

**University Medical Center of Southern Nevada**  
**Governing Board Audit and Finance Committee Meeting**  
*April 22, 2026*

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Emerald Conference Room  
Delta Point Building, 1<sup>st</sup> Floor  
901 Rancho Lane  
Las Vegas, Clark County, Nevada

The University Medical Center Governing Board Audit and Finance Committee met at the location and date above at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:00 p.m. by Chair Harry Hagerty and the following members were present, which constituted a quorum.

**CALL TO ORDER**

**Board Members:**

**Present:**

Harry Hagerty, Chair  
Bill Noonan  
Donald Mackay, M.D.  
Mary Lynn Palenik (via Teams)  
Christian Haase (via Teams)

**Absent:**

None

**Others Present:**

Tony Marinello, Chief Operating Officer  
Jennifer Wakem, Chief Financial Officer  
Deb Fox, Chief Nursing Officer  
Kendrick Russell, Chief Human Resources Officer  
Doug Metzger, Controller  
Christopher Linford, Internal Auditor  
Susan Pitz, General Counsel  
Lia Allen, Assistant General Counsel - Contracts  
Stephanie Ceccarelli, Board Secretary

**SECTION 1. OPENING CEREMONIES**

**ITEM NO. 1 PUBLIC COMMENT**

Committee Chair Hagerty asked if there were any public comments to be heard on any item on this agenda.

Speaker(s): None

**ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting on March 18, 2026. (For possible action)**

A motion was made by Member Palenik to approve the minutes as amended. Motion carried by a majority vote. Member Mackay abstained, as he was not present at the meeting.

**ITEM NO. 3 Approval of Agenda (*For possible action*)**

A motion was made by Member Mackay to approve the agenda as amended.  
Motion carried by unanimous vote.

**SECTION 2. BUSINESS ITEMS**

**ITEM NO. 4 Receive a report on the FY26 Audit Plan from Christopher Linford, UMC Internal Auditor; and direct staff accordingly (*For possible action*)**

DOCUMENTS SUBMITTED:

- PowerPoint Presentation

DISCUSSION:

Chair Hagerty introduced Christopher Linford, UMC Internal Auditor, who presented the fiscal year 2026 Audit Plan.

Mr. Linford reviewed the proposal for the FY26 Audit Plan. The purpose of the fiscal year 2026 Audit Plan is to focus on identifying opportunities for operational cost savings to align with UMC's mission of serving the community by providing patient-centered care in a fiscally responsible environment. During the initial risk assessment process for the organization, certain areas were identified as being high risk.

Mr. Linford provided a high-level overview of the following areas and objectives, which have been selected for scheduled audits utilizing generally accepted government auditing standards:

- Cash Controls - Cash counts started on February 25, 2026.
- Employee Rate of pay Adjustments
- Information Technology – Review of Licenses and Subscriptions
- Accounts Payable – Invoice Validation
- Review of contracts, the management system and approval process.

Mr. Linford noted that the audits in this plan may be deferred to the fiscal year 2027 audit plan or canceled due to special requests.

Chair Hagerty commented that there should be a focus on the IT and Contracts audits to ensure appropriate rates and services.

Member Noonan asked if Mr. Linford also does IT system audits. Mr. Linford responded that he does not currently do those audits, but they are done through IT Security.

FINAL ACTION TAKEN:

None

**ITEM NO. 5 Receive monthly and year-to-date financial report for March FY26; and direct staff accordingly. (*For possible action*)**

DOCUMENTS SUBMITTED:

- March FY26 Financial Report

DISCUSSION:

Jennifer Wakem, Chief Financial Officer, presented the financials for March.

Admissions were 65 cases above budget. ADC was up slightly. Length of stay was 5.80. Hospital acuity was 1.87 and Medicare CMI was 2.12.

Inpatient surgeries were below budget 43 cases. Outpatient surgeries were up 54 cases. There were 10 transplants in the month. There were 10,919 ER cases for the month, which was a record high. The overall ER conversion rate was 20%. Quick cares were on budget, and primary care locations were below budget 17%.

Telehealth had 375 visits for the month. Ortho volumes were up by 528 cases, and there were 84 deliveries. The Crisis Stabilization Clinic (CSC) saw 409 visits. The OP Infusion Clinic saw 693 patients.

