University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
July 27, 2015

UMC Conference Room I/J
Trauma Building, 5th Floor
800 Rose Street
Las Vegas, Clark County, Nevada
Tuesday, May 19, 2015
3:00 p.m.

CALL TO ORDER

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 Monday, July 27, 2015, 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:

Committee Members:

Present:
Laura Lopez-Hobbs, Chair
Renee Franklin (via teleconference)
Harry Hagerty

Others Present:

John Espinoza, Chief Human Resources Officer
Claudette Myers, Acting 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 19, 2015. *(For possible action)*

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)*

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive a report on Human Resources metrics for the first quarter of 2015; and direct staff accordingly. *(For possible action)*

DOCUMENT SUBMITTED: Turnover and Vacancy Rates 2015 and 2014

DISCUSSION:

John Espinoza clarified the item is for the "second" quarter, not the "first" quarter as posted. He apologized for the error.

He provided a quarterly update on turnover and vacancy rates for staff and management for the second quarter of calendar year 2015.

The turnover rate for the second quarter, April through June, was 12.2% which is down from the first quarter of 12.9%, which is a significant improvement over last year which was 13.1%. It is trending in the right direction.

The overall vacancy rate for the second quarter was 6.5% which is down significantly from the first quarter of 7.7% and better than last year of 7.2%. Management turnover is fairly static; the second quarter is at 36.7% compared to the previous quarter of 36%. We have been filling quite a few key management positions and are currently back to full staff with regard to management positions.

The Nursing turnover rate for the second quarter was 11.5% which is down from 11.9%; slightly better than last year at this time.

The Nursing vacancy rate is 7.1% which is down from the first quarter, 8.6%. Even though last year's rate was substantially better, that was due to all of the staff reductions from quick cares, etc., so we are trending downward.

Ms. Hobbs requested confirmation that we are handling the salary market issues on a case by case basis as we hire. Mr. Espinoza responded that we are following the direction indicated by the Mercer data. When positions come up, we are making modifications for them to make salary offers closer to market. Some of the turnover had been attributable to salaries behind market; however, now it's to make sure we have the right people in the right positions.

Currently, the critical positions that are open are IT Manager, Chief Nursing Officer (a final candidate is being interviewed tomorrow by key stakeholders) and at least four (4) Clinical Managers.

Harry Haggerty requested the status of the recruitment for the Chief Medical Officer position. Mr. Espinoza responded the CEO has not given direction to replace the position at this time.

FINAL ACTION: Board requested departmental information that supports the turnover information to determine if there are significant outliers which may mask internal issues.

ITEM NO. 5 Receive a presentation on Human Resources communications to staff for upcoming fiscal year. *(For possible action)*

DOCUMENT SUBMITTED: Screen Prints of the UMC Employee Communication Portal and Management Dashboard

DISCUSSION:
There was a request at the previous meeting to review communications to staff. One example is the Employee Communication Portal. This is a part of the Intranet of which all UMC employees have access. It reflects UMC's Mission and Values. This is the first step in this type of communication and more information will be added to the portal frequently. Each tab indicates a different type of communication. The first tab is to access the UMC Pulse Magazine (biweekly newsletter) which includes messages from the CEO. The second tab is for Employee Recognition (Employee of the Month, Thumbs Up Awards, Star Unit). Any employee may use this page to nominate a coworker or they may see the history of who has been awarded. The third tab is "Employee Feedback." There are three mechanisms provided to employees:

WorkSmart: This program is an electronic version of the old-style suggestion boxes. It is mainly for cost saving ideas.
The UMC Wire: This is designed specifically to help employees clarify rumors and to ask questions about policies, procedures and practices. The individual responding to the question is the person that is most knowledgeable and able to speak to the question on behalf of the organization.
Alert Line: This program is for compliance purposes (formerly: Silent Whistle). Employees have the ability to identify concerns or improprieties they believe to be inappropriate. A third party vendor monitors the site and works with the UMC Corporate Compliance Officer. She, in turn, delegates to the appropriate individual to follow-up and address, including the hospital Legal Counsel when appropriate.

Mr. Hagerty asked if there was a way to track how many employees access this link to see if it is being used. Mr. Espinoza stated that it can be tracked and will provide a Communications Portal update at the next meeting.

Ms. Franklin requested how the portal is marketed. Mr. Espinoza stated initially, employees are notified via email. The biweekly Pulse Magazine and New Hire Orientation are other avenues of promoting the portal on a consistent basis.

