Minutes of the Audit Committee meeting of the Board of Managers of the Dallas County Hospital District, held Tuesday, June 27, 2023, 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 member Ramon Miguez, PE, attended in-person. Committee member Elizabeth Palacios, MD, attended virtually.

Board Member attendees included: Chair Marjorie Petty, JD (joined at 10:12 a.m.); Byron Cryer, MD; and Vincent Hall.

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

Amy LaBarge, Director Internal Audit
Brian Green, Operations Manager Supply Chain
Carolyn Foster, Deputy General Counsel (in-person)
Donna Richardson, EVP & Chief Nursing Executive
Ellena Fox, Sr. Manager Supply Chain Operations
Forrest Stovall, Governance Program Manager (in-person)
Fred Cerise, President & Chief Executive Officer (in-person)
Joe Chin-Kuo Lo, Manager Purchasing
Mary Alexander, Director Supply Chain Informatics
Melanie Roberts, SVP Chief Compliance & Ethics Officer
Michael Lane, SVP Chief Quality & Safety Officer
Pamela Bryant, SVP Chief Supply Chain Officer
Rick Humphrey, EVP Chief Financial Officer (in-person)
Roberto de la Cruz, EVP Chief Clinical Officer
Saul Cordero, Chief Governance & Strategy Officer (in-person)
Steven Roth, EVP & Chief Legal Officer (in-person)
Vic Summers, SVP Internal Audit (in-person)

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. Fiscal Year 2023 Audit Plan Update

Vic Summers presented the Fiscal Year 2023 Audit Plan Update to the Committee. He reviewed the status of each open audit and noted which audits are completed.

The Committee asked questions and received further information related to the Fiscal Year 2023 Audit Plan Update.

B. Fiscal Year 2023 Mid-Year Report

Vic Summers presented the Fiscal Year 2023 Mid-Year Report to the Committee. First, he reviewed the Performance Ratings for the completed audits. Next, he reviewed the audits that are currently in-progress. Vic also reviewed the Time Summary and Financial Performance metrics on the Mid-Year Report.

The Committee asked questions and received further information related to the Fiscal Year 2023 Mid-Year Report. The Committee also asked questions and received additional information related to the approval process for an unbudgeted Full Time Employee (FTE).

C. Audit Committee Charter – Annual Approval

Vic Summers presented the Audit Committee Charter for Board approval. There are no material recommended changes.

Ramon Miguez, PE, motioned to recommend Board approval of the Audit Committee Charter. Todd Furniss, JD, seconded the motion. The motion passed unanimously.

D. Audit Charter – Annual Approval

Vic Summers presented the Audit Charter for Board approval. There are no material recommended changes.

Ramon Miguez, PE, motioned to recommend Board approval of the Audit Charter. Todd Furniss, JD, seconded the motion. The motion passed unanimously.

E. Fiscal Year 2024 Internal Audit Budget – Action

Vic Summers presented the Fiscal Year 2024 Internal Audit Budget for Board approval. Vic noted the increase in salaries is due to market adjustments for current positions; no new positions were added.

The Committee asked questions and received additional information related to the organizational structure of the internal audit function. The Committee Chair requested this be added as an agenda topic at the next Audit Committee meeting.

Ramon Miguez, PE, motioned to recommend Board approval of the Fiscal Year 2024 Internal Audit Budget. Elizabeth Palacios, MD, seconded the motion. The motion passed unanimously.

F. Open Session Audit Follow-up Summary and Report
Vis Summers presented the Open Session Audit Follow-up Summary and Report. He noted zero audits were closed in the current period for Open Session audits.

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

G. Audit Report Summary
Vic Summers presented the Audit Report Summary.

i. Lower Unit of Measure (LUM) Audit, Report No. 23-05
Vic Summers reviewed Report No. 23-05. He discussed the findings of the audit and the issues identified. When items are identified as purchased but not received, the vendor provides the items.

The Committee asked questions and received additional information related to the findings of Report No. 23-05.

VI. Executive Session

At 10:49 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.

Members of management in executive session attendance included:

Carolyn Foster, Donna Richardson, Forrest Stovall, Fred Cerise, Melanie Roberts, Rick Humphrey, Roberto de la Cruz, Saul Cordero, Steve Roth, and Vic Summers

A. Executive Session Audit Follow-up Report

B. Consultation with Attorney Regarding:
   i. Status of litigation, claims, and settlements

C. Independent Briefing with Audit Committee (Verbal)

The Committee adjourned the executive session at 11:10 a.m.

VII. Adjourn

With no further business to discuss, Committee Chair Todd Furniss, JD, entertained a motion to adjourn the meeting at 11:10 a.m.

Ramon Miguez, PE, motioned to adjourn the meeting. Todd Furniss, JD, seconded the motion. The motion passed unanimously.

SO RECORDED:

Todd Furniss
Todd Furniss (Jul 28, 2023 15:23 CDT)

Todd Furniss, JD
Committee Chair

Steven Roth
Steven Roth (Aug 5, 2023 12:48 CDT)

Steve Roth, JD, MPH
Assistant Secretary