Minutes of the Budget and Finance Committee meeting of the Board of Managers of the Dallas County Hospital District, held Tuesday, March 26, 2024, 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 11:30 a.m. Committee member Eric G. Bing, MD, PhD attended in-person. Committee member Lisa Sutter attended via Webex. Board member Vincent Hall was appointed for quorum.

Committee member John Proctor; did not attend.

Board Member attendees included: Chair Marjorie Petty, JD (arrived at 11:35am)

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

Anthony Davis, Dir., Financial Ops
Anthony Tarango, Mgr., Nursing
Donna Richardson, EVP & Chief Nursing Executive
Felicia Miller, EVP & Chief Talent Officer
Forrest Stovall, Governance Program Manager
Fred Cerise, President & Chief Executive Officer
Gerry Baker, SVP/ Revenue Cycle
John Raish, SVP/Support Services
Joseph Longo, SVP Chief Information Officer
Kellee Boardingham, Executive Assistant
Melanie Roberts, SVP Chief Compliance & Ethics Officer
Pam Bryant, SVP Chief Supply Chain Officer
Rick Humphrey, EVP & Chief Financial Officer (Webex)
Roberto de la Cruz, EVP & Chief Clinical Officer
Saul Cordero, SVP & Chief Governance & Strategy Officer
Steven Roth, EVP & Chief Legal 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.

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

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

B. Approve Capital Substitutions

Anthony Davis presented one capital substitution regarding Infusion Pump Fleet Replacement, for approval. The Capital Substitution total was $1,662,912.

The Committee asked questions and received additional information related to Capital Substitutions.

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

C. Parkland Financial Performance Presentation

Rick Humphrey reviewed the financial results for February 2024 and discussed significant performance variances.

For the month of February, Parkland Health recognized a net income of $11.2M which is $2.6M favorable to the budgeted net income of $8.6M and $1.5M favorable compared to the prior year net income of $9.7M.

Parkland Health's operating margin and operating cash flow margin for the month of February are 2.7% and 6.1%, respectively. The operating margin was favorable compared to budget of 0.8% and the operating cash flow margin is favorable compared to budget of 4.1%. Parkland Health's operating margin is favorable compared to the prior year operating margin of 2.6% and unfavorable to the operating cash flow margin of 6.2% from the prior year.

Parkland Health's patient cash collections in February were $79.9M which is lower than budget by ($14.0M) and ($1.5M) below the prior year. Parkland Health's days cash on

hand of 242.5 days for the month is an increase of 38.4 days compared to prior month of 204.1 days and compared to the prior year February of 220.2 days, an increase of 22.4 days.

The Committee asked questions and received further information related to the Income Statements.

Next, Rick reviewed the Key Statistics and Operational Performance metrics for the month of February (FYTD). Hospital Discharges and Average Daily Census had positive variances to budget. He also noted a strong Case Mix and favorable collection rates. Rick also discussed the organizational impact of the Change Healthcare cyber-attack and the likelihood of a decline in government programs in FY25.

The Committee asked questions and received further information related to the Key Statistics.

A. **Adjourn**

With no further business to discuss, Committee Chair Ramon Miguez, PE, adjourned the meeting at 12:38 p.m.

SO RECORDED:

RFMA
RFMA (Apr 26, 2024 11:36 CDT)

Ramon Miguez, PE
Committee Chair

Steven J Roth
Steven J Roth (Apr 27, 2024 12:57 CDT)

Steven 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
													March 27, 2024
NON-SOLE SOURCE CONTRACTS - Sorted by Size													
N1		Capital	Construction Manager at Risk (CMAR) for Vickery Clinic	Russell + Post L Joint Venture	4/1/2024 - 9/30/2025	$22,551,400	$22,551,400	Request for Proposals (Best Value)	Yes	Laura Adair, Parkland Design and Construction	30%	TBA	TBA
N2		Expense	Mod #6 Extension of Third-Party Administration for Retirement Benefit Plan.	Milliman Inc.	4/1/2013 - 9/30/2025	$1,726,671	$25,411,871	Non-Sole Source Modification	Yes	Tawana McCullough, Office of Talent Management	0%	N/A	N/A
N3		Expense	Mod #5 Level III armed guard service for new security screening services	Vets Securing America	1/1/2022 - 12/31/2024	$1,114,156	$2,432,738	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Marlin Suell, Police Department	0%	N/A	N/A
N4		Expense	Operational Reports	Prominence Advisors, LLC	3/27/2024 - 3/26/2027	$990,000	$990,000	Request for Proposals (Low Price/Tech Accept)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Adam Taufique, Information Technologies	0%	N/A	N/A
N5		Capital	Behavior Health Beds	Sizewise Rentals, LLC	Last Signature - 4/3/2025	$215,784	$215,784	GPO Purchase	Yes	Patrick Eaton, Clinical Engineering	0%	N/A	N/A

