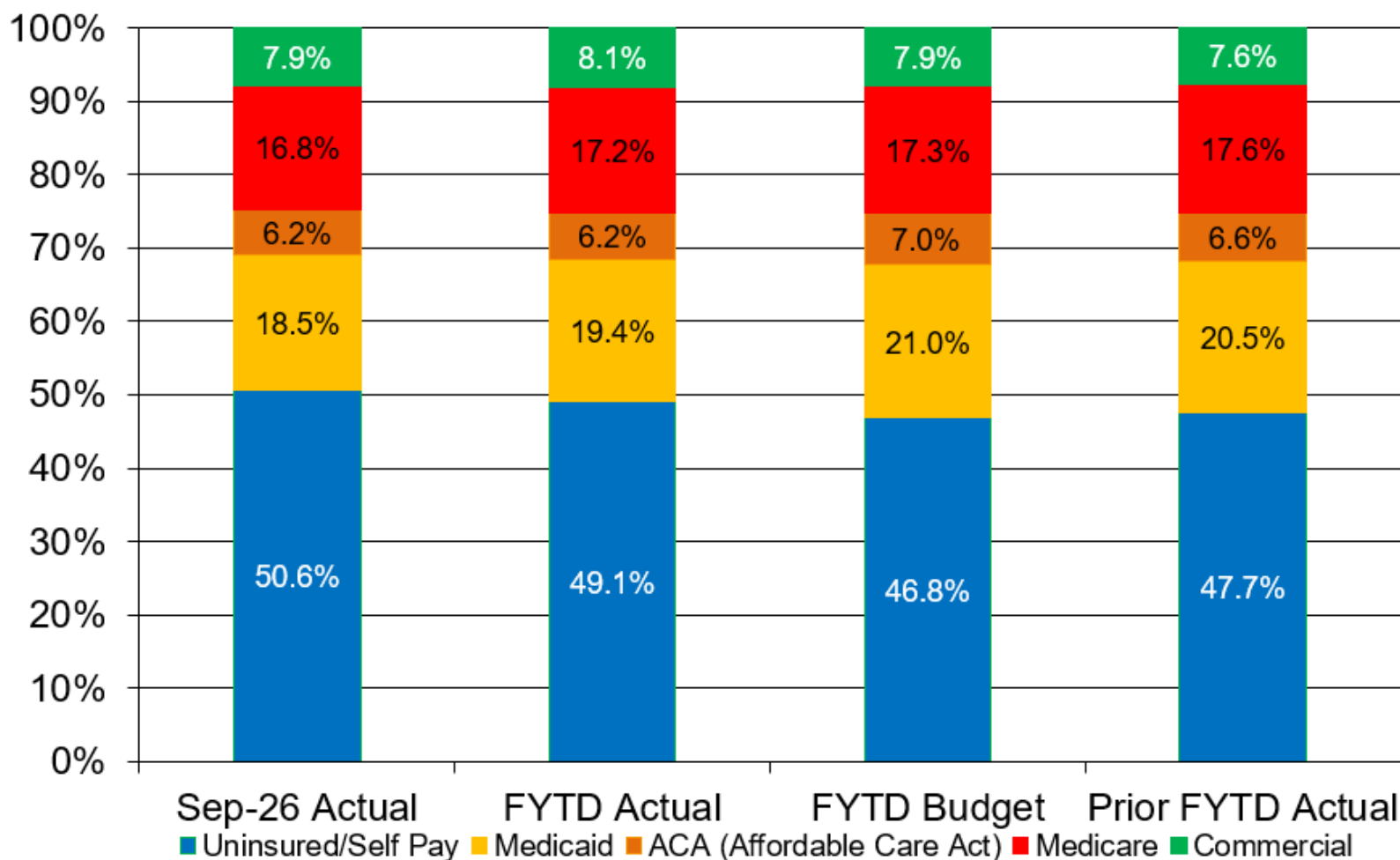


Days in Accounts Payable





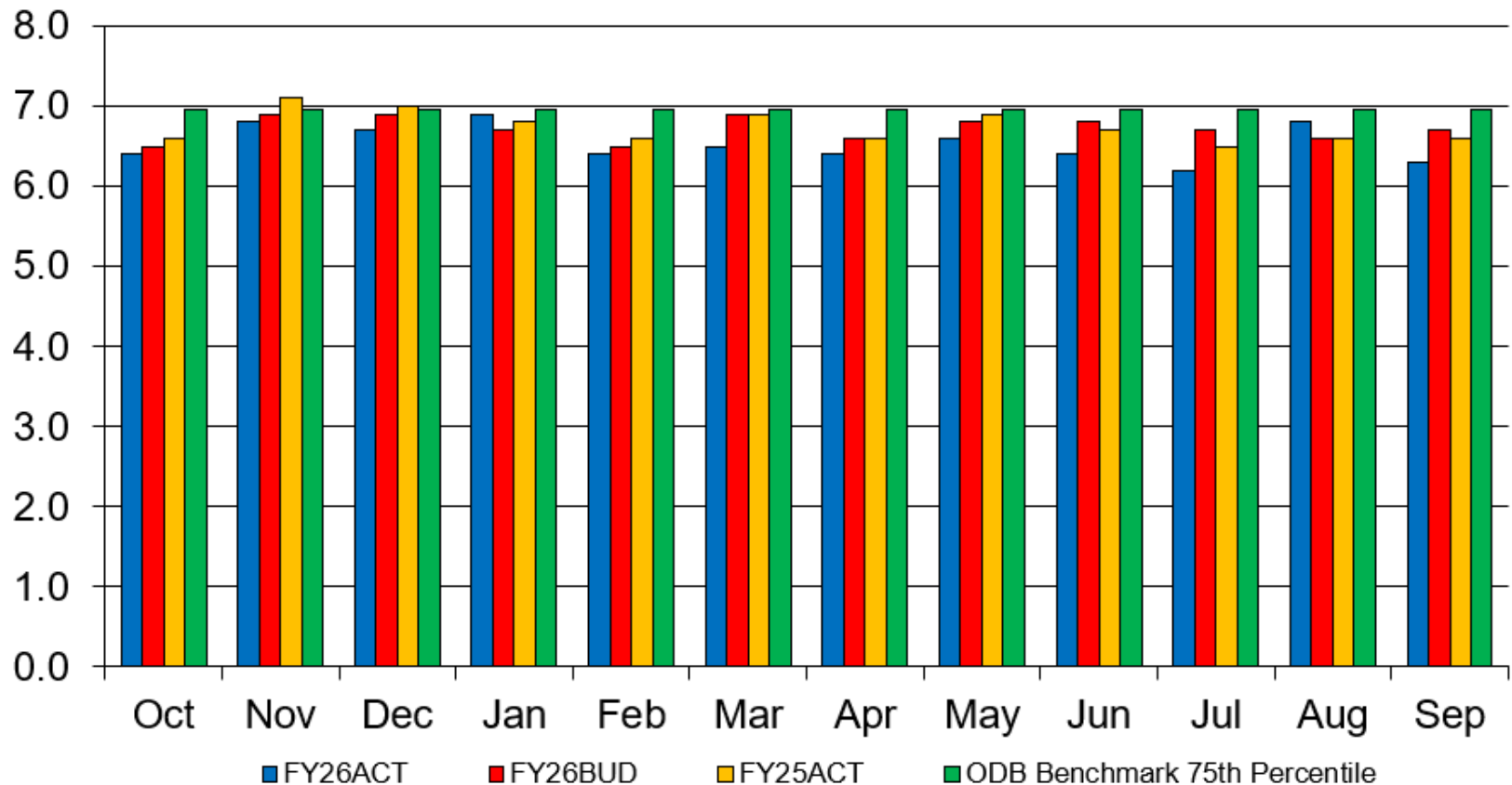
Gross Patient Revenue By Payor Type





FTEs per Adjusted Occupied Bed

(includes Contract Labor and excludes Nursing Homes and Jail)





Appendix

PCHP Month to Date Income Statement

(Dollars in Thousands)