Mr. Hagerty asked if there was any way to economically incentivize an idea if it saves UMC money. Mr. Espinoza stated this was previously brought up. The challenge is it may be something we may already have in place or in the process of putting in place so compensating the employee can be problematic. Some ideas are submitted as a team so the compensation would be complicated. The most important issue is being a public sector employer, to provide a bonus for what the public may view as the employee's job, becomes a judgment process. Ms. Franklin stated another concern is the analysis of the "true" savings. She has seen it done well and it can definitely work, but if we are going to look at it, we

need to look at some smaller type of financial incentive, something less onerous such as providing a small monetary gift card ($25-$100).

The fourth tab is "Employee Resources" which highlights the Employee Assistance Program and the services provided through that program. Although it is only one individual, it includes family counseling, substance abuse assistance and counseling, and financial counseling. The fifth tab is "Employee Self Service" and is the portal into the Enterprise Resource Planning system to allow individuals to review information regarding their pay check, deductions, benefits, personal earnings and the value of those earnings (see Agenda #7). This page also includes a copy of the current Collective Bargaining Agreement and the Hospital's policies and procedures. The fifth tab is "Events" which will eventually be the location to advertise all of the major events that UMC participates in and a calendar of all training classes. Also, to be added is a calendar of any kind of employee communications that are scheduled (town halls, etc).

The administrative staff has begun performing rounds in the hospital and outlying facilities. They round in pairs with one business and one clinical person, when possible. Upon return from rounding, the findings are summarized to then follow up on the concerns. During the most recent rounding session, in various areas of the hospital, a rumor was mentioned that UMC was being sold to Valley Hospital. As a result, Mason will now personally communicate there is no intent to sell the hospital to anyone, let alone the hospital next door. This will be on the Communication Portal, in the Pulse Magazine's "Message from the CEO" section. The Pulse Magazine is available online and also hardcopies are made available for employees that do not have easy access to a computer.

Mr. Hagerty inquired how the majority of the employees are paid, direct deposit or negotiable check. Mr. Espinoza stated it was predominately direct deposit and they are responsible for obtaining/viewing their paycheck information timely on the ESS portal. An email blast is sent when the Pulse is available online with a link. Ms. Hobbs stated that, historically, if someone's check is consistently the same amount, they will not log in to see their check. Mr. Espinoza stated there is a later item in the agenda to address the compensation statement issue.

FINAL ACTION: Return amount of hits to Pulse Magazine site next meeting.

ITEM NO. 6 Receive a report of Human Resources' accomplishments for FY2014-15. (For possible action)

DOCUMENTS SUBMITTED: None

DISCUSSION:
John Espinoza stated that this update will be presented to the committee on a more frequent basis. The past year summary is:

Management Dashboard: Mason had this updated and relaunched as a source of metrics available to management level employees. Now, when any manager signs on to their computer, the dashboard automatically launches and provides

Clinical Patient Safety, Finance Operations, Human Resources, Governance, Self Study, Forms and Documents. It shows as a stoplight report. Red and yellow reflect there are concerns to review (employee evaluations due, excessive overtime, etc). The intent is for this to become a front end to all of the various systems used by management and will eventually offer a "single sign-on" function for it to be easily accessible for managers.

Talent Acquisition & Retention: Developed and implemented a social network recruitment strategy; implemented a surgical nurse underfill program (grow your own nursing program) in conjunction with our clinical instructors. Recruitment referred more than 5,000 applications to managers from a total of 19,600 applications that were received. There were 1,500 requisitions and almost 1,000 hires over the past year which included difficult to fill positions such as the Chief Nursing Officer, Director and Assistant Director of Surgical Services, Assistant Director of Health Information Management, Director of Intensive Care and Director of Transplant).

Personnel Services: Reestablished a Diversity Committee for the hospital which is designed around cultural awareness and sensitivity to celebrate diversity of both patients and employees. They conducted the annual Health and Wellness Fair, and had 300 participants throughout the hospital); initiated tobacco-free facility initiative based on a recent change in Collective Bargaining Agreement; The student mentorship program expanded to twice a year (25-30 participants from the UNLV HCA field). We have had 12 interns placed at UMC from this program. The Workers' Compensation program established a 24/7 nurse call program for injured workers.

Class & Comp: Through Mercer data, we are continuing to address market equity concerns. Most recently, management staff, physicians and Per Diem RN's have been reviewed. It will continue as an ongoing process.

Labor & Employee Relations: The Human Resources Policies and Procedures manual was revised and was approved by this board; developed a Performance Improvement Plan (PIP) template to assist managers to work more with their staff toward dealing with behavioral or performance-related issues; the process for internal hearings was updated which is an improvement to keep contract related issues inside the organization.

