University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
March 21, 2017

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Tuesday, March 21, 2017
2:00 p.m.

CALL TO ORDER

The University Medical Center Governing Board Human Resources and Executive Compensation Committee met in the ProVidence Suite, UMC Trauma Building, 5th Floor, Las Vegas, Clark County, Nevada, on Tuesday, March 21, 2017, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:01p.m. by Chair Jeff Ellis and the following members were present, which constituted a quorum of the members thereof:

Committee Members:

Present:
Jeff Ellis, Chair
Renee Franklin
Robyn Caspersen
Harry Hagerty (via phone)

Others Present:
John Espinoza, Chief Human Resources Officer
Terra Lovelin, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Chair Jeff Ellis asked if there were any persons present in the audience wishing to be heard on any item on this agenda.

None present.

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Human Resources and Executive Compensation meeting on February 24, 2017. *(For possible action)*

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

ITEM NO. 3 Approval of Agenda *(For possible action)*

Member Caspersen suggested that Item number five and six be taken before item number four.

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 5 Receive a report regarding the status of the Personal Earnings Statement for communication to staff. *(For possible action)*

DOCUMENTS SUBMITTED:
-None submitted

DISCUSSION: Brenna Leising, Assistant Director of HR Operations gave a status update on the Personal Earnings Statement (PES). The draft of the outline is finished and HR is in process of getting the final file from the County. The team is looking at mid-April to get the PES distributed to all employees. This statement will be reflective of 2016.

A discussion ensued about using this report for recruiting purposes so potential employees could see how much UMC contributes to retirement and other benefits.

ITEM NO. 6 Receive a report on the Diversity and Inclusion objectives established for UMC to improve equality of services for employees, patients and community. *(For possible action)*

DOCUMENTS SUBMITTED:
- Diversity Directors Meeting
- Las Vegas Conference Flyer

DISCUSSION: David Loaiza-Funk, Interpretative Services Manager briefed the committee on a Diversity conference he is organizing at the end of April in Las Vegas and on the new subcommittees that have been formed to better understand patients beliefs and cultural uniqueness.

UMC is trying to expand their diversity initiatives. A committee has been formed to help with this mission as UMC would like to be more culturally aware with respect to employees and visitors. This committee has been working on the Epic implementation to incorporate more questions on surveys regarding how to best serve patient beliefs. For example, adding questions such as how can we best serve their religious beliefs? This ensures UMC respects and honors religious beliefs and personal wishes upon entering our hospital as a patient.

Four subcommittees have been created and each committee has their own Administrative Champion:

Strengthening a Diverse Workforce – **John Espinoza**
Expand Diversity of the Leadership Team – **Marcia Turner**
Delivering Culturally Proficient Patient Care – **Jennifer Gaca**
Strengthening the Diverse Communities we Serve – **Danita Cohen**

Chair Ellis asked for a timeline.

Member Caspersen discussed the need for capturing data to see how we can be more strategic and also to see where our lack of diversity and inclusion is prohibiting us from achieving strategies. She would like to see how we bench mark ourselves going forward so we can see where we stand.

Member Franklin brought up the fact that diversity needs to be weaved into ICARE4U and needs to be part of the performance evaluation process.

Chair Ellis suggested that the subgroups pick a few bullet points from the list that was distributed and decide how each committee will accomplish them. He would like these goals sent to him before the July 18 meeting.

ITEM NO. 4 Receive a report on the performance evaluation and bonus timeline for the CEO, management and employees. ***(For possible action)***

<u>DOCUMENT SUBMITTED</u>:
- Merit and Incentive Bonus Timeline

<u>DISCUSSION:</u> Chair Ellis asked where Mr. VanHouweling was with the goals and he replied that nothing has been revised yet but each committee is working on it.

Mr. Espinoza commented that the ultimate goal is to have all employees and the CEO on the same timeline for reviews with the hope of a sync date of July 1, 2018.

FY July 1 to June 30 is Mason's timeline for his review, related to merit so the goal is to align everyone else within the organization.

Member Franklin summarized the issue in the past regarding a number of employees having different performance review times. Everyone needs to be on the same timeline to ensure everyone is working together to achieve value in the process which starts from the top and cascades down through the organization.

Member Hagerty agreed with what Member Franklin and Mr. Espinoza put forth regarding syncing the timelines.

Chair Ellis asked how many employees are getting a raise that are under the Union contract.

Mr. Espinoza replied that except for those employees that are topped out, all employees are eligible for a merit increase. Approximately 110 Management employees are eligible for the incentive program.

The committee agreed that the CEO contract needs to be amended to eliminate built in goals.

Chair Ellis stated that on 9/1/18 merit increases should be paid and a plan needs to be put in place on how to get staff there. He also stated that UMC has to hit their financial goals before any of this is decided.

A discussion ensued about the Union being on board with the date change and the need to educate people that no one is being harmed by this change. It is a negotiated piece of the Union contract since we are changing when the employees get their increase.

Member Franklin recommended that Member Ellis, Mr. VanHouweling and General Counsel, Susan Pitz sit down and have a meeting to make the proposed changes to Mr. VanHouweling's contract. They can then discuss it with other Board members and bring it to the Audit and Finance Committee and Governing Board.

Member Caspersen suggested that Mr. VanHouweling come to the Audit and Finance Committee with the dollar amount of what UMC will need to accrue for performance based incentives on the M-plan, attributable to FY17.

All of the committees need to have all their goals for the CEO to Chair Ellis by the June

FINAL ACTION: None

ITEM NO. 5 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)***

DOCUMENTS SUBMITTED: None

DISCUSSION: Mr. Espinoza commented that the Physician incentive document hasn't been updated since 2006 so it will come to this committee for discussion.

A brief update with 501 Operating Engineers was received.

COMMENTS BY THE GENERAL PUBLIC:

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

None.

There being no further business to come before the Committee at this time, at the hour of 4:09 p.m. Chairman Ellis adjourned the meeting.

Approved: May 16, 2017
Minutes Prepared by: Terra Lovelin