	FY 26 Actual	FY 26 Budget	Var From Budget	%Var From Budget	FY 25 Actual	Var FY26-25	%Var FY26-25
MEMBERSHIP	134,701	150,391	(15,690)	-10.4%	167,351	(32,650)	-19.5%
REVENUE							
Premium/DSP	\$ 37,696	\$ 47,819	\$ (10,123)	-21.2%	\$ 46,368	\$ (8,672)	-18.7%
NAIP/DPP/ATLIS	26,554	33,241	(6,686)	-20.1%	38,706	(12,151)	-31.4%
OPERATING REVENUE	<u>64,251</u>	<u>81,060</u>	<u>(16,810)</u>	<u>-20.7%</u>	<u>85,074</u>	<u>(20,823)</u>	<u>-24.5%</u>
EXPENSE							
Administration	8,388	8,216	(173)	-2.1%	8,797	409	4.6%
Claims	29,654	38,864	9,210	23.7%	40,157	10,503	26.2%
NAIP/DPP/ATLIS	17,582	31,879	14,297	44.8%	40,090	22,508	56.1%
OPERATING EXPENSE	<u>55,625</u>	<u>78,959</u>	<u>23,334</u>	<u>29.6%</u>	<u>89,044</u>	<u>33,420</u>	<u>37.5%</u>
OPERATING INCOME (LOSS)	\$ 8,626	\$ 2,102	\$ 6,524	310.4%	\$ (3,971)	\$ 12,597	317.2%
Interest and Investment Income	1,072	500	572	114.3%	842	230	27.3%
Unrealized Gain (Loss) on Investments	(2,120)	-	(2,120)	0.0%	45	(2,164)	-4829.8%
Total Net Income (Loss)	\$ 7,578	\$ 2,602	\$ 4,976	191.3%	\$ (3,084)	\$ 10,662	345.7%

Operating Cash Flow Margin %	13.4%	2.6%	10.8%	417.8%	-4.7%
Medical Loss Ratio (excluding DPP/NAIP/ATLIS)	78.6%	81.1%			86.4%

PCHP Fiscal Year ends 12/31/2026

PCHP Year to Date Income Statement

(Dollars in Thousands)

	FY 26 <u>Actual</u>	FY 26 <u>Budget</u>	Var From <u>Budget</u>	%Var From <u>Budget</u>	FY 25 <u>Actual</u>	Var <u>FY26-25</u>	%Var <u>FY26-25</u>
MEMBERSHIP	1,363,953	1,396,282	(32,329)	-2.3%	1,530,849	(166,896)	-10.9%
REVENUE							
Premium/DSP	\$ 388,461	\$ 418,399	\$ (29,939)	-7.2%	\$ 463,416	\$ (74,955)	-16.2%
NAIP/DPP/ATLIS	318,345	308,405	9,940	3.2%	279,518	38,827	13.9%
OPERATING REVENUE	<u>706,806</u>	<u>726,804</u>	<u>(19,999)</u>	<u>-2.8%</u>	<u>742,933</u>	<u>(36,128)</u>	<u>-4.9%</u>
EXPENSE							
Administration	72,872	59,723	(13,149)	-22.0%	72,365	(507)	-0.7%
Claims	324,583	369,899	45,316	12.3%	416,387	91,804	22.0%
NAIP/DPP/ATLIS	289,885	295,780	5,895	2.0%	267,281	(22,603)	-8.5%
OPERATING EXPENSE	<u>687,340</u>	<u>725,401</u>	<u>38,061</u>	<u>5.2%</u>	<u>756,033</u>	<u>68,694</u>	<u>9.1%</u>
OPERATING INCOME (LOSS)	\$ 19,466	\$ 1,403	\$ 18,063	1287.3%	\$ (13,100)	\$ 32,566	248.6%
Interest and Investment Income	8,213	4,550	3,663	80.5%	8,237	(24)	-0.3%
Unrealized Gain (Loss) on Investments	(4,468)	-	(4,468)	0.0%	1,452	(5,920)	-407.7%
Total Net Income (Loss)	<u>\$ 23,211</u>	<u>\$ 5,953</u>	<u>\$ 17,258</u>	<u>289.9%</u>	<u>\$ (3,411)</u>	<u>\$ 26,622</u>	<u>780.6%</u>

Operating Cash Flow Margin %

2.8%

0.2%

2.6%

1326.5%

-1.8%

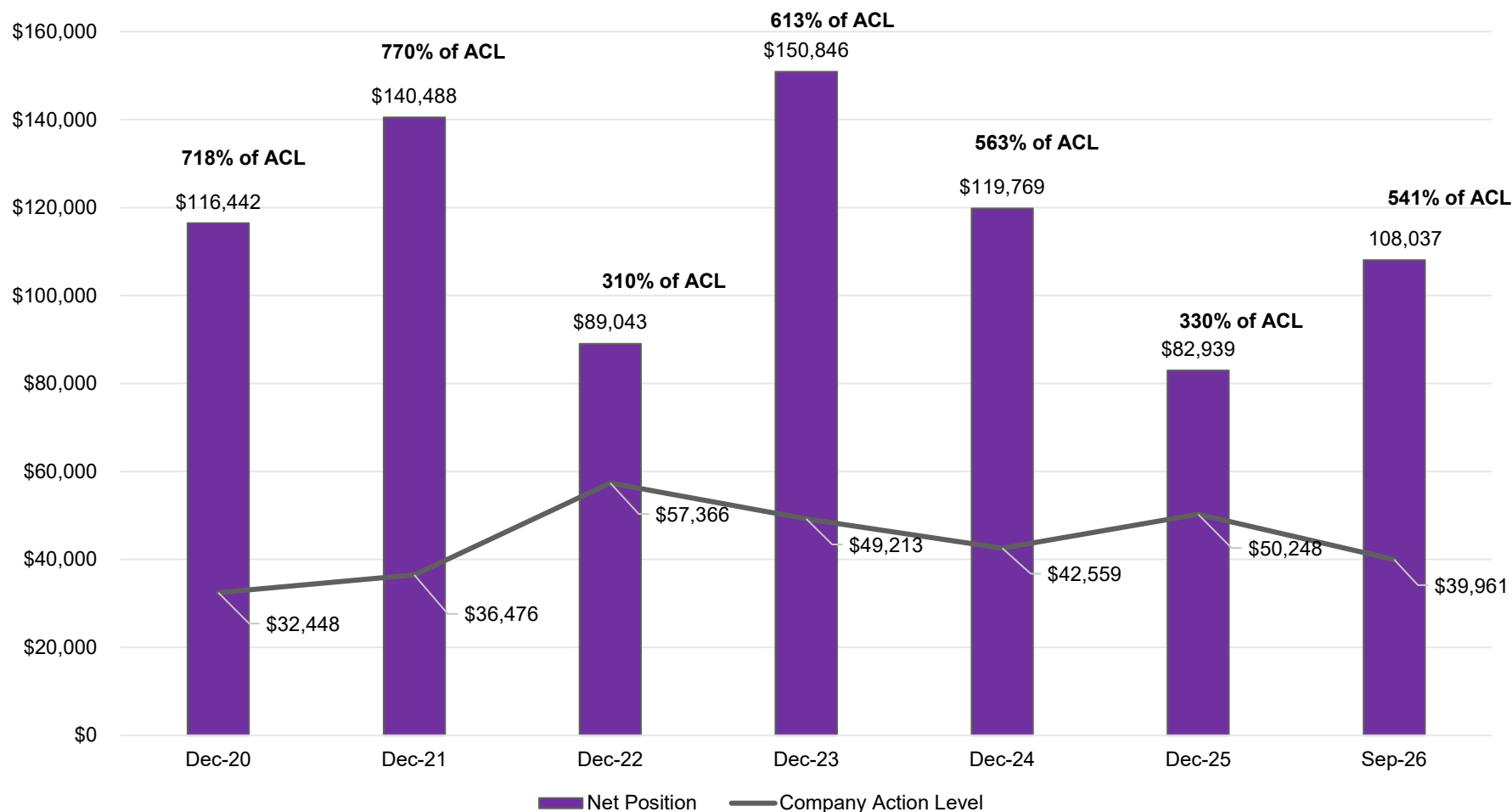
Medical Loss Ratio (excluding DPP/NAIP/ATLIS)

