MINUTES OF THE BOARD OF MANAGERS
OF
UMC HEALTH SYSTEM

MONDAY, JULY 28, 2025

Mark Funderburk, President and Chief Executive Officer, called the UMC Board of Managers meeting to order at 8:00 a.m. on Monday, July 28, 2025. The meeting was held in the UMC Board Room at University Medical Center, 602 Indiana Avenue, Lubbock, Texas.

Ms. Laura Vinson, chairman, confirmed that no one from the public registered to comment.

Ms. Vinson welcomed the Board Members and guests and thanked them for attending. The following members and guests were present:

BOARD MEMBERS PRESENT

John DeToledo, M.D. non-voting
Gary Greenstreet
Mont McClendon
Jason Medina
Mikella Newsom
Tray Payne
Laura Vinson
Gladys Whitten, D.M.D.

MEMBERS ABSENT

OTHERS PRESENT

Teresa Barron
Tina Belcher
Betty Cornell (virtual)
Jeff Dane
Aaron Davis
Dean Diersing (virtual)
Kristi Duske
Bill Eubanks
Mark Funderburk
Allan Haynes, M.D.
Jeff Hill
Bobbye Hrncirik (virtual)
John Lowe
Steven Maddux (virtual)
Amber Mann
Heather Martinez (virtual)
Amy O'Meara (virtual)
Brian Payne, M.D.
Mike Ragain, M.D.
Greg Roberts (virtual)
Andrea Sartin
Jodene Satterwhite (virtual)
Nick Skeen
Shane Terrell
Amanda Tijerina
Karen Veselsky
Kala Waits
Phillip Waldmann
Tammy Williams

INVOCATION

Mr. Mark Funderburk voiced the invocation.

QUORUM

With seven voting members present, a quorum was established.

EMPLOYEE/PROVIDER RECOGNITION

Brian Payne, M.D. Chief Medical Officer, presented the House Staff of the Month, Nikeeta Reddy, M.D. and the Attending of the Month, Amber Coon, M.D. The Employee of the Month, Ryan Miller, EMT, was presented by, Jeff Hill, Senior Vice President of Support Services and Government Relations Administration.

ANNUAL REPORT OF THE UMC AND UMCP INDEPENDENT FINANCIAL AUDIT

Mr. Steven Maddux, Vice President of Finance, introduced Ms. Andrea Sartin from Forvis, CPA and Advisor. With the aid of PowerPoint slides, Ms. Sartin reported on the 2024 Independent Financial Audit. The financial statements reviewed were the balance sheets, statements of revenue, expenses, changes in net position, and statements of cash flows. It was the auditor's opinion that these financial statements were presented fairly, in all material respects, the financial position of the Lubbock County Hospital District as of December 31, 2024, and 2023, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United State of America.

Following discussion and opportunity for all members to ask questions of Ms. Sartin, Chairman Vinson asked for a motion.

ACTION: Dr. Whitten moved to accept the audit as presented. The motion was seconded by Mr. Medina and approved unanimously.

At this time, Ms. Sartin exited the meeting.

Chairman Vinson temporarily adjourned Open Session at 8:34 a.m. to enter into the Performance Improvement Oversight Committee Meeting.

OPEN SESSION

The Board of Managers reconvened into Open Session at 10:07 a.m.

EXECUTIVE SESSION

The Board of Managers went into a Closed Meeting under Government Code Sections 551.071, 551.072, 551.073, 551.074, 551.076 and 551.085 at 10:07 a.m. to consult with attorney concerning pending or contemplated litigation, settlement offers, and confidential legal matters; to deliberate the purchase, exchange, lease or value of real property, deliberate personnel matters; to deliberate financial planning information relating to negotiation for provision of services or product lines; to deliberate proposed new services or product lines and to review Professional Staff credentials (Health and Safety Code Section 161.031 et seq.).

RECESS: Without objection, the Board agreed to recess at 11:45 a.m., for a brief break.

OPEN SESSION

The Board of Managers reconvened Open Session at 11:53 a.m.

APPROVAL OF THE CONSENT AGENDA ITEMS

The following were presented for approval.

A. Minutes-Performance Improvement Oversight Committee – June 23, 2025

B. Minutes-Regular Board of Managers – June 23, 2025

C. Professional Staff Report
The Board was provided with a report of recommendations from the Executive Committee Meeting held on July 7, 2025, including Applicants to Staff, Ad Hoc Applicants to Staff, Temporary Privileges, Resignations, Active Reappointments, and Referring Reappointments.

D. Contract Management Report
The Board was provided with a report of UMC's contract management system report. The data is completed for the Det Norske Veritas (DNV) survey and is for information purposes.