Clinical Education: A large number of classes were conducted, ranging from basic and advanced life support, pediatric life support, trauma, trauma nurse curriculum, adult critical care, pediatric critical care, mock codes, nursing orientation, nurse mentoring, skills fairs, operating room orientation; McKesson rollout with ongoing training. We are also coordinating affiliation agreements with schools in the area to bring students to UMC. There were 1,522 students in various aspects of specialty classifications (does not include the medical residents) processed.

Organizational Development: There were 46 workshops held covering a variety of topics. The Leadership Boot Camp involved 53 participants; 600 employees were seen through the New Hire Orientation, There is research being done now

for a Charge Nurse Boot Camp to help them transition into a nurse manager position.

Employee Assistance Program: Several Lunch & Learn programs were held during the lunch hour so it would be more available to employees to attend. There were 9 workshops with over 140 participants. There were 572 individual family and couples seen through counseling sessions affecting 623 employees. There were urgent care assessments and stabilization and referral services for 160 employees.

Equal Opportunity Program: This program was established and this committee suggested the action plan that was developed.

HRIS: There was testing done for mass changes to employees' compensation (COLA, implementation of equity adjustments and PERS increases/decreases). Various audits were performed when issues were identified. Most recently, an audit was performed for all employees that converted from part-time to full-time to correct for a calculation error.

. Ms Hobbs stated that in the Clinical Audit Committee, a nursing situation was addressed. She is interested in why tenured employees are not accepting promotions to management positions due to compensation disparities. It appears employees make more money in a Charge Nurse position rather than a management position. When she receives input from others regarding the subject of whether the nursing staff is getting paid appropriately, they would like to get more of an idea of the issues. In past discussions, it was talked about training nurses and then having them leave which is a lot of effort and money expended. We should consider nurses that are stable and looking for retirement and enticing them versus younger nurses (just looking for salary). We may fall behind in terms of base salary but in total compensation, we tend to be good to market but that sometimes doesn't matter, depending on the interest of the individuals that you're trying to entice.

Mr. Espinoza stated that several years ago CEO took this issue to the Clark County Commissioners to obtain significant dollars approved to expense for nurses. The per diem nurses were not behind market so we changed the market levels for full time nursing staff. Over time, the competition has caught up, and in some cases, passed us on per diem compensation. While we have good luck filling full time positions, we are struggling with per diem RN positions. Currently, the compensation staff is reviewing the market.

John is proud of his staff and the tremendous job they're doing. It's a small but mighty group that accomplishes quite a bit.

FINAL ACTION: Return with an analysis of Registered Nurses compensation status and surrounding issues.
Provide a summary of what was presented today as the list of HR accomplishments to the board members via email.

ITEM NO. 7 Receive a report on the Total Compensation Statement currently provided to employees via Employee Self Service in comparison to the former Personal Earnings statement. ***(For possible action)***

DOCUMENTS SUBMITTED: Example of Total Compensation Statement from ESS; Personal Earnings Statement Template

DISCUSSION:
Total Compensation Statement: This is the system the employees can access from the UMC Intranet. It provides detail to the employee's specific demographics- total gross earnings, benefits value of health insurance, their PERS and life insurance. UMC had asked Clark County ERP for Longevity to be listed as a separate line item which has not been able to be accomplished as of yet.

Personal Earnings Statement: This was the previous manner of the employee being notified of their total compensation. The color tri-fold brochure included a message from the CEO and contact information for their respective types of benefits. This was mailed to the employees' home on an annual basis. This was discontinued as it was labor intensive to keep up with and with transition to Employee Self Service (via ERP), we were being redundant providing the same information. With the relaunch of the management dashboard, there may be a new interest in this document.

There was discussion that board members believe the hospital needs to take credit for every dollar spent on behalf of the employee. Employees need to know they get a lot by working here. We need to mention these benefits in CEO Town Halls and other avenues. This information should help in recruitment and also in retention of employees. This project could be outsourced if too labor intensive or be done every other year.

FINAL ACTION:
HR to return with the status of the brochure and what information will be included for board review.

ITEM NO. 8 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)***

Mr. Harry Hagerty stated that the Human Resources' office and function is different today than from even ten years ago and asked if we had ever examined the HR software and support that is now available as if we were building a department "from scratch" (where would you "rather" be versus were we are now). Mr. Espinoza stated although we use SAP through the ERP project which we utilize for HR, Finance and Payroll, he would have this information provided.

FINAL ACTION:
Return documentation of what it would cost to the technology to update to a state of the art Human Resources department.

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 4:23 p.m. Chairman Lopez-Hobbs adjourned the meeting.

APPROVED: 10/28/15

Minutes Taken by: Claudette Meyers