83.8%

88.2%

89.9%

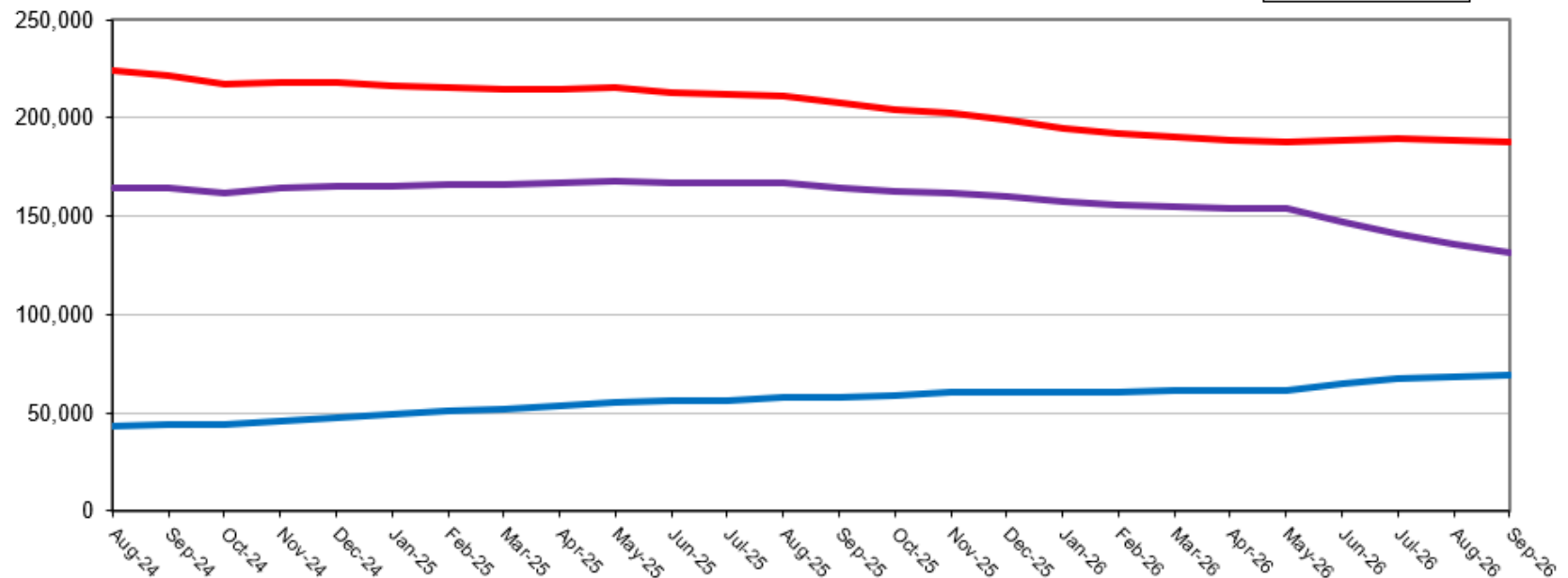
PCHP Fiscal Year ends 12/31/2026



- Dollars in graph represented in Thousands
- Black bar represents Company Action Level (CAL aka Action Level) which = 200% of Authorized Control Level (ACL)
- The Company Action Level and Asset Control Level for the most recent year are forecasted year-end values. Capital for the most recent year is based on the most recent quarterly statutory statement plus GAAP net income in subsequent months. All other years are actual year-end values.



Dallas Service Area STAR, CHIP & Perinate Enrollment

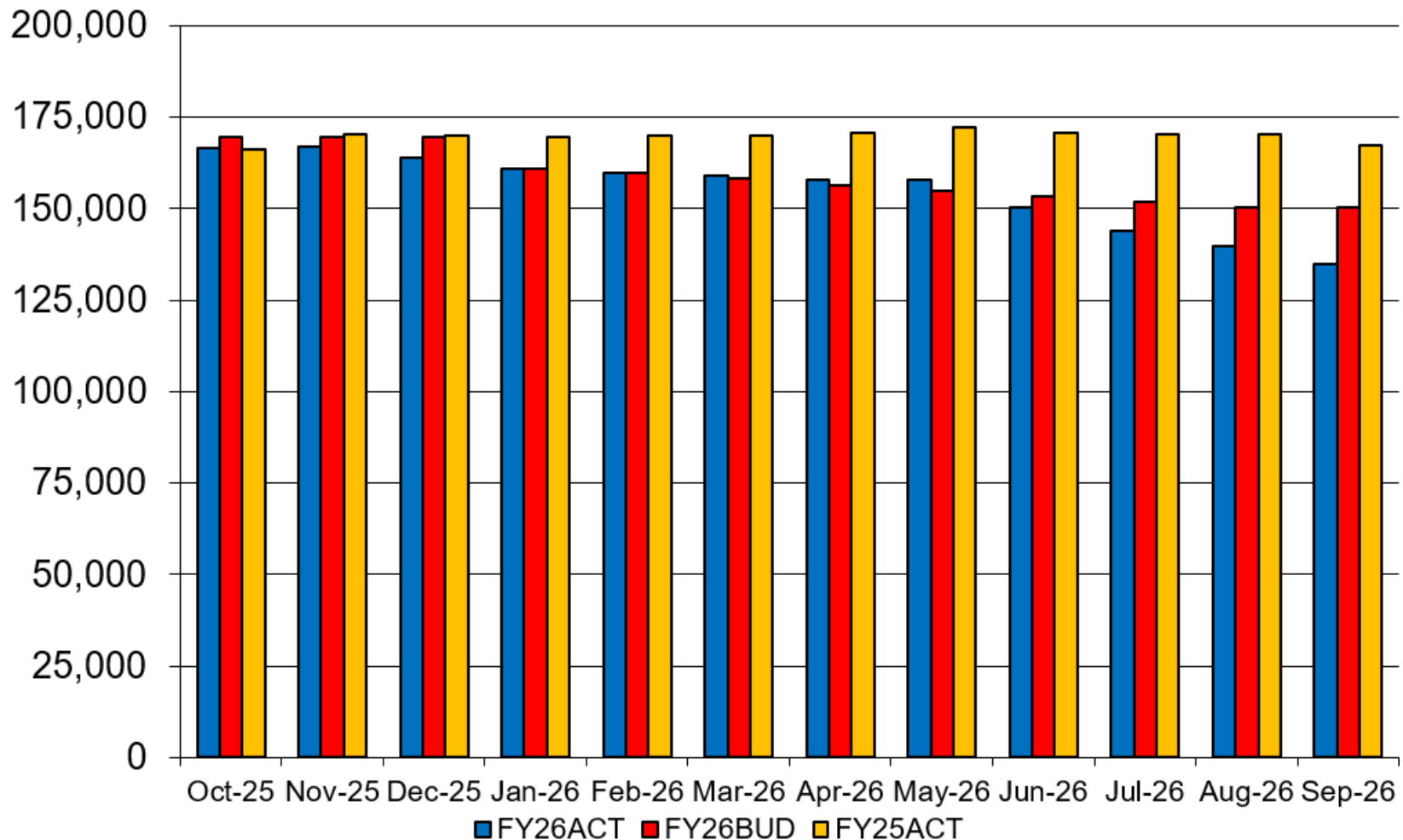


Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
164,262	163,016	162,179	160,359	157,679	155,930	154,966	154,105	153,721	146,933	141,146	136,065	131,588
Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
207,310	204,539	202,273	199,012	194,469	192,118	190,250	188,880	187,832	189,019	189,112	188,658	187,794
Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
58,216	59,029	60,171	60,545	60,236	60,507	60,848	61,143	61,672	64,813	67,082	68,382	69,239

- Enrollment data does not include retroactive adjustments (typically included in PCHP financial statements)