Chair Hagerty asked whether the new reality in transplant volumes is reflected in the FY27 budget. Ms. Wakem responded that this metric was calculated by run rate.

In trended stats, admissions were up as compared with the 12-month average. ALOS was up slightly at 5.80. Inpatient surgeries were below the 12-month average by 17 patients, and outpatient cases were up by 64 cases year over year. Transplants dropped significantly. ER visits were at a record high. There were 84 deliveries.

Member Noonan asked if there are capacity or staffing issues in the infusion clinic. Ms. Fox responded that the clinic operates 7 days a week, day and evening shifts, accommodating approximately 25 patients daily.

Payor mix trends were consistent with the 12-month average. Payor mix by location were shown.

The March income statement showed net patient revenue \$2 million below budget. Other revenue was down approximately \$1.3 million, which was offset by 340B revenue and the Crisis Stabilization Clinic. Ms. Wakem is awaiting an update from the County to increase the \$5 million supplement to operate the CSC. Total operating revenue was \$3.3 million below budget. Operating expenses were down and EBITDA was \$2.6 million on a budget of \$1.7 million leaving the month \$916K above budget.

The year-to-date income statement showed net patient revenue down \$12.2 million and other revenue down \$6.8 million. Total operating revenue was \$18.9 million below budget, and operating expenses were \$34.3 million below budget. EBITDA was \$30.9 million, on a budget of \$17.7 million, which was approximately \$13.2 million over budget year to date.

Salaries were good for the month. Contract labor was \$34K over budget. All other expenses were \$2.2 million below budget, driven by supplies and purchased services.

Key financial indicators were reviewed for profitability, labor, liquidity, and cash collections. Net to gross was below budget. Labor looks good. Liquidity showed day's cash on hand was green with 67.4 days. Net days in AR was up due to a delay in processing claims. Cash collection goals were mostly in the green. A brief discussion regarding the slight dip in the net-to-gross ratio. Moving forward. Chair Hagerty would like to consider what could be done to increase the percentage.

Organizational goals were reviewed. Currently, three of the four goals are being met. Ms. Wakem addressed the challenges associated with the goal to reduce denials.

Finally, Ms. Wakem reviewed the cash flow statement and the FY26 balance sheet highlights.

FINAL ACTION TAKEN:

None

**ITEM NO. 6 Receive an update report from the Chief Financial Officer; and direct staff accordingly. (For possible action)**

DOCUMENTS SUBMITTED:

- None

DISCUSSION:

Ms. Wakem provided the following updates:

HRSA Audit Report:

The audit of the Ryan White Program has been completed. This was a good audit, and staff is awaiting the final report.

Nevada Health Authority:

They have developed the State's first task force looking for DME (Durable Medical Equipment) providers. There is a temporary moratorium for new enrollment.

HR1 Update:

Nevada, Iowa, and Arizona will receive the greatest impact due to HR1 because of the volume of Medicaid recipients.

Boulder City Layoffs:

Approximately 70 employees will be laid off as the hospital announced it will stop providing critical care services. The hospital will transition to a rural emergency department as of May 1st.

FINAL ACTION TAKEN:

None taken

**ITEM NO. 7 Review and receive a report on the emergency repairs of the HVAC system at 2040 W. Charleston Blvd.; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Service Agreement

DISCUSSION:

On March 20, 2026, an HVAC system repair was performed at 2040 W. Charleston Blvd. due to an operational failure with a component of the air conditioning unit, resulting in a loss of cooling throughout the building. Jones Sheet Metal and Air Conditioning was called out immediately to inspect the HVAC unit and determined that specific parts were required to complete the repair. To ensure the building remained operational while repairs were underway, the vendor secured temporary cooling systems and emergency cranes to lift the temporary.

Due to the emergent nature of the repair, this work was not bid out. As set forth in NRS338.011, staff is required to provide a report to the Board detailing the repair. A discussion ensued with regard to contracting on-call vendors for emergent repairs.

FINAL ACTION TAKEN:

A motion was made by Member Noonan to make a recommendation that the Governing Board accept the emergency repair report as presented. Motion carried by unanimous vote.

