Minutes of the Budget and Finance Committee meeting of the Board of Managers of the Dallas County Hospital District, held Tuesday, September 27, 2022, scheduled for 11:30 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 Ramon Miguez, PE, noted that a quorum was physically present and called the meeting to order at 11:40 a.m. Committee members Eric G. Bing, MD, PhD, and John Proctor were present. Committee member Lisa Sutter attended via Webex.

Committee member Don O'Bannon, Esq, was not present.

Board Member attendees included: Reina Gonzalez, JD. Chair Marge Petty arrived at 11:50am.

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

Adriana Hinojosa, Supplier Diversity Program Manager
April Audain, VP UT Contracts Admin (in-person)
Bennie Miller, Manager Supplier Diversity
Donna Richardson, EVP & Chief Nursing Executive
Edmundo Castañeda, EVP & Chief Operating Officer
Felicia Miller, SVP & Chief Talent Officer
Forrest Stovall, Governance Program Manager (in-person)
Fred Cerise, President & Chief Executive Officer (in-person)
Guy Toliver, Director Inclusion-Supply Diversity
Jared Ginter, VP Institutional Risk Management
Joe Longo, SVP Chief Information Officer
Joe Mayer, Treasury Director
John Raish, SVP Support Services
Keri Disney-Story, VP Clinical Finance
Pam Bryant, SVP Chief Supply Chain Officer (in-person)
Rick Humphrey, EVP & Chief Financial Officer (in-person)
Roberto de la Cruz, EVP & Chief Clinical Officer (in-person)
Steven Roth, EVP & Chief Legal Officer (in-person)
Tabitha Lee, VP Finance/Controller
Vic Summers, SVP Chief Audit Officer

II. Mission Statement

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

III. Public Comments Regarding Agenda Items

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

IV. Conflicts of Interest

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

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

A. Approve Contracts over $200,000

Pam Bryant reviewed the briefing documents for contracts over $200,000. (See Appendix A of these minutes for more specific details on each contract.) Discussion of non-sole source contracts was first. Pam Bryant provided a brief overview of each contract and highlighted the MWBE participation. Next, Pam reviewed the sole source contracts. She reviewed each contract, providing a summary of the services and MWBE participation.

The Committee Chair requested to remove the FY22 MSA Modification #2 for approval until after Executive Session.

The Committee asked questions and received further information related to the Contracts over $200,000.

Eric G. Bing, MD, PhD, motioned to recommend Board approval of Contracts over $200,000. John Proctor seconded the motion. The motion passed unanimously.

B. Approve Capital Substitutions

Rick Humphrey presented five Capital Substitutions for approval to the Committee:

- Surveillance System Camera System Replacement for $510,339
- Phillips MX 700 Intellivue Patient Monitors (36) for $670,387
- 2210 Butler Street Purchase for $3,200,000
- Replacement of Toshiba BiPlane IR Equipment for $3,678,675
- Replacement of Rapid Infusion Warmers (6) for $208,800

Eric G. Bing, MD, PhD, motioned to recommend Board approval of Capital Substitutions. John Proctor seconded the motion. The motion passed unanimously.

C. Discuss Contract Approval Policy

The Committee Chair noted the Contract Approval Policy is an item on the Board Action Plan and management is working on recommendations to update the policy.

D. Parkland Financial Performance Presentation

Rick Humphrey reviewed the financial results for August 2022 and discussed significant performance variances.

For the month of August, Parkland Health recognized a net income of $6.2M which is ($2.5M) unfavorable to the budgeted net income of $8.7M and a favorable change of $2.2M compared to the prior year net income of $4.0M.

Parkland Health's operating margin and operating cash flow margin for the month of August are 2.5% and 5.5%, respectively. The operating margin unfavorable compared to budget of 3.7% and the operating cash flow margin is also unfavorable compared to budget of 7.6%. Parkland Health's operating margin is favorable compared to the prior year operating margin of 0.7% and favorable to the operating cash flow margin of 4.5% from the prior year.
Parkland Health's patient cash collections in August were $100.7M which is above budget by $7.8M and $29.5 higher than the prior year. Parkland Health's days cash on hand of 184 days for the month is a decrease of 8 days compared to prior month of 193 days and greater compared to the prior year August of 162 days an increase of 22 days.

Rick Humphrey reviewed the income statement for August 2022 noting the variances to budget. Rick noted the variances for Net Patient Revenues, Salaries and Benefits, and Government Program revenues.

The Committee asked questions and received further information related to the Financial Performance Presentation. Specifically, the Committee asked questions and received further information related to contract labor spend.

Lastly, Rick reviewed the Key Metrics for the system. Rick noted the only negative variance to budget is the case mix.

The Committee asked questions and received further information related to the Key Metrics. Specifically, the Committee asked questions and received further information related to the Average Daily Census and demand for inpatient services. The Committee also asked questions and received further information related to the upward trend in births at Parkland compared to the regional downward trend.

