Minutes of the Budget and Finance Committee meeting of the Board of Managers of the Dallas County Hospital District, held Tuesday, February 27, 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 Byron Cryer, MD; and Eric G. Bing, MD, PhD attended in-person. Committee member Lisa Sutter attended via Webex. Board member Elizabeth Palacios, MD, was appointed for quorum prior to Dr. Cryer's arrival.

Committee member John Proctor; did not attend.

Board Member attendees included: Chair Marjorie Petty, JD; and Vincent Hall.

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

April Audain, VP UT Contracts Administration
Donna Richardson, EVP & Chief Nursing Executive
Edmundo Castañeda, EVP Chief Operating Officer
Felicia Miller, EVP & Chief Talent Officer
Forrest Stovall, Governance Program Manager
Fred Cerise, President & Chief Executive Officer
Guy Toliver, Director Inclusion-Supplier Diversity
Jessica Hernandez, SVP Chief DEI Officer
Joe Mayer, Director Treasury
Joseph Longo, SVP Chief Information Officer
Kellee Boardingham, Executive Assistant
Keri Disney-Story, VP Clinical Finance (Webex)
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
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.

Next, Pam presented the sole source contracts. She 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.

Byron Cryer, MD, 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

April Audain presented three capital substitutions for approval. The Capital Substitutions total $376,567.

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

John Proctor 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 January 2024 and discussed significant performance variances.

For the month of January, Parkland Health recognized a net income of $12.6M which is $6.5M favorable to the budgeted net income of $6.1M and $16.1M favorable compared to the prior year net loss of ($3.5M).

Parkland Health's operating margin and operating cash flow margin for the month of January are 2.2% and 5.4%, respectively. The operating margin was favorable compared to budget of (0.3%) and the operating cash flow margin is also unfavorable compared to budget of 2.9%. Parkland Health's operating margin is favorable compared to the prior

year operating margin of (5.3%) and favorable to the operating cash flow margin of (1.8%) from the prior year.

Parkland Health's patient cash collections in January were $96.1M which is higher than budget by $8.2M and $14.1M above the prior year. Parkland Health's days cash on hand of 204.1 days for the month is an increase of 16.3 days compared to prior month of 187.8 days and compared to the prior year January of 193.7 days, an increase of 10.4 days

Rick Humphrey reviewed the income statement for January 2024. He noted January was positive over all metrics and $6.5 million variance to budget in Total Net Income. He also noted variances to budget including Salaries and Benefits, Purchased Medical Services, and Supplies, Grants and Contributions as well as Nonoperating Income. Next, Rick reviewed the income statement for January 2024 including all Parkland entities.

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

Next, Rick reviewed the Key Statistics for the month of January. Hospital Discharges and Average Daily Census had positive variances to budget. He also noted a strong Case Mix.

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 12:53 p.m.

SO RECORDED:

RFMA
RFMA (Apr 1, 2024 16:55 CDT)

Ramon Miguez, PE
Committee Chair

Steven J Roth
Steven J Roth (Apr 2, 2024 17:45 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
													February 28, 2024
NON-SOLE SOURCE CONTRACTS - Sorted by Size													
N1		Capital	Annie's Place Learning Center Interior Improvements	The Whiting-Turner Contracting Company	Last Signature - 11/1/2024	$1,878,535	$1,878,535	MATOC	Yes	Paul Woodard, Parkland Design & Construction	23.6%	See chart	See chart
N2		Capital	Psych Intake Expansion	Falkenberg Construction Co., Inc.	Last Signature - 2/28/2025	$614,027	$614,027	Invitation for Bids	Yes	Mark Stewart, Parkland Design and Construction	36.40%	See chart	See chart
N3		Capital	ASC Physical Therapy Renovation	Azteca Enterprises, Inc.	Last Signature - 11/1/2024	$489,155	$489,155	MATOC	Yes	Laura Adair, Parkland Design and Construction	78.60%	See chart	See chart
N4		Capital	Pi Drive Drills	Stryker Sales, LLC, Instrument Division	Last Signature - 5/1/2024	$429,868	$429,868	GPO Purchase	Yes	Cheston Chan, Perioperative Services	0%	N/A	N/A

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	Mod to Add Funds Add funding for COVID/Flu Testing Kits	Cepheid	3/9/2023 - 3/8/2024	$1,399,000	$2,899,000	Sole Source Modification	Yes	Kristi Morgan/Tim Lenz, Microbiology/Pathology	N/A	N/A	N/A
S2		Expense	Fleet Vehicle Maintenance for standard vehicles, maintenance vehicles, and police vehicles	Planet Ford Dallas Love Field	Last Signature - 3/1/2029	$875,000	$875,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Pamela Bryant, Finance Administration	0%	N/A	N/A
S3		Expense	Mod to Add Funds ROTEM delta System Consumables and Service Contract	Werfen USA, LLC	2/8/2023 - 2/12/2028	$833,500	$903,500	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Gene Fedorko/Tim Lenz, Hematology	0%	N/A	N/A
S4		Expense	Scrub Dispensing Stations Lease and Maintenance	Innovative Product Achievements, LLC	3/1/2024 - 2/28/2029	$815,340	$815,340	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Jay Dyck , Linen Services	0%	N/A	N/A
S5		Expense	Mod #5 Nutrition services	The American Bottling Company	1/17/2017 - 2/28/2025	$729,000	$1,163,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Jeffrey Madison, Nutrition Services	0%	N/A	N/A
S6		Expense	Provider Credentialing Software – Payer Enrollment	QGenda, LLC	Last Signature - No Expiration	$520,000	$520,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Jessica Isokariari / Gerry Baker, PFS Operations	0%	N/A	N/A
S7		Expense	ProCare Service	Stryker	3/1/2024 - 2/28/2027	$450,263	$450,263	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Strategy, Perioperative Services Administration	0%	N/A	N/A
S8		Expense	Epic Boost – Justin Hansmeyer	Epic	2/28/2024 - 10/25/2024	$316,200	$316,200	Sole Source	Yes	Deborah Johnson / LeMar Oleson, Information Technology	0%	N/A	N/A
S9		Capital	PureSteel™ Healthcare Reprocessing Sinks and Accessories	Pure Processing, LLC.	Last Signature - 3/8/2025	$234,261	$234,261	Sole Source	Yes	Cheston Chan, Perioperative Services	0%	N/A	N/A
S10		Expense	Mod #3 Endoscopic GI	Steris Corporation	3/1/2019 - 2/28/2025	$200,000	$800,000	Sole Source	Yes, for the current	Cheston Chan,	0%	N/A	N/A

Appendix A (Continued)

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S11		Expense	Mod #4 Orthopedic Implants	Wright Medical	7/1/2014 - 9/30/2024	$160,000	$816,500	Sole Source Modification	Yes	Cheston Chan, Perioperative Admin	0%	N/A	N/A
S12		Expense	Mod to Add Funds Reagents (A1C kit)	Sysmex America Inc	9/20/2016 - 4/23/2025	$144,000	$869,836	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Gene Fedorko/Tim Lenz, Hematology	0%	N/A	N/A
S13		Capital	Mod #1 Purchase an additional 4 Prismax Systems, Renal Replacement Therapy	Vantive US Healthcare LLC fka Baxter Healthcare Corporation	4/7/2023 - 6/30/2024	$121,360	$455,100	Sole Source Modification	Yes	Marcus Cooper, Clinical Engineering	0%	N/A	N/A