

**University Medical Center of Southern Nevada
Governing Board Audit and Finance Committee Meeting
August 19, 2026**

Emerald Conference Room
Delta Point Building, 1st 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 (via Teams)
Bill Noonan (via Teams)
Christian Haase (via Teams)
Mary Lynn Palenik (via Teams)

Absent:

None

Others Present:

Mason Van Houweling, Chief Executive Officer
Jennifer Wakem, Chief Financial Officer
Kendrick Russell, Chief Human Resources Officer
Doug Metzger, Controller
Chris Jones, Executive Director of Support Service
Susan Pitz – General Counsel
Lia Allen, Assistant General Counsel – Contracts
Claire Castellanos, Paralegal

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 held on July 21, 2026. *(For possible action)*

A motion was made by Member Haase to approve the minutes as presented. Motion carried by a majority vote.

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

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive monthly and year-to-date financial report for July FY27; and direct staff accordingly. (For possible action)

DOCUMENTS SUBMITTED:

- July FY27 Financial Report

DISCUSSION:

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

Key indicators for the month were reviewed and compared to budget and prior year. Admissions for July were up over prior month. Length of stay continues to remain high. Hospital CMI was 2.02 and Medicare CMI was 2.23. Inpatient surgery cases were down by 41 cases, and outpatient cases were 39 cases above budget. There were 19 transplants.

ER visits were 428 cases above budget and 22% of patients were admitted. Quick care were on budget and primary care volumes were down. Ortho clinic visits were below budget 13% and there were 102 deliveries. The Crisis Stabilization Center saw a record high at 489 cases and the outpatient infusion clinic had 651 visits.

Chair Hagerty inquired about the increase in observation cases. Ms. Wakem responded that although hospitalists are performing patient screenings, these operations are being monitored, as the ED to observation conversion rate is increasing.

Ms. Wakem introduced a new slide highlighting budgeted surgical growth and the requirements to reach the 7%, 9%, and 11% targets. She will continue to report on this trend. Chair Hagerty requested that moving forward, the slide will show current and year-to-date trends.

In payor mix trended, commercial dropped 1.4%, and self-pay is consistent with prior month. The Committee voiced concern with volume from commercial to Medicaid. This is an area that is being monitored and will be discussed with the state.

The July income statement showed net patient revenue \$6.1 million above budget. Other revenue was below budget \$639K. Total operating revenue was above budget \$5.4 million. Operating expenses were above budget \$3.2 million. EBITDA was \$3.4 million on a budget of \$4.5K.

SWB was over budget by \$900K, due to nursing volumes. Overtime was over budget \$500K. A slide highlighting progress of the FY27 goals will be presented beginning next month.

All other expenses were over budget \$1.3 million due to surgical and medical supplies.

Key financial indicators were reviewed across profitability, labor, liquidity, and cash collections. Profitability and labor were in the green. Days cash on hand is just over 2 months. Ms. Wakem noted opportunities to improve net days in AR and candidates for billing. Cash collection goals in the business office were met, but point-of-service collections fell short in ambulatory and at the ortho clinic.

The cash flow statement showed that approximately \$60 million was received during the month, including \$1.1 million in supplemental payments. Capital funds of \$5 million was received from the county.

Next, there was a discussion of the capital investment trend over a 10-year period.

Lastly, Ms. Wakem briefly reviewed the balance sheet highlights.

FINAL ACTION TAKEN:

None

ITEM NO. 5 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:

FY26 Financial Statement Audit:

Signal Report Update:

The team is compiling a report in an effort to project inpatient surgery cases. Inpatient surgical cases are estimated to be 1,737 cases. Management is working with staff to track data in Epic.

Bonding:

The BCC has approved bonding for the inpatient rehab and the parking garage.

September Audit and Finance Meeting:

The team is requesting to move the A&F meeting to Tuesday, the 22nd due to a meeting with Vizient on the 23rd. Mr. Van Houweling will arrange for Vizient to present at a future board meeting.

