

**University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
Special Meeting
Monday, February 26, 2024**

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Monday, February 26, 2024
11:30 a.m.

CALL TO ORDER

The University Medical Center Governing Board Human Resources and Executive Compensation Committee met at the time and location listed above. The meeting was called to order at the hour of 2:00 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 (via WebEx)
Renee Franklin (via WebEx)
Laura Lopez-Hobbs

Absent:

None

Others Present:

Mason Van Houweling, Chief Executive Officer
Ricky Russell, Chief Human Resources Officer
Jennifer Wakem, Chief Financial Officer
Rosalind Bob, Human Resources Director
Susan Pitz, General Counsel
James Conway, Assistant General Counsel
Stephanie Ceccarelli, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Chairman Ellis asked if there were any persons present in the audience wishing to be heard on the item listed 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 January 22, 2024. (For possible action)

FINAL ACTION:

A motion was made by Member Franklin that the minutes be approved as presented. Motion carried by unanimous vote.

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

FINAL ACTION:

A motion was made by Member Hobbs that the agenda be approved as recommended. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Review and discuss the Fifth Amendment to the CEO's Employment Agreement; and make a recommendation for approval by the UMC Governing Board; and take action as deemed appropriate. (*For possible action*)

DOCUMENTS SUBMITTED:

- CEO Employment Agreement

DISCUSSION:

Ricky Russell, CHRO, reviewed substantive changes to the CEO Employment agreement:

This amendment will extend the length of the Employment Agreement to December 31, 2028, which will result in an additional 24 months of PERS service credit. The estimated fiscal impacts were discussed. The CEO must be employed by UMC at the time of the PERS credit. Other changes include language changes to the Change in Control of management, ownership or control of UMC hospital. There was lengthy discussion regarding what would trigger the change of control.

Chair Ellis asked what the financial ramifications would be of change of control.

Ms. Pitz stated that although change of ownership could trigger a change of control, this could also refer to a management change of control. This language would mirror an early termination provision included in the contract. A lengthy discussion ensued regarding various scenarios that could trigger a change of control, as well as the employee and hospital rights.

The change of control provision included in contract are to protect the organization and employee, ensure a smooth change of management if necessary and gives the employee the right to terminate. Negotiations in terms would occur if there were a change in control to take place.

Ms. Pitz commented that the intent of this language is to give mutual rights and the employee has the right to give 45-days' notice. If the employee left the organization, there would be a breach and upon breach of the contract he would have a non-compete.

Member Hobbs inquired of the benefit to the entity with this provision as written. A discussion ensued on whether such a provision benefits the entity and the members' support of the provision.

Ms. Pitz provided options the Committee could consider before moving it forward for approval to the Governing Board.

Member Hobbs wanted to insure that this compensation package is reasonable for this classification and added that overall compensation would be a consideration when discussing the total compensation and bonus package in the future.

The Committee would like to review the Mercer data in reference to the competitive compensation package overall and will consider this when making bonus recommendations in the future.

Ms. Pitz concluded the discussion by listing minor language clean up in the agreement.

FINAL ACTION:

A motion was made by Member Hobbs to approve the employment agreement with the removal of the proposed change of control provision. The motion passed with a 2 to 1 majority vote.

Mr. Van Houweling thanked the Committee for their time and consideration during this discussion.

ITEM NO. 5 Review and discuss the creation of the new Remote Work Policy and make a recommendation for approval by the UMC Governing Board; and take action as deemed appropriate. (For possible action)

DOCUMENTS SUBMITTED:

- Remote Work Policy

DISCUSSION:

Mr. Russell reviewed the remote work policy.

This new policy sets the structure for a remote work classification option at UMC for full or hybrid remote work. A draft remote worker agreement document was attached.

The policy also sets forth the process of budgeting for equipment, as well as expenses that would and would not be covered in the event that this option is implemented in the future. Employees will be required to live within Clark County. Discussions continue regarding how the remote work schedule will be structured and the classifications that would participate.

It was clarified that this policy will be in place if it is needed. There was continued discussion regarding the benefits of this option in the future.

FINAL ACTION:

A motion was made by Member Hobbs that the changes to the remote work policy be approved as presented. Motion carried by a majority vote.

ITEM NO. 6 Receive and discuss the change to the HR procedure for Disciplinary Hearing Process, and make a recommendation for approval by the UMC Governing Board; and take action as deemed appropriate. (For possible action)

DOCUMENTS SUBMITTED:

- Disciplinary Hearing Process Policy

DISCUSSION:

UMC is making changes to the HR procedure for Disciplinary Hearing Process for non-represented employees, effective on or around March 1, 2024. The purpose of the policy is to set forth the procedure for administering pre-termination and post-termination hearings for those employees not covered by the CBA.

Substantive changes include:

- Removing language of going to the process of disciplinary suspension.
- Replacing the gender specific language with gender neutral language
- Changing the hearing office from County Manager (or designee) to reference the UMC CEO or a designee.

FINAL ACTION:

A motion was made by Member Hobbs that the changes to the disciplinary hearing process policy be approved as presented. Motion carried by unanimous vote

ITEM NO. 7 Review and discuss the revisions to various HR policies and procedures regarding references to Administrative Leave Days and Compensation Plans; and make a recommendation for approval by the UMC Governing Board; and take action as deemed appropriate. (For possible action)

DOCUMENTS SUBMITTED:

- Policies and Procedures - Various

DISCUSSION:

UMC has made changes to physician compensation plans by implementing administrative leave days. Mr. Russell noted that previously, the policies only referenced consolidated annual leave (CAL). The only changes are to references

to various compensation plans and the concept of administrative leave days. As a result, UMC is making modest changes to the following HR policies and procedures, to make them consistent with the other agreements.

- **HR Policy: Employee Leave Program**
- **HR Policy: Payroll and Salary Reduction Policy for Non-Union Exempt**
- **HR Procedure: Payroll and Salary Reduction for Non-Union Exempt Employee**
- **HR Policy: Performance Review Program**
- **HR Procedure: Performance Evaluation Program**
- **HR Policy: Position Classification & Compensation Plans**

FINAL ACTION:

A motion was made by Member Hobbs that the changes to the various policies and procedures discussed be approved as presented. Motion carried by unanimous vote.

SECTION 3. EMERGING ISSUES

ITEM NO. 8 Identify emerging issues to be addressed by staff or by the UMC Governing Board Human Resources sand Executive Compensation Committee at future meetings; and direct staff accordingly. (For possible action)

DISCUSSION:

1. Discussion with the County regarding insurance plan processes and benefit renewals.
2. Mercer data for executive team and the compensation spread

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.

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 12:23 p.m. Chairman Ellis adjourned the meeting.

Approved: March 18, 2024

Minutes Prepared by: Stephanie Ceccarelli