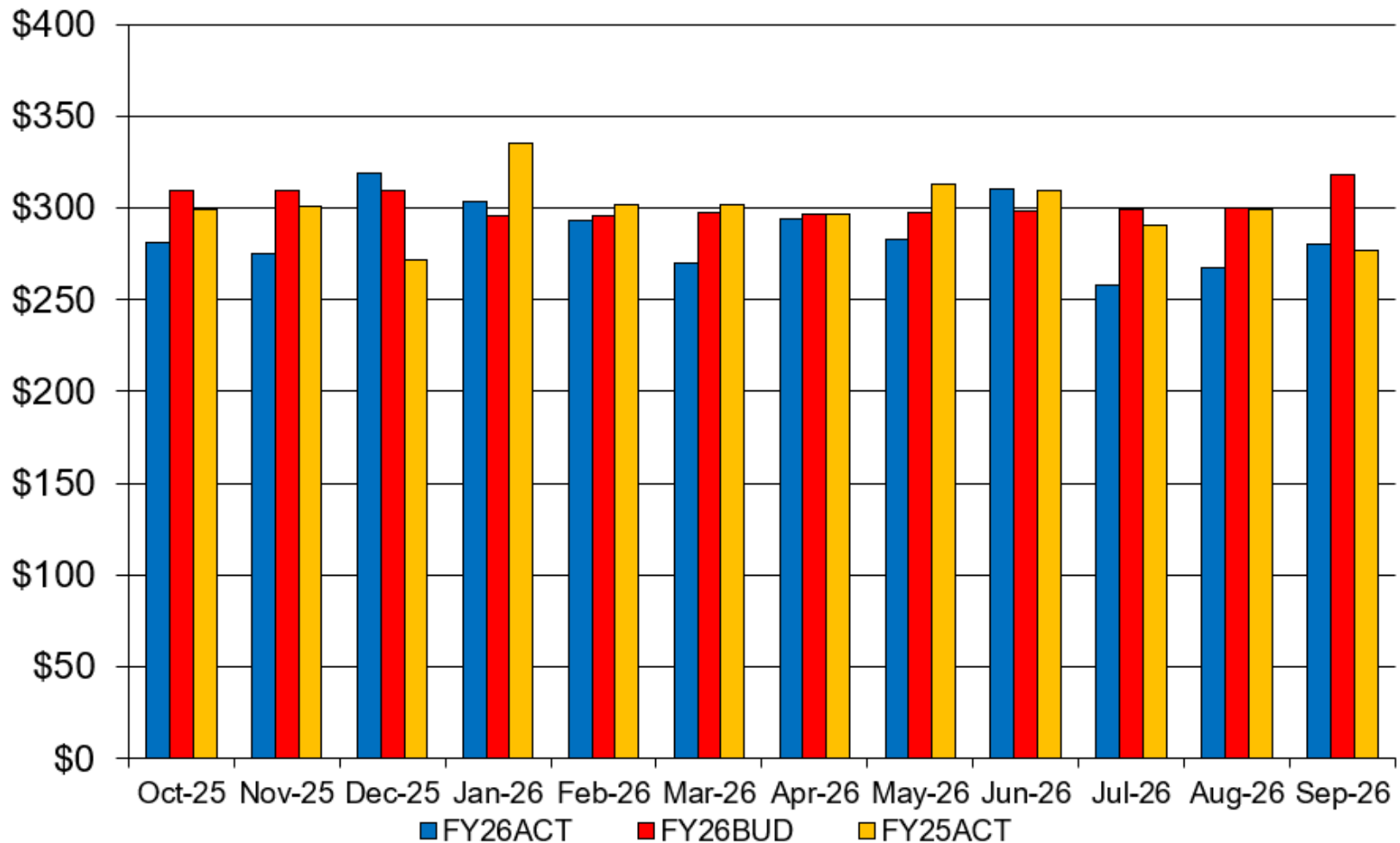


Membership





Premium Revenue PMPM



NAIP & UHRIP Passthrough is excluded



Balance Sheet



Balance Sheet Combined¹⁹¹ as of September 30, 2026 and 2025

PARKLAND HEALTH & HOSPITAL SYSTEM

BALANCE SHEET

September 30, 2026 and 2025

(Dollars in Thousands)

Assets	FY 2026					FY 2026	FY 2025
	PHHS	PCHP	PCCI	AUX	FDN	Total	Total
Current Assets							
Cash, Cash Equivalents & Investments	\$ 1,689,358	\$ 274,512	\$ -	\$ 1,155	\$ 34,448	\$ 1,999,474	\$ 1,661,694
Net Ad Valorem Taxes Receivable	(1,211)	-	-	-	-	(1,211)	4,974
Net Patient Accounts Receivable	293,177	-	-	-	-	293,177	287,734
Other Receivables	239,043	72,894	577	472	0	312,988	389,068
Inventories & Other Assets	99,564	6,337	141	386	42	106,469	90,162
Total Current Assets	2,319,931	353,744	718	2,013	34,491	2,710,898	2,433,632
Capital Assets, Net							
Construction In Progress	79,535	-	-	-	-	79,535	82,006
Property, Plant, and Equipment	1,472,355	1,633	3,754	8	-	1,477,750	1,500,778
Total Net Capital Assets	1,551,890	1,633	3,754	8	-	1,557,285	1,582,784
Long Term Assets							
Other Noncurrent Assets	-	-	2,068	-	5,021	7,088	8,084
Total Other Long Term Assets	-	-	2,068	-	5,021	7,088	8,084
Assets Limited to Use:							
New Parkland Relocation	-	-	-	-	-	-	-
Community Service Capital Expansion	-	-	-	-	-	-	-
Breast Center	-	-	-	-	-	-	-
Irving Clinic - Foundation Repair	3,777	-	-	-	-	3,777	3,777
Routine Capital	298,570	-	-	-	13,642	312,212	369,581
Debt Service	114	-	-	-	-	114	181
LPPF	19,775	-	-	-	-	19,775	9,361
Insurance Reserves	5,827	-	-	-	-	5,827	9,929
Total Assets Limited to Use	328,063	-	-	-	13,642	341,705	392,829
Deferred Outflows of Resources	218,779	-	-	-	-	218,779	218,779
Total Assets	\$ 4,418,663	\$ 355,377	\$ 6,540	\$ 2,021	\$ 53,153	\$ 4,835,755	\$ 4,636,108



Balance Sheet Combined as of September 30, 2026 and 2025

(Dollars in Thousands)

	FY 2026					FY 2026 Total	FY 2025 Total
	PHHS	PCHP	PCCI	AUX	FDN		
Liabilities and Net Position							
Current Liabilities							
Accounts Payable	\$ 314,573	\$ 40,279	\$ 158	\$ 35	\$ 2,689	\$ 357,733	\$ 344,876
Accrued Payroll & Benefits	172,367	(18)	2,012	-	-	174,361	125,149
Claims Payable	-	178,000	-	-	-	178,000	163,271
Deferred Ad Valorem Taxes	-	-	-	-	-	-	-
Interest Payable	3,403	-	-	-	-	3,403	3,533
Due to Third Party	28,844	-	-	-	-	28,844	10,712
Other Current Liabilities	67,027	727	34,932	-	-	102,686	97,308
Total Current Liabilities	586,214	218,988	37,101	35	2,689	845,027	744,848
Long Term Debt	504,808	1,305	-	-	-	506,112	550,686
Net Pension Liability	778,615	-	-	-	-	778,615	726,460
Other Non-Current Liabilities	15,682	132	-	-	-	15,814	16,932
Total Liabilities	1,885,319	220,425	37,101	35	2,689	2,145,569	2,038,927
Deferred Inflows of Resources	12,440	-	-	-	-	12,440	12,440
Net Position	2,520,905	134,952	(30,562)	1,986	50,464	2,677,746	2,584,742
Total Liabilities and Net Position	\$ 4,418,663	\$ 355,377	\$ 6,540	\$ 2,021	\$ 53,153	\$ 4,835,755	\$ 4,636,108
	0	(0)	0	0	0	0	0



Statement of Cash Flow and Routine Capital

(Dollars in Thousands)

	FYE 2026						FY 26	FY 25
	PHHS	PCHP	PCCI	FDN	AUX	FDN/AUX	Total	Total
Cash Flows from Operating Activities:								
Receipts from Customers	1,461,671	984,539			747	747	2,446,957	1,393,969
Ad Valorem Tax Receipts	917,220					0	917,220	600,249
Government Programs	582,992					0	582,992	114,367
Stimulus Funds	7,371					0	7,371	40
Other Receipts	229,759	(4,534)	10,349			0	235,575	19,503
Donations Received				3,181		3,181	3,181	6,807
Contributions Paid to/from Foundation				(11,950)		(11,950)	(11,950)	(2,000)
Payments for Medical Claims Costs		(938,551)				0	(938,551)	(926,101)
Payments to Suppliers	(863,205)	39,738	(10,318)	305	(292)	13	(833,772)	(301,618)
Payments to Employees	(1,977,451)	(36,342)	813	(4,246)	(505)	(4,751)	(2,017,731)	(633,122)
Net Cash Flow from Operations	358,358	44,850	845	(12,710)	(50)	(12,760)	391,293	272,094
Cash Flows from Capital and Financing Activities:								
Purchases of Capital assets	(82,918)		(844)		(2)	(2)	(83,764)	(67,254)
Sale of Capital Assets	161					0	161	1,208
Interest Received	50,822	9,877		17,312	34	17,347	78,046	33,389
Interest Paid	(50,792)					0	(50,792)	(142)
Bond Principal Paid	0	0	0	0	0	0	0	0
Net Cash Flows from Capital and Financing Activities	(82,727)	9,877	(844)	17,312	32	17,345	(56,350)	(32,799)
Net Change in Cash	\$ 275,630	\$ 54,727	\$ 0	4,603	\$ (17)	\$ 4,585	\$ 334,943	\$ 239,295
Beginning Cash Balance	1,780,657	219,785	-	43,487	1,172	44,659	2,045,102	1,889,975
Ending Cash Balance	<u>\$ 2,056,288</u>	<u>\$ 274,512</u>	<u>\$ 0</u>	<u>48,090</u>	<u>\$ 1,155</u>	<u>\$ 49,245</u>	<u>\$ 2,380,045</u>	<u>\$ 2,129,270</u>