VI. Executive Session

At 12:53 p.m., the Committee went into Executive Session as permitted by the closed meeting exceptions specified on the agenda.

A. Discussion of Master Service Agreement for Physician Services FY22 & FY23 Contract Update

Members of management in executive session attendance included:

April Audain, Donna Richardson, Edmundo Castañeda, Felicia Miller, Forrest Stovall, Fred Cerise, Pam Bryant, Rick Humphrey, Roberto de la Cruz, Steve Roth, and Vic Summers

The Committee reviewed information regarding the agenda items presented by management and asked additional questions and received answers.

At 1:24 p.m., the Committee moved into Open Session.

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

A. Approve Contracts over $200,000

The Committee Chair introduced Contract FB-S1, Mod #2 FY22 Master Services Agreement, for approval.

Eric G. Bing, MD, PhD, motioned to recommend Board approval of Contract FB-S1. John Proctor seconded the motion. The motion passed unanimously.

VIII. Adjourn

With no further business to discuss, the Committee Chair adjourned the meeting at 1:25 p.m.

SO RECORDED:

RFMA
RFMA (Oct 27, 2022 15:08 CDT)

Ramon Miguez, PE
Committee Chair

Steven J Roth
Steven J Roth (Oct 26, 2022 17:51 CDT)

Steve Roth, JD, MPH
Assistant Secretary

Appendix A (Contracts Reviewed for Approval)

Item	Page No.	Contract Type	Service or Product	Supplier	Contract Term	Current Contract Approval Amount Request	New Approved Contract Value	Selection Method	Budgeted?	Business Owner / Dept.	MWBE %	MWBE Gender	MWBE Ethnicity
													September 28, 2022
NON-SOLE SOURCE CONTRACTS - Sorted by Size													
N1		Expense	Health Information Management (HIM) coding services	CODEMED, Inc;Managed Resources;Diskriter, Inc.;GDiT2 Medical Coding and Billing Services LLC;IdeaCentre HIM Solutions;KIWI-TEK, Inc.;Maxim Healthcare Staffing Services, Inc;Norwood Staffing Solutions, LLC;OnPoint Healthcare Solutions;Oxford Global	10/1/2022 - 9/30/2027	$7,500,000	$7,500,000	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Lakeysha Moore, Health Information Management	See MWBE Table	See M/WBE Table	See M/WBE Table
N2		Expense	Window Cleaning Services	Construction Cleaning Inc.	10/1/2022 - 9/30/2027	$3,546,761	$3,546,761	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Eric Walker, Environmental Services	100%	Female	Caucasian
N3		Capital	Netsync Network Refresh Phase 3	Netsync Network Solutions, Inc.	Last Signature - 9/30/2023	$3,498,480	$3,498,480	TXMAS or DIR Purchase	Yes	Darren Jones, Information Technology	100%	Female	Hispanic
N4		Expense	Mod #1 Enterprise Resource Planning (ERP) Consulting Services	Gartner, Inc.	10/16/2016 - No Expiration	$500,000	$500,000	Non-Sole Source Modification	Yes	Cynthia Hamilton, LeMar Oleson, Information Technology	0%	N/A	N/A
N5		Expense	Laundry Chiller Refurbish	Trane U.S. Inc.	Last Signature - 3/26/2023	$299,862	$299,862	GPO Purchase	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Shabretta Manning, Engineering Services	0%	N/A	N/A
N6		Expense	Mod #1 Multiple Award Task Order Contract (MATOC) IT Cabling	EPS Logix, Inc., Real Network Services, Inc.	8/1/2022 - 7/31/2025	$182,000	$372,000	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Deborah Johnson, Information Technology	See M/WBE Table	See M/WBE Table	See M/WBE Table
N7		Expense	Mod #5 Water Treatment Services & Materials	Suez WTS Services USA, Inc.	7/1/2018 - 6/30/2023	$162,525	$642,525	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Travis Kobernick, Clinical Engineering	0%	N/A	N/A
N8		Revenue	Mod #2 Multi-Disciplinary Behavioral Health Response Team	The City of Garland, Texas	10/1/2021 - 9/30/2023	($125,832)	($247,579)	Non-Sole Source Modification	N/A-Revenue	Melody Gardner, Emergency Services Administration	N/A	N/A	N/A
N9		Revenue	uniform shop management	WP Operations, Inc. d/b/a Scrubs, Etc.	10/1/2022 - 9/30/2027	($1,500,000)	($1,500,000)	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Jay Dyck, Linen Services	100%	Female	Caucasian

Appendix A (Continued)