E. Accounts For Referral
The Board was provided with a report for July 2025, Accounts for Referral report. There was one account in July over $250,000, in the amount of $261,423.

F. 4 West Picture Perfect Furniture
The Board was provided with the 4 West Picture Perfect request. This request is to replace the furniture in 4 West and update it to the Picture Perfect standard. Staff recommends the purchase from Medline, an HPG vendor, for a total cost of $150,453. This will be paid for out of the 2026 budgeted funds.

G. Room Renumbering
The Board was provided with the request for the updated room signage to align with the new room numbering system. Staff recommends the purchase of this sole-source item, from Signs On The Go, for a total cost of $86,339. This will be paid for out of the 2025 budgeted funds.

H. Robot Instruments
The Board was presented with a request for the Robot Instruments. UMC is relocating one of the XI robots to the UMC Health & Wellness campus, where an additional three sets of instruments are needed to create an expanded setup. The number of robot cases has increased from 308 in May 2024 year-to-date to 537 in May 2025 year-to-date. While it was initially planned to send sets from the main campus to cover, the increased volume now requires those sets to remain at the main hospital to keep up with demand. Staff recommends the purchase of this sole-source item, which is exempt from competitive bidding, from Intuitive for a total cost of $101,312. This will be paid for out of the 2025 unbudgeted funds.

I. Virtual Desktop Infrastructure (VDI) Host Expansion (5)
The Board was provided with a request for the Virtual Desktop Infrastructure host servers to increase VDI compute resources to support increased growth and workloads, associated with heightened security requirements (Crowdstrike) and Epic performance requirements. This purchase includes an annual operating expense of $48,854 for hardware maintenance, software maintenance, and software subscription. Staff recommends the purchase from Converge, a Premier vendor, for a total cost of $182,347. This will be paid for out of the 2025 budgeted funds.

J. Broadcom Agreement
The Board was presented with a request for an agreement with Broadcom via Converge Technology Solutions (Unique Digital). VMWare Cloud Foundation is the platform that supports UMC's production and disaster recovery server environments. In April, UMC purchased additional hardware for the disaster recovery environment, and these servers now require licensing. The total cost of the agreement is $195,344.64. Year one will be pro-rated at $47,020.80, with years two and three each totaling $74,161.92. The term of this agreement is April 1, 2025, through March 19, 2028.

Chairman Vinson called for a motion to approve the Consent Agenda items. At this time, Ms. Vinson gave members an opportunity to ask questions or voice objections. With no objections, Ms. Vinson asked for a motion for the Consent Agenda items.

ACTION: Mr. McClendon moved to approve the Consent Agenda Items as presented. The motion was seconded by Ms. Newsom.

PRESIDENT'S REPORT

Mr. Mark Funderburk, President and Chief Executive Officer, reviewed the UMC Strategic Scorecard.

Mr. Funderburk was pleased to announce that the Children's Hospital and Playground, Grand Opening will be held on August 25, 2025.

Mr. Funderburk was happy to report that the Strategic Plan for 2026-2030 has been finalized.

After discussion and opportunity for all present to be heard, Chairman Vinson called for a motion.

ACTION: Mr. Greenstreet moved to accept the President's Report as presented. The motion was seconded by Dr. Whitten and approved unanimously.

CHIEF FINANCIAL OFFICER'S REPORT

Mr. Jeff Dane, Executive Vice President, Administrator and Chief Financial Officer, reviewed the June 2025 financial statements. It was the staff's recommendation to approve as presented.

Following discussion and opportunity for all present to ask questions, Chairman Vinson called for a motion.

ACTION: Mr. Medina moved to accept the June financial statements as presented. The motion was seconded by Mr. Greenstreet and approved unanimously.

TTUHSC REPORT

This report was deferred.

BID PROPOSALS AND SERVICE AGREEMENTS

The Board considered all of the following bid proposals and service agreements.

A. Epic At-the-Elbow Go-Live Support Request For Proposal (RFP)
Bill Eubanks, Executive Vice President and Chief Information and Digital Officer, presented the Epic At-the-Elbow Go-Live Support RFP to the Board. Mr. Eubanks explained that at-the-elbow (ATE) support resources will be deployed across UMC, UMCP, and TTUHSC to assist users with Epic go-live support needs. These resources will cover approximately 6,000 shifts over the three-week go-live period, with support gradually tapering as the transition stabilizes.

Staff recommends the purchase from the best and lowest compliant vendor, CSI Companies, for a total cost of $6,769,850. This will be paid for out of the 2025 budgeted funds.