CAPITAL SPENDING SUMMARY

Year to Date as of 9/30/2026

2026 Budget Only

(Dollars in Thousands)

Description	Amount
FY26 Capital Budget	\$ 320,693
YTD Actual Spend	(22,123)
Committed/Encumbered	<u>(10,545)</u>
Remaining Budget	<u>288,025</u>

% Total Capital Funding Spent and Committed/Encumbered

11.3%

Parkland Health & Hospital System

	Month					Fiscal Year to Date					FY 2026
	Sep-26	Sep-26	Sep-25	% Var	% Var	Sep-26	Sep-26	Sep-25	% Var	% Var	Annual
	Actual	Budget	Actual	Budget	FY26-25	Actual	Budget	Actual	Budget	FY26-25	Budget
<u>Hospital Discharges (Adult/Infant Inpatient, Observation)</u>											
Adult Inpatient	3,242	3,124	3,241	3.8%	0.0%	37,381	36,500	36,396	2.4%	2.7%	36,500
Neonatal ICU	90	121	120	-25.6%	-25.0%	1,328	1,397	1,411	-4.9%	-5.9%	1,397
Newborn Nursery / Room-in	900	1,139	1,081	-21.0%	-16.7%	10,870	12,073	12,091	-10.0%	-10.1%	12,073
Total Inpatient Discharges	4,232	4,384	4,442	-3.5%	-4.7%	49,579	49,970	49,898	-0.8%	-0.6%	49,970
Observation Discharges	2,249	1,820	1,779	23.6%	26.4%	24,246	23,683	23,259	2.4%	4.2%	23,683
Total Hospital Discharges	6,481	6,204	6,221	4.5%	4.2%	73,825	73,653	73,157	0.2%	0.9%	73,653
Total Hospital Discharges (excluding Newborn Nursery)	5,581	5,065	5,140	10.2%	8.6%	62,955	61,580	61,066	2.2%	3.1%	61,580
<u>Inpatient Posted Census Days</u>											
Adult Inpatient	18,884	18,021	17,869	4.8%	5.7%	223,186	211,696	211,532	5.4%	5.5%	211,696
Neonatal ICU	2,431	2,456	2,187	-1.0%	11.2%	27,702	29,381	27,762	-5.7%	-0.2%	29,381
Newborn Nursery / Room-in	2,019	2,447	2,295	-17.5%	-12.0%	24,467	26,725	27,149	-8.4%	-9.9%	26,725
Total Inpatient Posted Census Days	23,334	22,924	22,351	1.8%	4.4%	275,355	267,802	266,443	2.8%	3.3%	267,802
<u>Average Length of Stay</u>											
Adult	5.82	5.77	5.51	-0.9%	-5.6%	5.97	5.80	5.81	-2.9%	-2.8%	5.80
Neonatal ICU	27.01	20.30	18.23	-33.1%	-48.2%	20.86	21.03	19.68	0.8%	-6.0%	21.0
<u>Case Mix Index</u>											
Acute	1.91	1.98	1.90	-3.5%	0.5%	1.95	1.98	1.98	-1.5%	-1.5%	1.98
Adult Average Inpatient Available Beds (less L&D)	801	801	745	0.0%	7.5%	763	763	744	0.0%	2.6%	763
Observation Unit Beds	60	42	59	42.9%	1.7%	61	54	60	13.0%	1.7%	54
Adult Inpatient Occupancy Rate	71%	67%	70%	6.0%	1.4%	72%	68%	70%	5.9%	2.9%	68%
<u>Adjusted Patient Days</u>											
Inpatient Days x (Total Charges/Inpatient Charges)	60,154	56,021	55,588	7.4%	8.2%	695,853	669,194	663,332	4.0%	4.9%	669,194
<u>Equivalent Patient Days</u>											
Adult Census, NNICU, and Observation Days	28,401	28,134	26,838	0.9%	5.8%	334,394	329,484	327,153	1.5%	2.2%	329,484
<u>Adjusted Occupancy Rate (includes Observation)</u>											
Medicine/ Surgery	93%	93%	93%	0.0%	0.0%	94%	94%	94%	0.0%	0.0%	94%
Psych	100%	100%	99%	0.0%	1.0%	100%	100%	99%	0.0%	1.0%	100%
Rehab	97%	97%	98%	0.0%	-1.0%	98%	96%	98%	2.1%	0.0%	96%
WISH (Less: Newborn Nursery, NNICU, and L&D)	76%	87%	86%	-12.6%	-11.6%	79%	84%	85%	-6.0%	-7.1%	84%

Parkland Health & Hospital System

	Month					Fiscal Year to Date					FY 2026
	Sep-26 Actual	Sep-26 Budget	Sep-25 Actual	% Var Budget	% Var FY26-25	Sep-26 Actual	Sep-26 Budget	Sep-25 Actual	% Var Budget	% Var FY26-25	Annual Budget
<u>Average Daily Inpatient Census</u>											
Medicine/ Surgery	447	409	398	9.3%	12.3%	428	396	389	8.1%	10.0%	396
Psych	28	28	28	0.0%	0.0%	28	28	28	0.0%	0.0%	28
Rehab	23	21	22	9.5%	4.5%	22	21	22	4.8%	0.0%	21
WISH (Less: Newborn Nursery, NICU, and L&D)	107	115	117	-7.0%	-8.5%	109	110	114	-0.9%	-4.4%	110
L&D	23	28	32	-17.9%	-28.1%	24	25	27	-4.0%	-11.1%	25
Total Adult Inpatient	628	601	597	4.5%	5.2%	611	580	580	5.3%	5.3%	580
Observation	236	255	226	-7.5%	4.4%	229	242	241	-5.4%	-5.0%	242
Total Adult Average Daily Census	864	856	823	0.9%	5.0%	840	822	821	2.2%	2.3%	822
Neonatal ICU	81	82	73	-1.2%	11.0%	76	80	76	-5.0%	0.0%	80
Total Average Daily Census	945	938	896	0.7%	5.5%	916	902	897	1.6%	2.1%	902
<u>Deliveries</u>	996	1,240	1,200	-19.7%	-17.0%	12,118	13,300	13,374	-8.9%	-9.4%	13,300
<u>Surgeries</u>											
Day Surgery Cases (Hospital)	729	614	652	18.7%	11.8%	8,265	7,960	8,047	3.8%	2.7%	7,960
Day Surgery Cases (ASC)	426	450	458	-5.3%	-7.0%	5,565	5,744	5,150	-3.1%	8.1%	5,744
Total Day Surgery Cases	1,155	1,064	1,110	8.6%	4.1%	13,830	13,704	13,197	0.9%	4.8%	13,704
Inpatient Cases	864	808	872	6.9%	-0.9%	10,301	9,544	9,560	7.9%	7.8%	9,544
Total Surgical Cases	2,019	1,872	1,982	7.9%	1.9%	24,131	23,248	22,757	3.8%	6.0%	23,248
<u>Emergency Services (unduplicated patients)</u>											
Arrivals Count	19,990	19,051	19,571	4.9%	2.1%	234,302	229,765	228,759	2.0%	2.4%	229,765
Treated Patients Count	19,653	18,715	19,217	5.0%	2.3%	229,351	226,061	225,134	1.5%	1.9%	226,061
Percent Left w/o Being Seen	1.7%	1.8%	1.8%	5.6%	5.6%	2.1%	1.6%	1.6%	-31.3%	-31.3%	1.6%
<u>Emergency Visit Counts (includes multiple visits)</u>											
Main ED	14,511	12,662	12,980	14.6%	11.8%	165,840	163,852	161,769	1.2%	2.5%	163,852
Psych / EOU ED	800	716	729	11.7%	9.7%	9,814	8,787	9,430	11.7%	4.1%	8,787
Urgent Care - ED	5,003	4,360	4,563	14.7%	9.6%	55,499	52,306	52,659	6.1%	5.4%	52,306
ICC ED (OB/Gyn Intermediate Care)	1,818	2,105	1,880	-13.6%	-3.3%	21,829	22,723	22,568	-3.9%	-3.3%	22,723
Total Emergency Visit Counts	22,132	19,843	20,152	11.5%	9.8%	252,982	247,668	246,426	2.1%	2.7%	247,668
<u>Ambulatory Visits by Division</u>											
COPC	43,989	42,652	44,502	3.1%	-1.2%	525,851	518,306	514,405	1.5%	2.2%	518,306
WISH	21,089	20,783	20,709	1.5%	1.8%	245,046	251,510	248,249	-2.6%	-1.3%	251,510
Ambulatory Specialty Clinics	39,842	34,318	38,538	16.1%	3.4%	457,062	426,526	436,461	7.2%	4.7%	426,526
Employee Health Integration	2,767	2,826	2,287	-2.1%	21.0%	33,292	36,051	29,176	-7.7%	14.1%	36,051
All Other Divisions	5,381	5,039	5,331	6.8%	0.9%	62,705	61,939	60,438	1.2%	3.8%	61,939
Total Ambulatory Visits	113,068	105,618	111,367	7.1%	1.5%	1,323,956	1,294,332	1,288,729	2.3%	2.7%	1,294,332