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SOLE SOURCE CONTRACTS - Sorted by Size													
S1		Expense	FY23 Agreement of Cooperation for County to provide health care services reimbursable by Parkland	Dallas County	10/1/2022 - 9/30/2023	$11,293,787	$11,293,787	Sole Source	Yes	Tabitha Lee, Finance Administration	N/A	N/A	N/A
S2		Expense	Back-up / Outsourced Colonoscopy & Endoscopy services to Parkland's unfunded patients	GI Alliance / United Surgical Partners International (USPI)	10/1/2022 - 9/30/2023	$3,100,000	$3,100,000	Sole Source	No, funded through substitution	Donna Hale, Perioperative and Procedural Services	0%	N/A	N/A
S3		Expense	Mod #8 Clinical Services – Part A Expense	The University of Texas Southwestern Medical Center	10/1/2014 - 9/30/2023	$811,112	$6,666,952	Sole Source Modification	Yes	April Audain, Finance Administration	N/A	N/A	N/A
S4		Expense	Mod #3 Two Month Extension of DART Transit Shuttle Service	Dallas Area Rapid Transit (DART)	8/17/2015 - 10/31/2022	$402,956	$11,991,326	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Chief Marlin Suell, Police Department & Parking Services	0%	N/A	N/A
S5		Expense	Mod to Add Funds Interventional and On-Control Products	Teleflex, LLC	5/1/2019 - 2/28/2023	$309,000	$1,009,158	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Pam Bryant, Supply Chain	0%	N/A	N/A
S6		Capital	Panther Plus System	Hologic, Inc.	10/23/2022 - 10/22/2025	$300,000	$300,000	Sole Source	Yes	Bernie Buenvenida, Clinical Engineering	0%	N/A	N/A
S7		Expense	Mod #2 Orthopedic Implants	Wright Medical	7/1/2014 - 9/30/2024	$110,000	$656,500	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Surgical Services Administration	0%	N/A	N/A
S8		Expense	Mod #3 amendment and extend professional services	Prominence Advisory Inc	7/28/2021 - 12/31/2022	$52,890	$250,305	Sole Source Modification	Yes	Carla Russell and James Gaston, Information Technology	0%	N/A	N/A
S9		Revenue: Court Approval	Mod #3 3rd Amendment to Lease Agreement – 5200 Harry Hines Blvd (Telecom Agreement)	City of Dallas	7/17/2017 - 1/31/2033	($1,000)	($3,000)	Sole Source Modification	N/A-Revenue	Beall Carothers, Planning Design & Construction	N/A	N/A	N/A
S10		Revenue	Mod #2 UTSW Parking Agreement	University of Texas Southwestern Medical Center	10/1/2019 - 5/17/2027	($982,670)	($1,842,670)	Sole Source Modification	N/A-Revenue	David Gonzalez, Beall Carothers , Real Estate Development	N/A	N/A	N/A
S11		Revenue	Mod #8 Clinical Services – Part B Revenue	The University of Texas Southwestern Medical Center	10/1/2014 - 9/30/2023	($2,102,937)	($15,323,128)	Sole Source Modification	N/A-Revenue	April Audain, Finance Administration	N/A	N/A	N/A
CONTRACTS AWARDED WITHOUT COMPETITION (OTHER) - Sorted by Size													
O1		Expense	Mod #1 extend term and add funds for consulting auditing services	Protiviti Inc	9/28/2021 - 9/27/2023	$199,980	$389,980	Contract Extension without Competition	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Melanie Roberts & Mary Lea Holmes, Compliance	0%	N/A	N/A
O2		Expense	Mod #2 Medical Answering Services	New Orleans Teleport, Inc. d/b/a CALLS PLUS	10/1/2016 - 9/30/2023	$121,225	$419,725	Contract Extension without Competition	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Eden Pineda, COPC Administration	0%	N/A	N/A
DEVIATION/RATIFICATION													

Appendix A (Continued)

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D1		Expense: Court Approval-Approved Deviation	Purchase of +/-1.1 Acres of Land located at 2210 Butler Street, Dallas, Texas	Pappas Harris Properties, LLC	Last Signature - 50 Days	$3,150,000	$3,150,000	Real Estate – Exemption	No, unbudgeted capital request pending	Beall Carothers, Planning Design & Construction	N/A	N/A	N/A
D2		Capital-Approved Deviation	Faxitron Path+ 43x43	Hologic, Inc.	Last Signature - 1 Year	$234,000	$234,000	TXMAS or DIR Purchase	Yes	Patrick Eaton, Clinical Engineering	0%	N/A	N/A

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													September 28, 2022
SOLE SOURCE CONTRACTS - Sorted by Size													
FB-S1		Expense	Mod #2 FY22 Master Services Agreement	The University of Texas Southwestern Medical Center	10/1/2021 - 9/30/2022	$640,835	$242,873,442	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Roberto de la Cruz, MD, UT Contracts Administration	0%	N/A	N/A

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NON-SOLE SOURCE CONTRACTS - Sorted by Size													
FB-N1		Revenue	EMS Medical Control	City of Dallas Fire & Rescue	10/12/2022 - 10/11/2029	($26,015,102)	($26,015,102)	N/A-Revenue	N/A-Revenue	Melody Gardner, Emergency Services	N/A	N/A	N/A