FINAL ACTION TAKEN:

None taken

- ITEM NO. 6 Review and recommend for ratification by the Governing Board the ACO Participation Agreement with Aledade Accountable Care 241, LLC for Managed Care services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- ACO Participation Agreement
- Disclosure of Ownership

DISCUSSION:

This request is for ratification of a new ACO agreement, which will reward quality shared savings under Medicare Shared Savings Program. This is a 4-year agreement. Ratification was necessary, as the agreement had to be submitted by August 1st.

FINAL ACTION TAKEN:

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

- ITEM NO. 7 Review and recommend for approval by the Governing Board the Ninth Amendment to the Provider Services Agreement with Intermountain IPA, LLC for managed care services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment Nine
- Disclosure of Ownership

DISCUSSION:

This amendment will add reimbursement retroactively for services performed at the CSC, effective June 1st.

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. 8 Review and recommend for approval by the Governing Board Amendment Four to the Hospital Participation Agreement with Prominence HealthFirst for managed care services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment Four to Hospital Participation Agreement
- Disclosure of Ownership

DISCUSSION:

This amendment adds CareSource beneficiaries and reimbursement rates for services as of July 1st. This 2-year agreement adds CareSource Medicaid and commercial patients.

FINAL ACTION TAKEN:

A motion was made by Member Noonan 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 Agreements with Securitas Healthcare for the Hugs Infant Child Security System; authorize the Chief Executive Officer to execute extensions and amendments; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Hugs Agreement - Redacted
- Sourcing Letter
- Disclosure of Ownership

DISCUSSION:

This is a new agreement for the purchase and installation of the Hugs Infant Child Security System. This is an electronic security solution that prevents infant abductions and mother-baby mismatches. It serves as a digital safety net, providing continuous location monitoring and instant alerts to ensure infants remain secure in labor and delivery or pediatric units. This agreement was obtained through the HPG competitive bid process. There is a 90-day installation system.

There was a brief discussion regarding the efficiency and status of the current security tracking system.

FINAL ACTION TAKEN:

A motion was made by Member Noonan 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 Customer Agreement with American Tel-A-Systems, Inc., d/b/a Amtelco; authorize the Chief Executive Officer to execute extensions and amendments; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Proposal
- Disclosure of Ownership

DISCUSSION:

This is a new agreement for a paging and dispatch system. The system is HIPAA compliant and provides a communication platform designed to replace pagers and unsecured SMS messages. This service will integrate with Epic and provide modern technology services. This is a 5-year 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 approval by the Governing Board the Contract for Services with Cabit Consulting, LLC for EPIC analyst services; authorize the Chief Executive Officer to exercise any extension options and execute future amendments within his yearly delegation of authority; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Contract for Services
- Disclosure of Ownership

DISCUSSION:

This is a one-year agreement with an Epic analyst who will help with design, implementation, testing and support of electronic data connections between the Epic electronic health record and other healthcare applications or devices.

There was continued discussion regarding the selection process for Epic analysts.

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. 12 Review and recommend for approval by the Governing Board the Agreement with The Concord Group for Project Management Services; authorize the Chief Executive Officer to execute future amendments and extensions; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Services Agreement
- Disclosure of Ownership

DISCUSSION:

The vendor will perform preconstruction, construction and construction closeout services for the parking garage project. During each phase, Concord will work with UMC's architect and staff to, in part, ensure a general contractor is selected, assist in permitting and monitoring of site plans, oversee the work of contractors, attend construction meetings, and finalize the closeout process. This is a 3-year agreement and termination clause is 15 days without cause.

There was a brief discussion regarding the bidding process and the selection of this vendor. The Committee also wanted to ensure that the timeline and deliverables are clear to ensure an on time and on budget project.