		FYTD 2026		FYTD 2025	FY26 to FY25
Staffing Information:	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Variance</u>
Total Paid FTEs, includes Contract Labor and excludes Nursing Homes and Jail	12,875	12,854	21	12,775	100
Productivity:					
Paid Hours/Adjusted Patient Day	42	44	(2)	44	(2)
Labor Rates:					
Average Hourly Rate	\$ 48.30	\$ 48.77	\$ (0.47)	\$ 46.72	\$ 1.58



FACILITY NAME	City	ST
Denver Health	Denver	CO
Erlanger Medical Center	Chattanooga	TN
Georgia Regents Health System	Augusta	GA
Harborview Medical Center	Seattle	WA
Harris Health - Ben Taub	Houston	TX
Harris Health - Lyndon B. Johnson General Hospital	Houston	TX
Harris Health - Quentin Mease	Houston	TX
JPS Health Network	Fort Worth	TX
OSU Medical Center - Academic Medical Center	Columbus	OH
OSU Medical Center - University Hospital East	Columbus	OH
Parkland Health & Hospital System	Dallas	TX
San Francisco General Hospital	San Francisco	CA
Shands at University of Florida	Gainesville	FL
Shands Jacksonville	Jacksonville	FL
Stony Brook University Medical Center	Stony Brook	NY
Temple University Hospital	Philadelphia	PA
The U of A Medical Center - University Campus	Tucson	AZ
UAMS Medical Center	Little Rock	AR
UCSD - Health System, San Diego	San Diego	CA
University Health System	San Antonio	TX
University Medical Center of El Paso	El Paso	TX
University of Alabama Hospital	Birmingham	AL
University of California Davis Medical Center	Davis	CA
University of California Irvine Medical Center	Irvine	CA
University of Chicago Hospitals	Chicago	IL
University of Colorado Hospital	Aurora	CO
University of Illinois Medical Center at Chicago	Chicago	IL
University of Kansas Hospital	Kansas City	KS
University of Kentucky Hospital	Lexington	KY
University of New Mexico Hospitals	Albuquerque	NM
University of Texas Medical Branch, Galveston	Galveston	TX
University of Utah Hospitals & Clinics	Salt Lake City	UT

Total Hospital Discharges	The number of inpatients who left the hospital to return home or were transferred to another facility
Total Average Daily Census	Equivalent Patient Days / Number of Days in the Month
Average Length of Stay	Total Inpatient Census Days / Total Discharged Cases
Case Mix Index	The weighted average diagnosis-related group (DRG) value for Parkland (Total CMS MS DRG Assigned Weights / Total Discharged Cases)
Total Emergency Service Visits	Emergency Room Visits includes Main ED, Psych ED, Urgent Care ED, and ICC ED (OB/Gyn Intermediate Care)
Total Ambulatory Visits	Hospital Clinic Visits + Hospital Community Visits + Wish Clinical Visits + COPC Clinical Visits
Surgeries	Main Operating Room Cases + Main Day Surgery Cases
Deliveries	Inpatient + Outpatient Deliveries
Adjusted Patient Days	Inpatient Days x (Total Charges/Inpatient Charges)
Operating Margin	(Total Operating Revenue + Gov't Subsidies - Total Operating Expenses) / (Total Operating Revenue + Government Subsidies)
Operating Cash Flow Margin	(Total Operating Revenue + Gov't Subsidies - Total Operating Expenses + Interest & Depreciation) / (Total Operating Revenue + Gov't Subsidies)
Days Cash on Hand	The number of Days that Parkland could continue to pay its obligations with no new cash resources becoming available
Days in Accounts Payable	The average number of days it takes to pay outstanding bills, defined as (Total Current Liabilities - Deferred Revenue) / ((Total Operating Expenses - Depreciation) / Days in Period)
Days In Accounts Receivable	The average time that it takes Parkland to collect a patient account



Parkland

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Parkland

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New Hospital Units

8 Gen Med & 9 Med Surg

Operational & Financial Impact

October 27, 2026

Opening of New Hospital Units: Budgeted at \$54M

9 Med Surg Unit

- Opened June 2, 2026
- Bed Capacity 40
- Expected ADC 34 (85% capacity)

9 MACU

- Opened October 13, 2026
- Bed Capacity 16
- Expected ADC 15+ (90+% capacity)

8 General Medicine Unit

- October 2, 2026
- Bed Capacity 56
- Expected ADC 49 (88% capacity)

Cost & Resources to Support

Staffing Quantity, Skill Mix & Direct Expense

Cost Center	FY27 Total FTEs					
	Mgmt	RN	Aides	Clerical	Total FTEs	Paid Hour/UOS
8 Gen Med	5.00	63.80	26.60	4.20	99.60	11.58
9 Med Surg	5.00	44.00	19.60	4.20	72.80	12.20
9 MACU	2.00	28.20	10.00	4.20	44.40	16.87
Total	12.00	136.00	56.20	12.60	216.80	12.61

Cost Center	FY27 Total Salaries				
	Mgmt	RN	Aides	Clerical	Total Salaries
8 Gen Med	\$638,304	\$6,020,062	\$1,260,884	\$197,044	\$8,116,294
9 Med Surg	\$637,795	\$4,311,272	\$919,471	\$207,286	\$6,075,824
9 MACU	\$244,514	\$3,528,131	\$564,435	\$260,631	\$4,597,711
Total	\$1,520,613	\$13,859,465	\$2,744,790	\$664,961	\$18,789,829

Associated Revenues

Estimated Volume & Revenue Impact

Cost Center	FY27 Stats						FY27 Revenue
	Account Discharges	Patient Days	ADC	Capacity	Occ %	ALOS	Net Revenue
8 Gen Med	4,536	17,885	49	56	88%	3.9	\$13,414,622
9 Med Surg	3,240	12,410	34	40	85%	3.8	\$9,581,873
9 MACU	480	5,475	15	16	94%	11.4	\$2,261,612
Total	8,256	35,770	98	112	88%	4.3	\$25,258,107

Expected \$25M annualized Revenues exceed \$19M staffing cost

- After including other variable expenses, estimated positive financial impact
 - Payer mix and extended LOS reduces positive impact for 9MACU

Additional improvements in Emergency Room throughput

- September 2026 main ED volume +1,849 visits, 15%, above budget

Update and Report on Current FY27 Facilities Projects

FY27 Projects



Project is "On Track" and progressing as planned within the established timeline and budget
Project is "At Risk" issues exist that could impact the deadline or budget if not addressed quickly
Project is "Off Track" major problems are affecting progress and immediate actions are required
Current Completion = Construction Substantially Complete