**ITEM NO. 8 Review and recommend for approval by the Governing Board the Master Subscription and Services Agreement and the Etch for Health System Order Form with ZHealth Documentation, LLC; authorize the Chief Executive Officer to exercise the extension options and execute future amendments and Order Forms within his yearly delegation of authority; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Master Subscription and Services Agreement

DISCUSSION:

This request is to subscribe to receive Etch software, which is a cloud-based documentation and coding software designed specifically for interventional radiology and CV procedures. It will help UMC and its providers improve coding accuracy by using interactive anatomical maps for faster, more accurate documentation. This is a 5-year term agreement. Termination of the agreement is allowed after two years, with a 30-day notice.

A discussion ensued regarding details of how the software system assist physicians with specific coding terminology and documentation. This system will interface with Epic.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve the agreement and to make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**ITEM NO. 9 Review and recommend for approval by the Governing Board the Professional Services Agreement for Pediatric Urology On-Call Coverage with Children's Urology Associates, LLC; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Professional Services Agreement
- Disclosure of Ownership

DISCUSSION:

This is a new agreement for the vendor to provide 24/7 consultative, emergency and on-call pediatric urology services for UMC's inpatients and outpatients, including Emergency Department and Trauma Department patients. This is a 3-year agreement with two 1-year options for renewal. Either party may terminate the agreement with a 30-day written notice.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve the agreement and to make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**ITEM NO. 10 Review and recommend for approval by the Governing Board the Commercial Services Agreement with Cox Communications Las Vegas, Inc. d/b/a/ Cox Business; authorize the Chief Executive Officer to exercise any renewal options and future service orders; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Commercial Services Agreement
- Disclosure of Ownership

DISCUSSION:

This is a new service agreement with Cox Communications to provide dedicated internet services to the hospital and ancillary clinic locations. This is a 36-month term with an option to terminate with a 30-day written notice without cause.

A discussion ensued regarding whether marketing allowances would be available to add into the agreement.

FINAL ACTION TAKEN:

A motion was made by Member Palenik to approve the agreement and to make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**ITEM NO. 11 Review and recommend for approval by the Governing Board the First Amendment to the Contingent Permanent Placement Agreement with Optimum Healthcare Solutions, LLC; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- First Amendment to contingent Permanent Placement Agreement
- Disclosure of Ownership

DISCUSSION:

This is the first amendment to the contingent permanent placement agreement. This agreement extends the agreement for 3 years and adds additional funding.

FINAL ACTION TAKEN:

A motion was made by Member Noonan to approve the amendment and to make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

**ITEM NO. 12 Review and recommend for approval by the Governing Board the Physician/Advanced Practice Provider & Physician Executive Multiple Search Agreement with Jackson Physician Search, LLC; authorize the Chief Executive Officer to execute extensions and amendments; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Enterprise Agreement
- Disclosure of Ownership

DISCUSSION:

This is a search agreement with Jackson Physician Search, LLC for the recruitment of qualified physicians, advanced practitioners, and physician executives. UMC will compensate JPS with an initiation fee per search and a placement fee per search. This is a 3-year term with termination upon 30-days' notice.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve the agreement and to make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**ITEM NO. 13 Review and recommend for approval by the Governing Board the Renewal Order Form and Amendment to Hyland Master Agreement with Hyland Software, Inc.; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Master Agreement Amendment
- Renewal Order Form
- Disclosure of Ownership

DISCUSSION:

This is a new 5-year agreement to continue using its document management system. This system provides a comprehensive services designed to streamline and improve the management of medical records and related documents for UMC. It facilitates the secure storage, retrieval, and sharing of sensitive information, ensuring regulatory compliance while enhancing operational efficiency, as well as improves data accuracy, reduces paper costs, and promotes better collaboration among UMC staff, ultimately leading to improved patient care and increased satisfaction. Termination with 90-days' notice without cause.

A discussion ensued regarding the time required for retaining records.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve the agreement and to make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**SECTION 3: EMERGING ISSUES**

**ITEM NO. 14 Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. (For possible action)**

FINAL ACTION TAKEN:

None

At this time, Chair Hagerty asked if there were any public comment to be heard on any items not listed on the posted agenda.

**COMMENTS BY THE GENERAL PUBLIC:**

SPEAKERS(S): None

FINAL ACTION TAKEN:

At the hour of 2:57 p.m., the meeting was adjourned.

MINUTES APPROVED: May 20, 2026  
Minutes Prepared by: Stephanie Ceccarelli