Minutes of the Audit Committee meeting of the Board of Managers of the Dallas County Hospital District, held Wednesday, June 11th, 2026, scheduled for 10:00 a.m. in the WISH Building Executive Conference Room (02-175) at Parkland Health and via Webex. These minutes do not constitute a certified agenda from the meeting.

I. Attendance and Call to Order

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

Board Member attendees included: Marjorie Petty, JD and Miriam Sharma, RN.

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

Amy LaBarge, SVP & Chief Audit Officer
Andrea Claire, Mgr., Internal Audit
Brad Nitschke, Chief Legal Officer
Brett Moran, Chief Health Officer
Donna Richardson, EVP & Chief Nursing Executive
Edmundo Castaneda, EVP & COO
Enrique Gallegos, SVP Ops & Assoc. COO
Felicia Miller, EVP & Chief Talent Officer
Fred Cerise, President & Chief Executive Officer
James Blasingame, Sr. Dir., Reimbursement & UT Con
Keri Disney-Story, VP/Clinical Finance
Morgan Simmons, Board Governance Program Manager
Natalie Vasquez, Administrative Resident
Saul Cordero, SVP & Chief Governance and Strategy Officer

II. Mission Statement

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

III. Public Comments Regarding Agenda Items

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

IV. Conflicts of Interest

After review of the agenda, the Chair noted no potential conflicts of interest.

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

A. Internal Audit 2026 Mid-Year Performance Report

Amy LaBarge presented the Internal Audit Department's mid-year performance report, highlighting progress against the annual audit plan, budget, staffing, and quality standards. As of March 31, 16 of 34 planned audits (47%) were complete, in progress, or ongoing, placing the department on track for year-end goals. Follow-up issues were reduced to 29, with eight issues resolved during the first half of the year. The report also included updates on PCHP audit follow-up activities, fraud monitoring efforts, quality assurance reviews, and resource utilization. Financial performance remained approximately 16% under budget due primarily to staffing vacancies, employee leave, and recent retirement. Management reported active recruitment efforts to fill open positions, including an IT auditor vacancy.

B. Audit Committee Charter

Brad Nitschke presented a series of proposed revisions to the Audit Committee Charter, noting that most changes were clarifying and administrative in nature, with one substantive recommendation for future committee consideration. Administrative updates included revising leadership titles, adding the Chief Governance Officer as committee liaison, correcting terminology, and aligning charter language with existing organizational policies and practices.

The primary substantive discussion focused on the committee's authority to retain independent counsel, accountants, or other advisors. Brad recommended clarifying when the committee should exercise this authority, particularly in circumstances involving conflicts of interest affecting the CEO, Chief Audit Executive, Chief Legal Officer, or Chief Compliance Officer. The intent was to preserve the committee's ability to conduct independent investigations when necessary while avoiding unnecessary duplication of management-led investigations or legal representation. Committee members expressed support for further discussion but requested additional time to consider whether the proposed language was sufficiently broad to address other situations requiring independent oversight.

Yasmin Simon motioned to recommend approval of all proposed Audit Committee Charter revisions presented by legal counsel, **with the exception of the proposed amendment to Section 1.D regarding the committee's authority to retain independent counsel, accountants, or**

other advisors, which will remain unchanged at this time and be brought back for further consideration at a future committee meeting. Ramon Miguez seconded. The motion passed unanimously.

C. Internal Audit Charter

Brad Nitschke presented a proposed amendment to the Internal Audit Services Charter related to audits conducted under attorney-client privilege. The current charter permits Internal Audit to disclose confidential information at the direction of the Chief Audit Executive and the Audit Committee. The proposed revision clarifies that, when an audit is conducted under attorney-client privilege, disclosure of privileged information must also involve the Chief Legal Officer (formerly General Counsel) to ensure legal protections are maintained.
Committee members discussed the use of the terms "General Counsel" and "Chief Legal Officer," noting that both refer to the same position and that historical policy documents continue to reference the General Counsel title. No concerns were raised regarding the proposed clarification, and the amendment was supported as a technical update to align the charter with legal practices surrounding privileged information.

Ramon Miguez motioned to approve the proposed amendment to the Internal Audit Services Charter, clarifying that disclosure of information obtained through audits conducted under attorney-client privilege requires participation of the Chief Legal Officer (General Counsel) in accordance with applicable legal privilege requirements. Yasmin Simon seconded. The motion passed unanimously.