Project Name	Description	Project Budget	Architect	Contractor	Project Schedule	Project Health	Pending Board Actions
Mike A. Myers Health Center PM: Paul Woodard	Expand clinical programs currently located at Vickery Health Center	- Original Budget: \$21,062,060 - Adjustments: \$10,275,740 - Current Budget: \$31,337,800 - Cost to Date: \$5,673,729	- Architect: Corgan & Associates - Base Contract: \$983,330 - Modifications: \$146,575 - Current Contract: \$1,129,905	- Contractor: Russell + Post L JV - Base Contract: \$22,528,685 - Modifications: \$0 - Current Contract: \$22,528,685	- Original Completion: August 2027 - Adjustments: None - Current Completion: August 2027		Anticipate forthcoming change order for City of Dallas permitting requirements for consideration at November Board
Parkland Campus Demolition OK Paper Warehouse PM: Paul Woodard	Demolition of the Big OK Paper building and prepping site for construction of 764 parking spaces.	- Original Budget: \$3,517,600 - Adjustments: \$2,264,404 - Current Budget: \$5,782,004 - Cost to Date: \$5,202,353	- Architect: HED Architects - Base Contract: \$279,680 - Modifications: \$14,482 - Current Contract: \$294,162	- Contractor: Phillips-May - Base Contract: \$3,994,303 - Modifications: \$320,160 - Current Contract: \$4,314,463	- Original Completion: June 2026 - Adjustments: 4 Months - Current Completion: October 2026		Anticipate forthcoming change order for subsurface concrete removal for consideration at October Board
Parkland Hospital ACH 8th & 9th Floor Shell Buildout PM: Marc Leediker	This project adds 112 new med surg beds (80 semi-private beds and 32 private beds)	- Original Budget: \$54,383,500 - Adjustments: \$0 - Current Budget: \$54,383,500 - Cost to Date: \$41,130,263	- Architect: Beck Architecture - Base Contract: N/A (Design/Build) - Modifications: N/A - Current Contract: N/A	- Contractor: Beck-AO Joint Venture - Base Contract: \$36,096,663 - Modifications: \$911,356 - Current Contract: \$37,008,019	- Original Completion: June/Oct 2026 - Adjustments: None - Current Completion: 9th FL April 2026 - Current Completion: 8th FL July 2026		None
Parkland Hospital Emergency Department Triage Expansion PM: Paul Woodard	Emergency Department triage area expansion: three triage and two exam rooms at former Satellite Pharmacy footprint	- Original Budget: \$1,909,300 - Adjustments: \$0 - Current Budget: \$1,909,300 - Cost to Date: \$491,639	- Architect: Hoefer Welker - Base Contract: \$159,000 - Modifications: \$0 - Current Contract: \$159,000	- Contractor: GC Legacy - Base Contract: \$1,200,129 - Modifications: \$0 - Current Contract: \$1,200,129	- Original Completion: June 2026 - Adjustments: 8 Months - Current Completion: January 2027		None
Parkland Hospital Interventional Radiology Expansion Rooms 5 & 6 PM: Marc Leediker / Asma Momin	Construction two new Interventional Radiology rooms plus state required renovations to prep and recovery areas.	- Original Budget: \$3,065,400 - Adjustments: \$6,254,969 - Current Budget: \$9,320,369 - Cost to Date: \$613,282	- Architect: Hoefer Welker - Base Contract: \$361,900 - Modifications: \$98,500 - Current Contract: \$460,400	- Contractor: TBD - Base Contract: N/A - Modifications: N/A - Current Contract: N/A	- Original Completion: TBD - Adjustments: N/A - Current Completion: TBD		Anticipate board consideration for construction contract in January 2027
South Region Strategy Bluiett Flowers Health Clinic Renovation PM: Hyma Vennapusa	Renovate existing staff areas to include specialty clinics with 3 exam rooms, 1 consultation room, 5-6 staff work areas, relocate nurse stations, expanded check-in windows, and IT room reconfiguration.	- Original Budget: \$1,455,420 - Adjustments: \$0 - Current Budget: \$1,455,420 - Cost to Date: \$0	- Architect: Leo A Daly - Base Contract: N/A (Design/Build) - Modifications: N/A - Current Contract: N/A	- Contractor: Post L Group - Base Contract: \$133,793 (Precon) \$935,100 (BOM) - Modifications: \$0 - Current Contract: \$133,793	- Original Completion: TBD - Adjustments: N/A - Current Completion: TBD		None
Inland Port Clinic (Official Name TBD) PM: Thad Smith	The Inland Port Clinic addresses a lack of services in several cities including Wilmer and Hutchins.	- Original Budget: \$7,350,000 - Adjustments: \$4,675,000 - Current Budget: \$12,025,000 - Cost to Date: \$3,458,899	- Architect: Hoefer Welker - Base Contract: \$1,263,072 - Modifications: \$0 - Current Contract: \$1,263,072	- Contractor: TBD - Base Contract: N/A - Modifications: N/A - Current Contract: N/A	- Original Completion: Anticipated May 2028* - Adjustments: N/A - Current Completion: Anticipated May 2028*		None



FY27 Projects Continued

Project is "On Track" and progressing as planned within the established timeline and budget
 Project is "At Risk" issues exist that could impact the deadline or budget if not addressed quickly
 Project is "Off Track" major problems are affecting progress and immediate actions are required
 Current Completion = Construction Substantially Complete

Project Name	Description	Project Budget	Architect	Contractor	Project Schedule	Project Health	Pending Board Actions
Southeast Health Center PM: Asma Momin	Health Center replacement with expanded services supporting Urgent Care, Ambulatory Surgery Center, Specialty Services, Imaging/Infusion and associated parking and site improvements.	• Original Budget: \$88,559,300 • Adjustments: -\$12,943,347 • Current Budget: \$75,615,953 • Cost to Date: \$229,634	• Architect: TBD • Base Contract: N/A • Modifications: N/A • Current Contract: N/A	• Contractor: TBD • Base Contract: N/A • Modifications: N/A • Current Contract: N/A	• Original Completion: Anticipate April 2030* • Adjustments: N/A • Current Completion: Anticipate April 2030*		Anticipate board consideration of architect contract in October 2026.
Parkland Hospital Cardiac EP Lab Shell Buildout PM: Thad Smith	Buildout shell space in ACH 2nd floor to accommodate a new Cardiac Electrophysiology Lab.	• Original Budget: \$4,400,000 • Adjustments: \$0 • Current Budget: \$4,400,000 • Cost to Date: \$0	• Architect: E4H • Base Contract: \$152,000 • Modifications: \$0 • Current Contract: \$152,000	• Contractor: TBD • Base Contract: N/A • Modifications: N/A • Current Contract: N/A	• Original Completion: TBD • Adjustments: N/A • Current Completion: TBD		None
Parkland Campus Pediatric Behavioral Health Center Renovation PM: Thad Smith	The Pediatric Behavioral Health Clinic at 6 Moody finishes out shell space to create a dedicated outpatient pediatric behavioral health clinic with seven consult rooms and associated patient and staff support spaces.	• Original Budget: \$2,045,100 • Adjustments: \$0 • Current Budget: \$2,045,100 • Cost to Date: \$88,094	• Architect: HKS • Base Contract: \$198,000 • Modifications: \$0 • Current Contract: \$198,000	• Contractor: TBD • Base Contract: N/A • Modifications: N/A • Current Contract: N/A	• Original Completion: TBD • Adjustments: N/A • Current Completion: TBD		Anticipate board consideration for construction contract in December 2026.
Parkland Campus Redfield Parking Lot Improvements PM: Thad Smith	Parking lot improvements at the corner of Redfield and Butler.	• Original Budget: \$562,800 • Adjustments: \$0 • Current Budget: \$562,800 • Cost to Date: \$0	• Architect: RLG Consulting • Base Contract: \$64,000 • Modifications: \$0 • Current Contract: \$64,000	• Contractor: TBD • Base Contract: N/A • Modifications: N/A • Current Contract: N/A	• Original Completion: TBD • Adjustments: N/A • Current Completion: TBD		Anticipate board consideration for construction contract in January 2027.

Detailed Project Appendix Slides

Project Scope

Mike A. Myers Health Center to expand clinical programs currently located at Vickery Health Center on Park Lane. Services will include women's health, adult, pediatrics, optometry, and podiatry.

