Minutes of the Audit Committee meeting of the Board of Managers of the Dallas County Hospital District, held Wednesday, February 8, 2023, scheduled for 12:30 p.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

Chair Marjorie Petty, JD, noted that a quorum was physically present and called the meeting to order at 12:30 p.m. Committee member Elizabeth Palacios, MD, attended in-person. Committee member Todd Furniss, JD, was not present. Board member Reina Gonzalez, JD, was appointed to the committee for quorum.

Board Member attendees included: Reina Gonzalez, JD; and Lisa Sutter.

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

Amy LaBarge, Director Internal Audit
April Audain, VP Contracts Administration
Carolyn Foster, Deputy General Counsel (in-person)
Carrie Berge, VP Pharmacy Services
DeLancey Johnson, SVP Associate Chief Talent Officer
Donna Richardson, EVP & Chief Nursing Executive
Edmundo Castañeda, EVP & Chief Operating Officer
Erik Rahman, Director Regulatory Compliance & Privacy Officer
Felicia Miller, EVP & Chief Talent Officer
Forrest Stovall, Governance Program Manager (in-person)
Fred Cerise, President & Chief Executive Officer (in-person)
Joe Mayer, Treasury Director
John Raish, SVP Support Services
Judy Herrington, SVP Nursing
Karen Garvey, VP Safety & Clinical Risk Management
Kellee Boardingham, Executive Assistant (in-person)
Margaret Palmer, VP Professional Medical Affairs
Melanie Roberts, SVP Chief Compliance & Ethics Officer
Michael Horne, CEO, Parkland Foundation
Rick Humphrey, EVP Chief Financial Officer (in-person)
Roberto de la Cruz, EVP Chief Clinical Officer
Saul Cordero, Chief Governance Officer (in-person)
Steven Roth, EVP & Chief Legal Officer (in-person)
Tabitha Lee, VP Finance/Controller
Tawana McCullough, Sr. Director Shared Services & Benefits
Vic Summers, SVP Internal Audit (in-person)
Vivian Johnson, SVP Clinical Support Services

Other Attendees:
Abby Tonne, FORVIS
Chris Clark, FORVIS
John Miscavage, Lori K. Orta, PC
Lori K. Orta, Lori K. Orta, PC

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. Parkland's Foundation Financial Statements and Independent Auditor's Report, Fiscal Year 2022

Lori Orta presented the Parkland Foundation Audit Report. She reported an overall clean, unmodified opinion. Lori also shared there were no difficulties in performing the audit, no disagreements with management, no "second opinion" shopping, and no audit adjustments made. Next, John Miscavage reviewed the Financial Statements and noted material changes from the previous fiscal year.

The Committee asked questions and received further information related to Parkland's Foundation Financial Statements and Independent Auditor's Report, Fiscal Year 2022.

B. DCHD Financial Statement Audit, Fiscal Year 2022

Chris Clark presented the 2022 DCHD Financial Statement Audit. He presented an overall clean, unmodified opinion. He also reported no material weaknesses or significant deficiencies in internal controls for financial reporting. He reviewed the Audit Risk Areas & Key Disclosures and Financial Statement Adjustments, then reviewed the Financial Statements and Financial Statement Adjustments. Lastly, he presented key metrics and benchmarks compared to similar organizations.

The Committee asked questions and received further information related to the DCHD Financial Statement Audit, Fiscal Year 2022.

C. Open Session Audit Follow-up Summary and Report

Vic Summers provided an update on the Open Session Audit Follow-up Summary and Report. He also noted a new column was added to the report which shows what risk is being tracked.

The Committee asked questions and received further information related to the Open Session Audit Follow-up Summary and Report.

D. Audit Report Summary

i. Employee Health Plan Audit, Report No. 22-01
ii. Procurement and Contracting Audit, Report No. 22-03
iii. UTSW Master Service Agreement – CVTS Process Audit, Report No. 22-16
iv. Physical Inventory - Fiscal Year 2022 Audit, Report No. 22-11

Vic Summers reported on the Audit Report Summary. He reviewed each open audit and identified areas of improvement.

The Committee asked questions and received further information related to the Audit Report Summary

VI. Executive Session

At 1:30 p.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.

Members of management in executive session attendance included:

Amy LaBarge, Carolyn Foster, Donna Richardson, Edmundo Castañeda, Felicia Miller, Forrest Stovall, Fred Cerise, Kellee Boardingham, Melanie Roberts, Rick Humphrey, Roberto de la Cruz, Saul Cordero, Steve Roth, and Vic Summers

A. Executive Session Audit Follow-up Report

B. Audit Reports Summary
i. UTSW Contract Medical Documentation, Report No. 21-19
ii. HIPAA Privacy Audit, Report No. 22-18
iii. COVID-19 Waivers – Post Public Health Emergency Audit, Report No. 22-04

C. Consultation with Attorney regarding:
i. Legal Representation
ii. Status of litigation, claims and settlements

D. Independent Briefing with Audit Committee (Verbal)

The Committee adjourned the executive session at 2:05 p.m.

VII. Adjourn

With no further business to discuss, Chair Marjorie Petty, JD, adjourned the meeting at 2:06 p.m.

SO RECORDED:

Marjorie D. Petty
Marjorie D. Petty (Apr 9, 2023 16:01 CDT)

Marjorie Petty, JD
Chair

Steven Roth
Steven Roth (Apr 4, 2023 14:41 CDT)

Steve Roth, JD, MPH
Assistant Secretary