Minutes of the Budget and Finance Committee meeting of the Board of Managers of the Dallas County Hospital District, held Tuesday, May 21, 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 11:32 a.m. Committee members Eric G. Bing, MD, PhD, John Proctor and Farida Minner, RN, who was appointed for quorum, attended in-person.

Committee member Byron Cryer, MD, attended via Webex.

Board Member attendees included: Vincent Hall

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

Anthony Tarango, Mgr., Nursing
April Audain, , VP-UT Contracts Admin
Donna Richardson, EVP & Chief Nursing Executive
Edmundo Castaneda, EVP & COO
Fred Cerise, President & Chief Executive Officer (via Webex)
Gerry Baker, SVP/ Revenue Cycle
Guy Toliver, Dir. Inclusion-Supply Diversity
Jessica Hernandez, SVP & Chief DEI Officer
Joseph Longo, SVP Chief Information Officer
Keri Disney-Story, VP/Clinical Finance
Mary Lea Holmes, VP/Compliance Oversight
Morgan Simmons, Governance Program Coordinator
Pam Bryant, SVP Chief Supply Chain Officer
Rick Humphrey, EVP & Chief Financial Officer (via Webex)
Roberto de la Cruz, EVP & Chief Clinical Officer
Saul Cordero, SVP & Chief Governance & Strategy Officer
Steven Roth, EVP & Chief Legal Officer
Vic Summers, SVP Internal Audit

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.

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

April Audain presented the capital substitutions for the month of May. April presented the first substitution amount of $368,835 regarding the replacement of endoscopy tower components, for approval. April presented the next substitution amount of $1,000,000 regarding equipment and instrumentation for the DaVinci lease, for approval. Lastly, April presented the substitution amount of $598,350 regarding the preventative health mobile units. These substitutions totaled to $1, 967,185.

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

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

C. Parkland Financial Performance Presentation

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

For the month of April, Parkland Health recognized a net income of $3.9M which is $2.7M unfavorable to the budgeted net income of $6.6M and $4.5M unfavorable compared to the prior year net income of $8.4M.
Parkland Health's operating margin and operating cash flow margin for the month of April are 0.2% and 3.5%, respectively. The operating margin was favorable compared to budget of (0.1%) and the operating cash flow margin is favorable compared to budget of 3.2%. Parkland Health's operating margin is favorable compared to the prior year

operating margin of (0.6%) and favorable to the operating cash flow margin of 2.7% from the prior year.
Parkland Health's patient cash collections in April were $131.5M which is higher than budget by $36.6M and $47.6M above the prior year. Parkland Health's days cash on hand of 236.5 days for the month is an increase of 0.3 days compared to prior month of 236.2 days and compared to the prior year April of 251.6 days, a decrease of (15.1) 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 April (FYTD). Rick mentioned in regard to revenue there was good volume and gross patient revenue for the month. April exceeded our budget and discharges. Length of stay was unfavorable; however ER visits is nearly 4% better than the previous year. Rick mentioned the ransomware attack from February which impacted billing, posting collections and patient verifications/intake for billing purposes, therefore our cash was impacted into March, but cash collections steadied and increased in April.

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 12:37 p.m.

SO RECORDED:

RFMA
RFMA (Jul 1, 2024 14:07 CDT)

Ramon Miguez, PE
Committee Chair

Steven J Roth
Steven J Roth (Jul 3, 2024 11:43 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
													May 22, 2024
NON-SOLE SOURCE CONTRACTS - Sorted by Size													
N1		Expense	Courier Services for the Hospital system	Eagle Express	6/1/2024 - 5/31/2029	$1,392,256	$1,392,256	Request for Proposals (Best Value)	Yes	Pam Bryant, Supply Chain	0%	N/A	N/A
N2		Expense	Mod #3 Tractor Lease for Linen Services	Southwest International Trucks, Inc.	2/25/2019 - 5/24/2029	$218,000	$416,000	Invitation for Bids	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Jay Dyck, Linen Services	0%	N/A	N/A
N3		Capital	Mod #1 HOMES Construction	Taurus Commercial, Inc.	4/27/2023 - 8/31/2024	$173,084	$2,345,432	Invitation for Bids	Yes	Harrington, Planning, Design and Construction	57%	Hispanic	Male

Appendix A (Continued)

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
SOLE SOURCE CONTRACTS - Sorted by Size													
S1		Expense	DaVinci Lease Agreement	Intuitive Surgical	6/1/2024 - 5/31/2031	$9,800,000	$9,800,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Cheston Chan, Perioperative Services	0%	N/A	N/A
S2		Expense	State Medicaid Health Insurance Payment Program (HIPP) and PFA Patient Helper Program	Patient Funding Alternatives LLC	Last Signature - No Expiration	$2,000,000	$2,000,000		Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Gerry Baker, Patient Financial Services	0%	N/A	N/A
S3		Expense	OviTex Reinforced Tissue Matrix	TELA Bio	Last Signature - 5 Years	$875,000	$875,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Cheston Chan, Main OR	0%	N/A	N/A
S4		Expense	Mod #3 Adding funds	Intera Oncology	10/31/2023 - 10/12/2026	$865,000	$1,064,000	Sole Source	Yes	Cheston Chan, Perioperative Services	0%	N/A	N/A
S5		Capital	Mobile Medical Unit	CGS Premier, Inc.	Last Signature - 1 Year	$506,258	$506,258	Sole Source	No	Niccole McKinley, Wish Administration	0%	N/A	N/A
S6		Capital	Mobile Medical Clinic	Farber Specialty Vehicles	6/24/2024 - 6/24/2027	$404,577	$404,577	Sole Source	Yes	Colette White, Community Integrated Health	0%	N/A	N/A

Appendix A (Continued)

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S7		Expense	Mod to Add Funds4 add funds and extend through November 30, 2024	Premier Radiology	8/1/2020 - 5/31/2024	$360,000	$1,100,415	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Crystal Harrison/Shawn Grady and Tina Hill, Correctional Health & Radiology	0%	N/A	N/A
S8		Expense	Mod #8 Adding funds Motor Street Garage Elevator Modernization	ThyssenKrupp Elevator	6/14/2012 - 10/31/2025	$306,132	$7,626,919	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Shabretta Manning, Engineering Services	0%	N/A	N/A
S9		Expense	Cooper Surgical Insorb Stapler and Forceps	Cooper Surgical Inc	Last Signature - 4/30/2026	$260,000	$260,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Cheston Chan, Perioperative Services	0%	N/A	N/A
S10		Expense	Coagu-Sense Point of Care PT/INR test kits	Coagu-Sense	Last Signature - 3 Years	$205,000	$205,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Sarah Muna/Scott Hampton, Laboratory Services	0%	N/A	N/A
S11		Expense	Mod #4 Outpatient Dialysis Services – Physician Services	Dallas Nephrology Associates	12/1/2021 - 5/31/2025	$190,000	$1,075,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Shannan Bradley, Care Management/Transitional Care	0%	N/A	N/A

Appendix A (Continued)

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S12		Expense	Mod #11 ADD FUNDS ONLY Offsite Record Storage	Iron Mountain Information Management, LLC	5/5/2018 - No Expiration	$189,000	$1,185,409	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Denise Pickett , Legal Affairs	0%	N/A	N/A
S13		Expense	Mod #3 Scrub Dispensing Stations Lease and Maintenance	Innovative Product Achievements, LLC	3/1/2019 - 5/31/2027	$108,524	$387,104	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal	Jay Dyck, Linen Services	0%	N/A	N/A