Appendix A (Continued)

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SOLE SOURCE CONTRACTS - Sorted by Size													
S1		Expense	New 3-year agreement for Cepheid COVID, respiratory, and non-respiratory assays testing	Cepheid	4/1/2024 - 3/31/2027	$5,800,000	$5,800,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Kristi Morgan/Tim Lenz, Microbiology/Pathology	0%	N/A	N/A
S2		Expense	Mod #5 SAP Analytics & Digital Boardroom License	SAP	11/19/2020 - No Expiration	$2,906,904	$3,492,531	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Adam Taufique / James Gaston, Information Technology	0%	N/A	N/A
S3		Expense	Mod #4 Endoprosthesis Vascular Stents and Implants	W. L. Gore & Associates, Inc.	5/1/2021 - 4/30/2026	$2,613,000	$7,206,000	Sole Source Modification	Yes, for the current fiscal year. Additional years' costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan and John Camacho, Operating Room and Interventional Radiology	0%	N/A	N/A
S4		Expense	Mod #5 Craniomaxillofacial (CMF) Implants	Stryker Sales, LLC.	11/1/2020 - 12/31/2025	$1,349,000	$2,998,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Operating Room	0%	N/A	N/A
S5		Expense	Trauma Implants and Accessories	OsteoCentric Technologies, Inc	4/1/2024 - 3/31/2027	$1,187,000	$1,187,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Perioperative Services	0%	N/A	N/A
S6		Expense	Orthopedic and Trauma Supplies	Acumed	4/1/2024 - 3/31/2028	$646,400	$646,400	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Perioperative Services	0%	N/A	N/A
S7		Expense	Wound vac rentals for hospital-at-home patients	KCI USA, Inc	5 days after Last Signature - 4 years	$401,576	$401,576	Sole Source	Yes	Alissa Tran, Hospital at Home	0%	N/A	N/A
S8		Expense	Genetic Testing Laboratory Services funding	Foundation Medicine Inc	3/28/2024 - 3/27/2025	$350,000	$350,000	Sole Source	Yes	Scott Hampton/ Fidel Ramirez, Laboratory Services	0%	N/A	N/A
S9		Expense	Mod #3 Endoflip Capital and Disposables	Covidien Sales LLC	Last Signature - 12/31/2024	$304,568	$494,568	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Gastroenterology Lab	0%	N/A	N/A

Appendix A (Continued)

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S10		Expense	Mod #4 Blanketrol III and EnsoETM Purchase Agreement	Advanced Cooling Therapy Inc.	8/6/2021 - 8/5/2026	$300,001	$500,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Electrophysiology Lab	0%	N/A	N/A
S11		Expense	Mod to Add Funds Neuro Interventional Products	Medtronic USA, Inc.	10/24/2018 - 10/31/2024	$285,000	$1,713,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	John Camacho, Interventional Radiology	0%	N/A	N/A
S12		Expense	Ellipsys Capital Equipment and Disposable Products	Medtronic	Last Signature - 3 Years	$270,000	$270,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Perioperative Services	0%	N/A	N/A
S13		Expense	Genetic Testing Laboratory Services funding	Genomic Health Inc	3/28/2024 - 3/27/2025	$250,000	$250,000	Sole Source	Yes	Scott Hampton/ Fidel Ramirez, Laboratory Services	0%	N/A	N/A
S14		Expense	Mod to Add Funds WavelinQ Catheters	Bard Peripheral Vascular, Inc.	4/4/2020 - 2/26/2025	$143,000	$339,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	John Camacho, Interventional Radiology	0%	N/A	N/A
S15		Expense	Mod to Add Funds Venaseal & ClosureFast Products	Medtronic USA, Inc.	12/24/2019 - 12/23/2024	$54,000	$253,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	John Camacho, Interventional Radiology	0%	N/A	N/A
DEVIATION/RATIFICATION													
D1		Expense-Approved Deviation	FDA Remediation Plan and Fleet Refresh	CareFusion Solutions, LLC	3/15/2024 - 12/31/2024	$1,662,912	$1,662,912	GPO Purchase	No, CAP contingency funds and substitution	Donna Richardson, Nursing Administration	0%	N/A	N/A