B. Cost Accounting Software Request For Proposal (RFP)
Steven Maddux, Senior Vice President of Finance, presented the Cost Accounting Software RFP to the Board. Mr. Maddux explained that Strata will transition UMC to a hosted solution, similar to Workday. As a leading name in healthcare cost accounting and budgeting, Strata has earned numerous Best in KLAS awards. Its integrated dashboards will provide a significant improvement over the current EPSi-to-Qlik setup. With proven experience serving both Workday and Epic clients, Strata offers two-way Epic integration and PB costing, which will enable UMC to cost UMCP for the first time. The new contract will include continued EPSi support until all Strata modules are fully implemented. Implementation will begin post-Epic, starting with GL/Budget, followed by Cost Accounting, and will run through 2026. The first budget will be developed for end users in October 2026, with financials, variance, productivity, and other reporting available to end users beginning January 2027. The total implementation cost is $1.075 million, with annual maintenance costs of $642,000.

Staff recommends the purchase from the best and lowest compliant vendor, Strata, for a total cost of $1,075,250. This will be paid for out of the 2026 budgeted funds.

Chairman Vinson called for a motion to approve the Bid Proposals and Service Agreements. At this time, Ms. Vinson gave members an opportunity to ask questions or voice objections. With no objections, Ms. Vinson asked for a motion.

ACTION: Dr. Whitten moved to accept the staff's recommendation as presented. The motion was seconded by Ms. Newsom and approved unanimously.

AGREEMENTS, PROPOSALS AND DISCUSSION ITEMS

The Board considered all of the following bid proposals and service agreements.

A. Biosense Webster
Nick Skeen, Executive Vice President, Service Line Development and Chief Operating Officer, presented the Biosense Webster agreement to the Board. Mr. Skeen explained that the premium service agreement for the two Carto systems in the cardiac cath lab includes software upgrades, 24-hour support, and annual preventative maintenance. It also covers anticipated equipment and software upgrades, including the TruPulse PFA generator and software, a GE S70 ultrasound system upgrade for Crystal, and a NuVision NAV ULS hardware/software upgrade. The agreement cost is $290,000 per year for three years, totaling $870,000. Of this, $660,000 reflects the value of the equipment and software upgrades, and $680,000 represents the premium service package over three years. Overall, the three-year agreement provides UMC with a savings of $470,000. The term of this agreement is August 1, 2025, through July 31, 2028.

B. Experian Health Agreement
Bill Eubanks, Executive Vice President, Chief Information and Digital Officer, presented

the Experian Health Agreement to the Board. Mr. Eubanks explained that this purchase provides patient financial clearance (PFC) and propensity-to-pay scoring, which are used to prioritize collection efforts and to qualify individuals for presumptive charity benefits. This purchase replaces the previous Experian PFC contract, executed through Cerner Corporation. The amendment increases Experian's monthly spend by $9,375, based on a claims volume of 1.125 million. The contract value includes a one-time fee of $49,500 and a monthly fee of $9,375. The term of this agreement is thirty-six months, upon signature.

C. Crowdstrike Cybersecurity Licenses Agreement
Bill Eubanks, Executive Vice President, Chief Information and Digital Officer, explained that this purchase expands the number of CrowdStrike cybersecurity licenses for workstations, servers, cloud services, and personnel identity protection. It also increases licensing limits for Security Incident Event Management (SIEM) logs to accommodate additional data ingestion and expands the number of devices covered under the exposure management (vulnerability) platform. The contract value is $879,920. The term of this agreement is July 31, 2025 through December 17, 2027.

D. Kaufman Hall Agreement
Bill Eubanks, Executive Vice President, Chief Information and Digital Officer, presented the Kaufman Hall agreement to the Board. Mr. Eubanks explained that Kaufman Hall was recently engaged for Phase I – Assessment for the inpatient clinical documentation improvement (IP CDI) opportunity outlined in the Statement of Work. With Phase I now complete at UMC Health System, this engagement will allow Kaufman Hall to continue supporting enhancements to the inpatient CDI program. At the conclusion of Phase II, Kaufman Hall will provide Phase III services, which include twelve months of monitoring, measuring, and consulting support to sustain and further improve progress. This engagement is expected to enhance UMC's expected mortality rate and generate additional revenue through improved documentation and coding. Compensation for Kaufman Hall's services is $1,575,000 plus out-of-pocket expenses. The term of this agreement is sixteen months.

At this time, Ms. Vinson gave members an opportunity to ask questions or voice objections. With no objections, Ms. Vinson asked for a motion.

ACTION: Mr. Payne moved to accept staff's recommendation as presented. The motion was seconded by Dr. Whitten and approved unanimously.

With no further business to come before the Board, the Chair adjourned the meeting at 12:15 p.m.

APPROVED:

Laura Vinson, Chair

Jason Medina, Secretary

APPROVED AS TO FORM:

Teresa Barron, Executive Assistant
Consent, Bid Proposals and Agreements

Tina Belcher, Executive Assistant