FINAL ACTION TAKEN:

A motion was made by Member Haase 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 Agreement with Laboratory Corporation of America for Patient Specimen Collection Services; authorize the Chief Executive Officer to execute future amendments and extensions; or take action as deemed appropriate. (For possible action)

DOCUMENTS SUBMITTED:

- Patient Specimen Collection Services
- HPG Sourcing Letter
- Disclosure of Ownership

DISCUSSION:

This is a one-year renewal agreement for phlebotomy blood draw services within UMC's Trauma and Emergency Department on a 24-hour-per-day, seven-day-a-week basis.

FINAL ACTION TAKEN:

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

ITEM NO. 14 Review and recommend for award by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the RFP No. 2025-05 Addendum 4, Food Services and Clinical Nutrition Management Services to Sodexo America, LLC; approve the RFP 2025-05 Service Agreement; authorize the Chief Executive Officer to exercise extension options and execute amendments; or take action as deemed appropriate. (For possible action)

DOCUMENTS SUBMITTED:

- Service Agreement
- Notice of Award
- Disclosure of Ownership

DISCUSSION:

UMC issued a request for proposals in August 2025. There were 5 respondents. After a review of the proposals, the ad hoc review committee recommends award to Sodexo America, LLC as the lowest responsive bidder for approval of the new 5-year agreement. Services include management and operation of UMC's food and nutrition services, patient meal services, clinical nutrition support, catering, floor stock, nourishments, doctors' lounge services, and related pass-through services necessary to support hospital operations and patient care.

There was a brief discussion regarding food service vendors used by other area hospitals.

FINAL ACTION TAKEN:

A motion was made by Member Noonan to approve the award and recommend for approval by the Board of Hospital Trustees. Motion carried by a majority vote.

ITEM NO. 15 Review and recommend for award by the Governing Board, the Bid No. 2026-07, UMC Summit Tower Floors 2 & 6 Remodel Project, PWP# CL-2026-373, to Builders United, LLC, the lowest responsive and responsible bidder, contingent upon submission of the required bonds and insurance; authorize the Chief Executive Officer to execute change orders within his delegation of authority; or take action as deemed appropriate. (For possible action)

DOCUMENTS SUBMITTED:

- Notice of Award
- Disclosure of Ownership

DISCUSSION:

UMC issued a request for proposals in May and received 6 respondents. After a review of the proposals, the ad hoc review committee recommends award to Builders United as the lowest responsive bidder. The scope of work includes renovation of the 2nd and 6th floors of the UMC Summit Tower, including an update to HVAC systems and fire code upgrades and sixth floor demo and build out.

The project construction period is approximately 180 days and UMC has the right to immediately terminate for convenience upon notice.

FINAL ACTION TAKEN:

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

ITEM NO. 16 Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Lease Agreement with Verlaine, LLC for real property at 10195 W. Twain Ave, Las Vegas, NV 89149; or take action as deemed appropriate. (For possible action)

DOCUMENTS SUBMITTED:

- Lease Agreement
- Disclosure of Ownership

DISCUSSION:

This is a new 10-year lease agreement for use as a Surgery Center.

Chair Hagerty asked if staff could provide background information on the business plan for this project.

Chris Jones, Executive Director of Support Services, reminded the committee that there had been previous discussions about purchasing a venue for a

surgery center and provided a summary description of the goal of the surgery center.

The Committee voiced concerns about the terms of the lease agreement and would like to receive more details related to this agreement. It was suggested that this item be tabled pending thorough review through the Strategic Planning and Audit and Finance Committees.

FINAL ACTION TAKEN:
None

SECTION 3: EMERGING ISSUES

ITEM NO. 17 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*)

The Committee would like a review of the following:

The ASC – Verlaine Lease project
Plans related to the Summit Tower
Hospital communication system education

FINAL ACTION TAKEN:
None

At this time, Chair Hagerty asked if there were any public comments 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 3:32 p.m., the meeting was adjourned.

MINUTES APPROVED: September 22, 2026
Minutes Prepared by: Stephanie Ceccarelli