D. Open Session Summary to discuss the following topics:

i. Overview of progress on Parkland's 2026 Audit Plan

Amy LaBarge provided an update on the Internal Audit Department's June audit plan progress and highlighted several ongoing projects that were added based on organizational risk and control needs. These included a review of Workday role access and permissions to evaluate system security and data integrity, as well as a review being performed in advance of FORVIS upcoming audit season. In addition, Internal Audit is conducting two privileged reviews and has begun work related to the Epic Refuel initiative, focusing on identifying and addressing control gaps during the system redesign. The department has also started participating in a disaster recovery project to assess related controls and preparedness.

ii. UTSW Claims Prepayment Process Audit
Amy presented the results of the UT Southwestern Claims Process audit, noting that the recently implemented claims review process has significantly strengthened internal controls by shifting from a retrospective review model to a prospective review approach. The audit produced favorable results with low-risk ratings and strong control performance. Management reported that collaboration with UT Southwestern has been positive and that the new process continues to mature. Committee members suggested considering additional performance metrics and trend analysis across service areas to support future evaluations.

iii. Follow-Up Report Status – Open Session
Amy also reported on follow-up activities, noting the closure of one outstanding issue related to contract labor. Management indicated that patient scheduling controls have improved and are expected to be fully addressed through the upcoming Epic implementation.

VI. Executive Session

At 10:33 a.m., the Committee moved into Executive Session as permitted by the closed meeting exceptions specified on the agenda.

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

E. Executive Session **Summary** to discuss following topics:
Tex. Health & Safety Code §§161.032 & 161.0315 and Tex. Occ. Code §160.007

i. Nutrition Services Audit, Report No. 26-21
An evaluation of Nutrition Services activities, such as inventory processes and procurement controls, patient food safety, and regulatory requirements.

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

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

G. Consultation with Attorney
Tex. Gov't Code § 551.071.

i. Review of Open Litigation
(See Attached List)

Chair adjourned Executive Session and moved into Open Session at 10:55 am.

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

VII. Action Items

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

VIII. Adjourn

With no further business to discuss, the Committee Chair entertained a motion to adjourn the meeting at 10:55 a.m.

SO RECORDED:

Todd Furniss
Todd Furniss (Aug 19, 2026 12:14:10 CDT)
Todd Furniss, JD
Committee Chair

Brad Nitschke
Brad Nitschke (Aug 3, 2026 15:32:18 CDT)
Brad Nitschke, JD
Assistant Secretary

Active Litigation Matters, June 2026

NEW Matters:

Gustavo Lopez v. Dallas County Hospital District d/b/a Parkland Health & Hospital System
Filed 03/16/2026 — Judge Sam A. Lindsey, USDC, NDTX (Dallas Division)

Julius Bamibe v. Dallas County Hospital District dba Parkland Memorial Hospital & Angela Grant
Filed 05/19/2026 - Hon. Tonya Parker, 116th Civil District Court (Dallas)

Dorothy Marshall Living Trust v. Linebarger, et al.
Filed 04/23/2026 — Judge Sam A. Lindsey, USDC, NDTX (Dallas Division)

Ongoing Matters:

Dallas County Hospital District v. Haley Burr, et. al. (N5)
Filed 12/14/2023 — Hon. Staci Williams, 101st Civil District Court (Dallas)

Dallas County Hospital District v. Shiftwise, Inc., et. al.
Filed 07/01/2025 — Hon. Martin Hoffman, 68th Civil District Court (Dallas)

Dallas County Hospital District v. BARA, a Joint Venture
Filed 02/01/2024 — Hon. Maria Aceves, Presiding, 192nd Civil District Court (Dallas)

Alejandrino Lopez v. Dallas County Hospital District d/b/a Parkland Health System d/b/a Parkland Memorial Hospital
Filed 05/29/2025 — Assigned: Chief Dist. Judge Amos L. Mazzant; Referred: Magistrate Judge Bill Davis, USDC, EDTX (Sherman Division)

Leticia Moreno, Individually and as Representative of the Estate of Juan Valenzuela, Deceased, and as Next Friend of D.V.M., vs. Dallas County Hospital District d/b/a Parkland Health and The University of Texas Southwestern Medical Center
Filed 12/05/2024 — Hon. Tonya Parker, 116th Civil District Court (Dallas)

Resolving Matters:

Construction Cleaning, Inc. v. Dallas County Hospital District
Filed 03/12/2024 — Hon. Sally Montgomery, County Court at Law No. 3 (Dallas)

Alvah Johnson and Theodore Bramble v. DCHD
Filed 07/13/2023 — Judge Ada Brown, USDC, NDTX (Dallas Division)

US ex rel Chase v. UT Southwestern Medical Center, Parkland Health & Hospital System, et al.
Filed 03/28/2023 — Judge Jason K. Pulliam, USDC, WDTX (San Antonio Division)

Resolved:

Hyde, Jason J. v. Dallas County

Filed 12/18/2024 — Judge Dale Tillery, 134th Civil District Court (Dallas)

Brandon Norwood v. Dallas County Hospital District
Filed 07/05/2023 — District Judge Karen Gren Scholer, USDC, NDTX (Dallas Division)