Project Images



Key Events and Dates

- Civil sitework underway (19% completion)
- Anticipate forthcoming change order for City of Dallas permitting requirements for consideration at November Board
- Site utility construction underway
- Building grade beams have been poured
- Anticipated substantial completion August 2027

Project Budget

- Project budget: \$31,337,800

	Budget	Cost To Date
Owner's Consultants	\$460,000	\$140,299
Design	\$2,749,400	\$1,228,667
Construction	\$22,551,400	\$4,304,763
Major Equipment	\$2,474,076	\$0
FF&E	\$976,090	\$0
IT	\$1,214,034	\$0
Owner's Contingency	\$912,800	\$0
Totals	\$31,337,800	\$5,673,729

Project Directory

- Project Manager: Paul Woodard AIA
- Procurement: Construction Manager at Risk (CMAR)
- Architect: Corgan Associates, Inc.
- Contractor: HJ Russell + Post L Joint Venture

Project Scope

- Demolition of the Big OK Paper building and prepping site for construction of 764 parking spaces.

Project Images



Key Events and Dates

- Parking lot construction in progress (97% completion)
- Anticipate forthcoming change order subsurface concrete removal for consideration at October Board
- Expected 764 parking spaces
- Parking lot open and operational October 12th

Project Budget

- Project budget: \$5,782,004

	Budget	Cost To Date
Owner's Consultants	\$56,265	\$14,115
Design	\$294,162	\$284,585
Construction	\$5,404,874	\$4,903,653
Major Equipment	\$0	\$0
FF&E	\$0	\$0
IT	\$0	\$0
Owner's Contingency	\$26,703	\$0
Totals	\$5,782,004	\$5,202,353

Project Directory

- Project Manager: Paul Woodard AIA
- Procurement: Design – Bid – Build
- Architect: HED Architects
- Contractor 1: GCC (Demolition)
- Contractor 2: Phillips-May (Surface Parking)



Project Scope

- This project adds 112 new med surg beds (80 semi-private beds and 32 private beds).
- Our goal to have first patient day on the 9th floor (56 beds) in time for the World Cup was accomplished.

Project Images



Key Events and Dates

- Construction in progress (97% completion)
- 9th floor is open and operational
- 8th floor is open and operational
- 9th floor substantial completion achieved in July 2026
- 8th floor substantial completion achieved in October 2026
- MACU units to be completed on October 13th

Project Budget

- Project budget: \$54,383,500

	Budget	Cost To Date
Owner's Consultants	\$125,000	\$31,755
Design	\$0	\$0
Construction	\$37,485,216	\$33,339,470
Major Equipment	\$7,836,079	\$5,873,681
FF&E	\$2,225,708	\$1,103,836
IT	\$2,822,279	\$781,521
Owner's Contingency	\$3,889,218	\$0
Totals	\$54,383,500	\$41,130,263

Project Directory

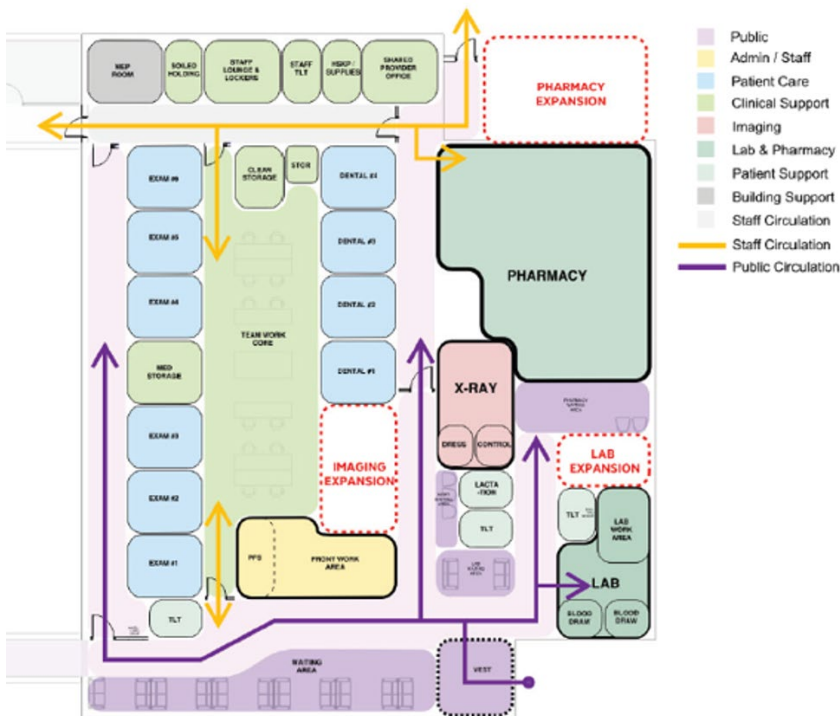
- Project Manager: Marc Leediker AIA
- Procurement: Design/Build
- Architect: Beck Architecture
- Contractor: Beck-AO Joint Venture



Project Scope

- The Inland Port Clinic addresses a lack of services in several cities including Wilmer and Hutchins finalized at 8,800 design square foot facility.

Project Images



Key Events and Dates

- Pending total project scope and budget development
- Pre-design to be completed in October 2026
- Basis of design manual November 2026

Project Budget

- Project budget: \$12,025,000

	Budget	Cost To Date
Owner's Consultants	\$20,000	\$19,700
Design	\$1,300,000	\$10,550
Construction	\$7,276,351	\$0
Land Acquisition	\$3,428,649	\$3,428,649
FF&E	\$0	\$0
IT	\$0	\$0
Owner's Contingency	\$0	\$0
Totals	\$12,025,000	\$3,458,899

Project Directory

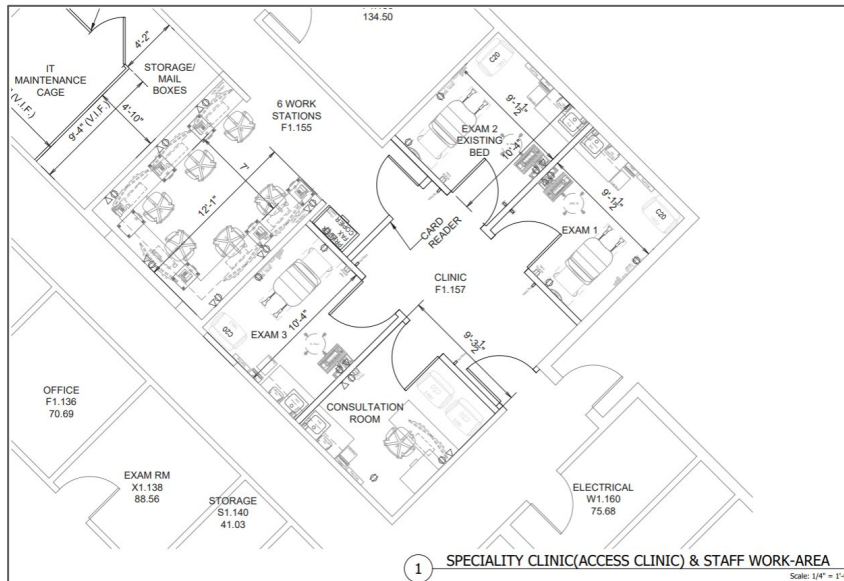
- Project Manager: Thad Smith, R.A.
- Procurement: CMAR
- Architect: Hoefer Welker
- Contractor: TBD



Project Scope

- Renovate existing staff areas to include specialty clinic with 3 exam rooms, 1 consultation room, 5-6 staff work areas, relocate nurse stations, expanded check-in windows, and IT room reconfiguration.

Project Images



Key Events and Dates

- Design development underway
- Anticipated substantial completion March 2027

Project Budget

- Project budget: \$1,455,420

	Budget	Cost To Date
Owner's Consultants	\$120,000	\$0
Design	\$117,100	\$0
Construction	\$755,000	\$0
Major Equipment	\$0	\$0
FF&E	\$113,600	\$0
IT	\$108,000	\$0
Owner's Contingency	\$231,720	\$0
Totals	\$1,445,420	\$0

Project Directory

- Project Manager: Hyma Vennapusa
- Procurement: Design/Build
- Architect: Leo A Daly
- Contractor: Post L

Update and Discussion Regarding the “Parkland Southeast Clinic”

Thank You