University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
July 22, 2014

UMC Conference Room I/J
Trauma Building, 5th Floor
800 Rose Street
Las Vegas, Clark County, Nevada
Tuesday, July 22, 2014
3:00 p.m.

The University Medical Center Governing Human Resources and Executive Compensation Committee met in Conference Room I/J, UMC Trauma Building, 5th Floor, Las Vegas, Clark County, Nevada, on Tuesday, July 22, 2014, at the hour of 3:00 p.m. The meeting was called to order at the hour of 3:03 p.m. by Chair Laura Lopez-Hobbs and the following members were present, which constituted a quorum of the members thereof:

CALL TO ORDER

Committee Members:

Present:
Laura Lopez-Hobbs, Chair
Renee Franklin (by conference phone)
Harry Hagerty

Others Present:
John Espinoza, Chief Human Resources Officer
Doug Spring, Director of Human Resources Operations
Brenna Leising, Manager, Recruitment and Retention
Cindy Dwyer, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Chair Lopez-Hobbs asked if there were any persons present in the audience wishing 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 Human Resources and Executive Compensation meeting on May 12, 2014. [For possible action]

DISCUSSION: None.

FINAL ACTION: A motion was made by Harry Hagerty that the minutes be approved as recommended. Motion carried by unanimous vote.

ITEM NO. 3 Approval of Agenda [For possible action]

DISCUSSION: Clarification was given on Agenda Item No. 6, which should read, "Report on *recruitment challenges for key* positions".

FINAL ACTION: A motion was made by Renee Franklin that the agenda be approved as recommended. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive an update on the contract for compensation market survey; and direct staff accordingly. [For possible action]

DISCUSSION: The contract with Mercer to conduct a compensation market survey has been signed. Both parties met earlier today for introduction of key individuals working on the project and discussion of timelines. This is expected to be a nine week project, with the results of the CEO salary expected within the first two weeks of the project.

ACTION TAKEN: No action taken

ITEM NO. 5 Receive a report on the collective bargaining process and recent fact finding arbitration; and direct staff accordingly. [For possible action]

DOCUMENTS SUBMITTED: UMC/SEIU CBA Interest-Based Bargaining and Fact Finding (PowerPoint presentation)

DISCUSSION: John Espinoza, Chief Human Resources Officer, gave a brief a history of the relationship between UMC and the SEIU, explained the Nevada law that addresses collective bargaining for public agencies, and explained the concept of interest based bargaining. He reviewed the negotiations of the current contract which began in June 2013, and the details that eventually led to Binding Fact-Finding.

Mr. Espinoza fielded questions from the Committee members regarding employee pay, to include wage schedules, merit increases, cost of living increases, negotiated reductions in pay during times of crisis, and PERS contribution increases which reduce the employees' take home pay. There was also discussion about the affect of PERS on recruitment and retention, specific to age, as well as professional vs. non-professional staff.

The Committee requested the following information be provided at a future meeting:

- A "schedule" of pay increases and decreases over the past several years.
- Turnover by age bands (including longevity and reason for leaving, i.e., voluntary or involuntary)
- Turnover before vesting in PERS (age and years of service)

ACTION TAKEN: No action taken

ITEM NO. 6 Receive a report on the most challenging positions; and direct staff accordingly. [For possible action]

DOCUMENTS SUBMITTED: Recruitment Challenges for Key Positions 7.17.14

DISCUSSION: Brenna Liesing, Recruitment Manager, gave overview of recruitment challenges for key positions in the hospital, as well as recruitment challenges in general. She mentioned that currently the biggest challenge is the ability to post specialty advertising in target markets quickly; but she is working to address this issue. She acknowledged that some of the challenges we have no ability to affect, so she is working to adjust internal recruiting strategies.

There was a brief discussion about the challenge of the aging workforce, and the need to make investments to retain that particular staff. Mr. Espinoza shared some of the efforts made in the recent past, including the addition of "lifting teams", and having the food trays passed by Food Services staff. It was suggested that this subject be addressed in more depth at a future meeting.

ACTION TAKEN: No action taken

ITEM NO. 7 Review quarterly report of human resources dashboard metrics; and direct staff accordingly. [For possible action]

DOCUMENTS SUBMITTED: 1st Quarter 2014 Metrics

DISCUSSION: Doug Spring, Director of Human Resources Operations, presented quarterly human resources metrics.

- Review of FMLA in comparison to productivity levels revealed a low impact hospital-wide, though there may be some departments that, because of their size, would be more adversely affected than others.

- The vacancy rate remains steady hospital-wide, as well as for nurses. While the physician vacancy rate appears high, that number includes vacancies that are not intended to be filled. Those positions will be eliminated from future reports.

- Turnover rate for nursing remained steady, but total turnover dropped from 12% to 9%. Staff is attempting to determine the reason for the reduction. In response to questions from the Committee regarding industry comparisons for turnover, Mr. Espinoza stated that nationally in the "Best Places to Work" in the healthcare industry, specifically nursing, the average turnover is about 6%. Turnover for all other organizations is closer to 17%. Locally, our turnover has been consistently lower than that of the other hospitals in the community. Mr. Espinoza commented that low turnover might be indicative of our employees' understanding of our generous benefit program.

ACTION TAKEN: No action taken

ITEM NO. 8 Discuss human resources issues that will impact the hospital strategic plan and take action as deemed appropriate. [For possible action]

DISCUSSION:

Long-term the Committee needs to look at benefits, salaries and bargaining. Once the salary survey results are received, there may be a need to discuss short-term strategy.

ACTION TAKEN: No action taken

ITEM NO. 9 Identify emerging issues to be addressed by staff or by the Human Resources and Executive Compensation Committee at future meetings; and direct staff accordingly. *(For possible action)*

- The Board Chair has asked for Committee Chairs to submit Committee accomplishment and goals. Chair Lopez-Hobbs will create a report and solicit independent input from other Committee members.

- Committee Member Hagerty inquired regarding the status of the CEO employment contract. He was advised that the Board Chair is awaiting the results of the Mercer salary survey specific to the CEO.

- Committee Member Hagerty inquired if this Committee or another Committee should be addressing a strategy to encourage physicians to bring their elective cases to UMC. Committee Member Franklin stated that the Clinical Quality and Professional Affairs Committee will be addressing this issue, including surveying and interviewing physicians to understand the drivers for practicing and bringing elective cases to UMC.

- John Espinoza stated that the Human Resources Policies and Procedures are currently being reviewed and updated, and will eventually come before this Committee, and then to the full Board for approval.

COMMENTS BY THE GENERAL PUBLIC:

At this time, Chair Lopez-Hobbs asked if there were any persons present in the audience wishing to be heard on any items not listed on the posted agenda.

SPEAKER(S): None

There being no further business to come before the Committee at this time, at the hour of 4:47 p.m. Chairman Lopez-Hobbs adjourned the meeting.

APPROVED:

Laura E Hobbs

Laura Lopez-Hobbs, Committee Chair

ATTEST:

Cindy Dwyer

Cindy Dwyer, Board Secretary