University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
May 19, 2015

UMC Conference Room I/J
Trauma Building, 5th Floor
800 Rose Street
Las Vegas, Clark County, Nevada
Tuesday, May 19, 2015
9:00 a.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 Tuesday, May 19, 2015, at the hour of 9:00 a.m. The meeting was called to order at the hour of 9:03 a.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
Harry Hagerty

Others Present:
Mason VanHouweling, Chief Executive Officer
John Espinoza, Chief Human Resources Officer
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 March 24, 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 that 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 provided a quarterly update on turnover and vacancy rates for both staff and management for the first quarter of calendar year 2015.

Turnover of staff has remained consistent for the past several years, and is low compared to the industry. The turnover rate for the quarter was 3.2% with an estimated annual rate of 12.9%, which is a slight improvement over last calendar year.

The staff vacancy rate, which indicates how quickly we are able to fill vacant positions, is at 7.3%, which is consistent with 2014. Mr. Espinoza reported that we are trending in the right direction, and compared to our competitors we are filling positions quickly. In fielding questions from the Committee, Mr. Espinoza explained the process for "freezing" budgeted positions and the role of the Workforce Planning Committee in reviewing and determining how frozen positions might be reallocated elsewhere in the organization. Such changes are communicated with staff in Directors meetings (with the expectation that the information is shared in staff meetings), town hall meetings, and administrative rounding. CEO Mason VanHouweling acknowledged the importance of management properly communicating changes and managing perceptions within the organization.

Management turnover for the first quarter of 2015 was 9%, which is annualized at 36%. Mr. Espinoza doesn't expect that trend to continue, noting that most of the management positions have been filled, and he anticipates that the new compensation rates should have a positive effect on future management turnover.

Brenna Leising, Recruitment and Retention Manager, gave an update on recruitment efforts. In the first quarter of 2015, 391 requisitions were received, with 328 hires, 32 of which were recalled employees. Today, there are 213 open positions, 117 benefitted and 96 per diem. Nursing positions account for 141 of the open positions, 71 of those benefitted. Ms. Leising noted several recent M-Plan hires: Assistant Director of HIM, Revenue Cycle Process Manager, Director of Case Management (internal promotion), Chief Operating and In-house Legal Counsel. Ten management positions are currently being recruited for, including the Chief Nursing Officer. Ms. Leising noted that she will likely engage the services of an agency for the CNO recruitment for a wider candidacy.

FINAL ACTION: No action taken

ITEM NO. 5 Receive a presentation on UMC Employee Wellness Programs; and direct staff accordingly. ***(For possible action)***

DISCUSSION: Prabha Iyenghar-Cox, Personnel Services Manager, provided a summary of UMC's Employee Wellness Program to assist employees with making good decisions to improve their overall health and wellbeing. Initiatives include education on nutrition, annual wellness, employee assistance program, community partnerships, Walk with a Doc program, FIT program, Corporate Challenge participation, and a smoke-free campus campaign.

Additionally, Aaron Staff, Employee Assistance Program and Organizational Development Manager, gave a brief description of services offered by his office, which include private short-term counseling for work related or personal issues, group grief counseling sessions, coordination of Second Victim Team for staff psychological first aid, referrals for community services, as well as leadership development, professional development and personal development workshops.

Based on their experience, the Committee members shared some ideas for the Wellness Program, including incentives for employees to stop smoking.

FINAL ACTION: None taken.

ITEM NO. 6 Review and recommend for approval by the Board of County Commissioners also sitting as the Board of Hospital trustees acceptance of OBRA Plan Document for the 457(b) Deferred Compensation Plan with Mass Mutual and University Medical Center of Southern Nevada; and take action as deemed appropriate. (For possible action)

DOCUMENTS SUBMITTED: MassMutual Specimen 457(b) Plan Document

DISCUSSION: In 2013 the County contracted with Mass Mutual for the Deferred Compensation 457 Plan, which also included the Social Security alternative OBRA Plan for non-benefitted employees. A recent audit by Mass Mutual revealed that the original Plan document did not include an option for UMC and County non-benefitted staff to rollover OBRA investments to their 457(b) plan accounts when hired into a benefitted position. This item will also be reviewed by the Governing Board Audit & Finance Committee and Governing Board, with final approval of the Board of County Commissioners.

There was discussion about the Mass Mutual cover letter included in the back-up documentation which stated, "….does not satisfy the document non-amender failure for 2011." The Committee wanted assurance that the proposed Plan amendment would cover back to 2011. Mr. Espinoza clarified that the letter was just a specimen document, but he would obtain clarification from legal counsel.

FINAL ACTION: Renee Franklin made a motion, from a benefits standpoint, to recommend to the Governing Board and Board of County Commissioners approval of the Plan amendment.

ITEM NO. 7 Discuss recommendations for performance metrics to be included in the Chief Executive Officer's employment agreement, as it pertains to

discretionary salary increases and bonuses, for approval by the Governing Board; and direct staff accordingly. ***(For possible action)***

DOCUMENTS SUBMITTED:
- CEO Performance Metrics – Human Resources (20%)

DISCUSSION: CEO VanHouweling reviewed five proposed HR-related performance objectives.

There was discussion regarding the first objective, "Continue to build on UMC's mission by furthering a culture that emphasizes compassion, accountability, integrity and respect", and how it could be measured or assessed. It was the consensus of the Committee that while culture change takes time, there are many efforts to initiate best practices to improve the culture that can be taken and documented. While it may be difficult to measure the effectiveness of those actions, the efforts can certainly be documented.

Related to the last objective, "Review job performance objectives at the C-suite level and recruit as necessary", Member Franklin noted that there is a need to outline objectives and increase expectations for every position in the organization.

It was the consensus of the Committee that all five objectives are measurable and deliverable, and in alignment with the Committee's focus. The objectives will be forwarded to the Governing Board to consider for inclusion in the CEO employment agreement.

The Committee requested that staff provide an update at each meeting regarding the progress on each of the five objectives.

FINAL ACTION: None taken.

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)***

- John Espinoza announced that in accordance with the County's consent decree all County management and governing members (including UMC) will receive mandatory training regarding fair employment law, Anna Caputo, Equal Opportunity Program Manager, will provide a presentation at the May 27th Governing Board meeting.

- John Espinoza gave a brief update on providing a comprehensive benefits summary to employees. The County's current ERP system would allow for a very generic review of benefits, but UMC would like to expand the current reporting format. Mr. Espinoza will provide a complete status report to the Committee at the next meeting.

- Add standing agenda item for Committee to receive a brief summary of progress on CEO's HR-related performance objectives

- Add standing agenda item for Committee to receive an update on communications with staff, including a calendar of communication for upcoming fiscal year

- Staff requested to provide an ongoing list of HR-related accomplishments

- Staff requested to assist with developing a tool for the Committee to measure its effectiveness and ensure true upward feedback between Committee and staff

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 11:38 a.m. Chairman Lopez-Hobbs adjourned the meeting.

APPROVED: July 27, 2015