University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
SPECIAL MEETING
August 10, 2016

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Wednesday, August 10, 2016
8:30 a.m.

CALL TO ORDER

The University Medical Center Governing Human Resources and Executive Compensation Committee met in the ProVidence Suite, UMC Trauma Building, 5th Floor, Las Vegas, Clark County, Nevada, on Wednesday, August 10, 2016, at the hour of 8:30 a.m. The meeting was called to order at the hour of 8:30 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 (Via phone until 9am)
Harry Hagerty
Robyn Caspersen

Others Present:
Mason VanHouweling, Chief Executive Officer
John Espinoza, Chief Human Resources Officer
Susan Pitz, General Counsel
Terra Lovelin, 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 Agenda *(For possible action)*

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 3 Receive a report outlining the results of negotiations between UMC and the Service Employees International Union, Local 1107 and recommend approval by the UMC Governing Board. (For possible action)

DOCUMENT SUBMITTED:
- Amended Articles
- New and Deleted Language
- Fiscal Impact Assessment Summary
- Financial Impact

DISCUSSION: John Espinoza, Chief Human Resource Office gave a summary on the time line and outcome of the negotiations.

This agreement has been negotiated with the SEIU over the course of about five months. It was completed on July 20th and has been ratified by the employees with a one day vote on August 1. This will then to go the Governing Board on the 24th and then to the Board of Hospital Trustees.

Member Hagerty asked what happened earlier in the month with the Union and Mr. Espinoza gave a summary. There was an issue that came up with the President of the SEIU regarding the negotiation process. The President claimed she received complaints from employees but nothing was ever validated. The officers of the Union, who are UMC employees, contacted SEIU International who then stepped in and directed the President to not interfere with the process and to allow the ratifcation vote to go forward.

Due to the actions of the President with this scenario, we were delayed a few days and that is why we are just now having this meeting.

Mason VanHouweling, CEO explained that UMC and SEIU leadership was trying to expedite this process so the employees could get their merit and cost of living (COLA) increases.

Mr. Espinoza pointed out that in addition to seeking approval of the contract, they are asking for support of the recommendation to go retroactive to July 1, and restore the merits of those individuals that had their merits restricted or lost based on concessions made by the Union in accordance with NRS 288.

Member Hagerty asked about the fiscal impact.

Mr. Espinoza replied that this is a four year contract with a 2.5% cost of living increase in the first year, the second and third year have a 2% cost of living increase and the fourth year is a reopener for cost of living discussions only. The fiscal impact summary that is part of the meeting book today, mirrors the County provides this information in accordance with NRS.

Member Caspersen asked what percentage of collective bargaining employees this contract represents.

Mr. Espinoza replied that approximately 3,200 people are covered by this contract and roughly 250-300 people who are non-bargaining employees are also benefitted by the same contract. We do have one other union on campus, the operating engineers local 501; there are about 37 individuals covered. This contract does not cover any of the management staff or employed physicians, approximately 200 people.

Another change that was made involved merits for employees. The rating system was looked at and was moved by one decimal point so it is a bit easier to be able to get a reasonable increase.

Longevity for new hires has been eliminated through negotiations through our union but an extended illness bank cash out has been added with a cap. This will be available only upon separation and only after three years of employment. The date is the ratification of this contract for the starting point of the cash out and is consistent with what the County provides for their employees.

With regard to personnel layoff, there was an interest by the union to be transparent so the employee understands the details should a layoff occur.

Another change involved the qualifying period. This has been increased to up to 12 months with provisions that the employee be given a performance improvement plan by the manager with clear goals and a training process.

Job postings can be closed the same day instead of the seven day previous rule, with union notification in order to be able to hire immediately. The floating policy was also change so that floating employees must be oriented.

CEO VanHouweling thanked Mr. Espinoza, HR staff, the entire negotiation team and Pat, Chief Steward of the Union, for working so hard on this contract. Chair Lopez-Hobbs also thanked everyone for their hard work.

Chair Lopez Hobbs asked for a cost comparison with relation to the Longevity and EIB cash out.

Member Caspersen asked if it would be helpful to this committee to understand how to monitor the controls around this contract to ensure we comply with it.

Mr. Espinoza offered to do a brief explanation of the labor management dynamic that has been created to deal with communication, hearing and grievance processes.

Member Hagerty mentioned the merit and COLA increases and the importance of properly entering them. This is an audit and compliance issue and should be looked at in the future. He also suggested creating a one page summary for the Audit and Finance Committee that says FY17, FY18, FY19 and include the income statement impacts of the major items, those that are more than $1 million dollars. Then say whether it’s budgeted or needs addressing.

Mr. VanHouweling said he would gladly bring this with him to the A&F meeting on the 17th.

Ms. Caspersen was welcomed to the committee.

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

ITEM NO. 4 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)*

None

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 9:47 a.m. Chairman Lopez-Hobbs adjourned the meeting.

Minutes Prepared by: Terra Lovelin
Approved: September 20, 2016