

**University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
September 19, 2017**

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Tuesday, September 19, 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, September 19, 2017, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:02 p.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
Robyn Caspersen
Renee Franklin – via phone

Absent:

Harry Hagerty

Others Present:

Mason VanHouweling, Chief Executive Officer
Tony Marinello, Chief Operating Officer
James Conway, Assistant General Counsel
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 July 25, 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 minutes of the special meeting of the UMC Governing Board Human Resources and Executive Compensation meeting on August 22, 2017. (For possible action)

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

ITEM NO. 4 Approval of Agenda (For possible action)

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 5 Evaluate CEO performance accomplishments for FY 2017 based on the performance objectives established by the Governing Board. (For possible action)

DOCUMENTS SUBMITTED:

- None submitted

DISCUSSION: John Espinoza explained that every year the CEO presents his accomplishments relating to each area of his performance objectives that are part of his employment agreement. The process today will be repeated for each subcommittee, the HR committee will then make a recommendation to the Governing Board with regard to a bonus incentive award.

Mr. VanHouweling presented his FY17 accomplishments associated with the below objectives.

1. Continue to build on UMC's mission by furthering a culture that emphasizes Compassion, Accountability, Integrity and Respect.

- ICARE4U – Fully incorporated into the new hire orientation as well as into the four pillars of UMC
- Staff continues to participate in rounding through the hospital and new evaluations incorporating the ICARE4U values have been created
- The creation of a new candidate assessment form to ensure hiring of the best employees
- A strong focus on strategies around diversity and education are in place and committees have been created to highlight and showcase that UMC is a diverse organization.

Member Caspersen asked what the primary reasons were for holding back from having a more successful role out of the ICARE culture.

Mr. VanHouweling replied that this year all employees went through a refresh of the ICARE4U program. More focus has been placed on showing every employee, in every department that they do effect the HCAHP scores and the overall reputation of the hospital.

Mr. Espinoza added that UMC has a very tenured work force so introducing a new culture is always a challenge. To help with this issue, staff is acknowledging all the employees who meet the ICARE4U principles. Where we find that there are issues with employees not accepting the new principles, they are being identified and having to go back to our Experience Team to be retrained.

2. Develop and launch a Goal Alignment Process that defines organizational priorities and feeds the performance management process.

- Objectives developed and cascaded down throughout the organization
- Management performance evaluation systems have been updated
- Performance incentive bonuses have been reviewed
- Aligned evaluation dates to align with the fiscal year
- Nursing department restructure

3. Ensure there is an Organizational wide total remuneration/compensation and benefits philosophy by the end of the fiscal year.

- Total compensation statement created and distributed to all employees
- Several Classifications were reviewed including 1,089 nurses pay being adjusted to address market conditions.

4. Design and launch a robust Talent Management and Succession Planning Process.

- Established a multidisciplinary succession development committee
- Survey sent to 50 plus Administrators and Directors asking what criteria they look for in a candidate
- HR added a nurse recruiter to help with onboarding the right candidates
- Established new job descriptions to address the nursing restructure

5. Review job description, performance objectives at the C-suite level and recruit as necessary.

- At the C level; all performance objectives have been set
- Updated market compensation data

Member Franklin commented that Mr. VanHouweling is on the right path with regards to succession planning but it still needs some work; it is about the structure, what is needed to run the business and then finding the right people to do it.

The committee discussed whether they felt Mr. VanHouweling and his team met the goals and objectives and a consensus score of 95% was given with the caveat that because of the difficulty of fully achieving the objectives, the full percentage available for this category would be recommended in relation to the bonus award.

ITEM NO. 6 Review CEO performance objectives submitted by each committee of the Governing Board and provide a final set of objectives for recommendation to the full Governing Board for approval for fiscal 2018. (For possible action)

DOCUMENTS SUBMITTED:

- Fiscal 2018 UMC CEO Performance Objectives

FINAL ACTION: Chair Ellis would like the percentages to stay the same with regards to the overall weight of the committees but remove the individual percentages with regards to the four objectives under the HR section.

A few changes were made to the current performance objectives after a brief discussion and the revised, Human Resources CEO performance objectives are listed below.

Conduct a baseline employee engagement survey and develop action plans related to employee feedback that improves results relating to UMC's mission and vision.
Ensure 2018 performance objectives are cascaded to all leadership levels in the organization for measureable performance assessment.
Implement an employee performance evaluation system, aligned to fiscal year, for review by Sept. 2018.
Establish a succession development process that incorporates business needs, leadership competencies and individual development plans.

ITEM NO. 7 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. Espinoza let the Committee know that there will need to be a special, HR meeting next month to finalize a recommendation for the bonus and for Mr. VanHouweling to present his review of his accomplishments for his merit.

It was also noted that we will have to update our Physician Compensation programs as we have had some challenges with filling our staff positions.

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.

There being no further business to come before the Committee at this time, at the hour of 3:51 p.m. Chairman Ellis adjourned the meeting.

Approved: October 17, 2017

Minutes Prepared by: Terra Lovelin