



**Minutes of the Open Session of the  
Executive Compensation Committee  
of the El Camino Hospital Board of Directors  
Thursday, April 2, 2020**

Pursuant to State of California Executive Order N-29-20 dated March 18, 2020, El Camino Health did not provide a physical location for this meeting. Instead, the public was invited to join the open session meeting via teleconference.

**Members Present**

Teri Eyre\*\*

Jaison Layney\*\*

Julie Kliger\*\*, Vice Chair

Bob Miller\*\*, Chair

George Ting, MD\*\*

Pat Wadors\*\*

John Zoglin\*\*

**Members Absent**

None

\*\*via teleconference

Agenda Item	Comments/Discussion	Approvals/ Action
1. <b>CALL TO ORDER/ ROLL CALL</b>	The open session meeting of the Executive Compensation Committee of El Camino Hospital (the “ <u>Committee</u> ”) was called to order at 4:00pm by Chair Bob Miller. A verbal roll call was taken. All Committee members were present and participated via teleconference and videoconference pursuant to Santa Clara County’s shelter in place order. Pat Wadors joined the meeting at 4:01pm during Agenda Item 2: Potential Conflict of Interest Disclosures. A quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020 and N-29-20 dated March 18, 2020.	
2. <b>POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Chair Miller asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were noted.	
3. <b>PUBLIC COMMUNICATION</b>	None.	
4. <b>CONSENT CALENDAR</b>	Chair Miller asked if any member of the Committee or the public wished to remove an item from the consent calendar.  <b>Motion:</b> To approve the consent calendar: Minutes of the Open Session of the Executive Compensation Committee Meeting (11/7/2019); and for information: Progress Against FY20 ECC Goals; Board Approvals: Chief Quality Officer.  <b>Movant:</b> Ting <b>Second:</b> Wadors <b>Ayes:</b> Eyre, Kliger, Layney, Miller, Ting, Wadors, Zoglin <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None	<b>Consent calendar approved</b>
5. <b>REPORT ON BOARD ACTIONS</b>	Chair Miller referred to the recent Board approvals as further detailed in the packet, including 1) a base salary for a Chief Quality Officer and the addition of the position to the Executive Performance Incentive Plan and 2) a process for the Board to delegate authority to its advisory committees.	
6. <b>REVIEW EXECUTIVE COMPENSATION POLICIES</b>	Chair Miller noted that these policies include the revisions requested by the Committee at its last meeting.	<b>Revised policies recommended for approval</b>


	<p>Mr. Layney requested the following changes:</p> <p><b>Executive Compensation Philosophy</b></p> <ol style="list-style-type: none"> <li>Page 1, <u>Section C - Definition for Base Salary</u>: targeted at 50% of market data – add “for a specific position plus the geographic differential.”</li> <li>Page 2, <u>Section E(1)</u>: refer to “San Francisco Bay Area” rather than Silicon Valley to be consistent throughout the document</li> </ol> <p>In response to Mr. Layney’s question, Julie Johnston, Director, Total Rewards, explained that retention and hiring bonuses are included in what is reported under Total Rewards and reported in the Letters of Rebuttable Presumption of Reasonableness.</p> <p><b>Salary Administration Policy</b></p> <ol style="list-style-type: none"> <li>Page 1, <u>Section D(1)(a)</u>: Move the sentence that “The Committee may elect not to adjust salary ranges…” to Section D(1)(c).</li> </ol> <p>Chair Miller clarified that the Committee can make recommendations for salaries outside of the range, which then must be approved by the Hospital Board.</p> <p>Ms. Eyre commented that the sample calculations in the Executive Performance Incentive Plan policy were very helpful and requested that any materials on this topic presented to the Committee also include examples.</p> <p>Chair Miller commented that some items for the Committee’s review have been deferred, but the intent for reviewing the policy changes at this time is to put the new formulas in effect for the next performance year.</p> <p><b>Motion:</b> To recommend that the Board approve the proposed revisions to the Executive Compensation Philosophy, revised as noted above, Salary Administration Policy, revised as noted above, and Executive Performance Incentive Plan policies.</p> <p><b>Movant:</b> Layney  <b>Second:</b> Eyre  <b>Ayes:</b> Eyre, Kliger, Layney, Miller, Wadors, Ting, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	
<p><b>7. FY21 PLANNING</b></p>	<p>The Committee discussed potentially developing new goals with different measures of success rather than task-oriented goals measured by deadlines; Chair Miller suggested that Committee members bring suggestions and feedback and requested that the proposed goals be paced for the Committee’s review at its May 2020 meeting.</p> <p>Lisa Stella from Mercer commented that other committees use self-assessments to evaluate their performance. The Committee conducts a self-assessment every other year and will be conducted later in 2020.</p> <p><b>Motion:</b> To approve the proposed FY21 meeting dates.</p> <p><b>Movant:</b> Eyre  <b>Second:</b> Wadors  <b>Ayes:</b> Eyre, Kliger, Layney, Miller, Wadors, Ting, Zoglin  <b>Noes:</b> None</p>	<p><b><i>FY21          Committee          goals to be          paced for May          2020 meeting</i></b></p> <p><b><i>FY21 dates          approved</i></b></p>

	<b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None	
<b>8. ADJOURN TO CLOSED SESSION</b>	<b>Motion:</b> To adjourn to closed session at 4:22pm.  <b>Movant:</b> Eyre <b>Second:</b> Layney <b>Ayes:</b> Eyre, Kliger, Layney, Miller, Wadors, Ting, Zoglin <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None	<i>Adjourned to closed session at 4:22pm</i>
<b>9. AGENDA ITEM 14: RECONVENE OPEN SESSION/ REPORT OUT</b>	Open session was reconvened at 5:36pm. Agenda items 9-13 were addressed in closed session.  During the closed session, the Committee approved the Minutes of the Closed Session of the Executive Compensation Committee Meeting (11/7/2019) by a unanimous vote in favor of all members present by teleconference (Eyre, Kliger, Layney, Miller, Wadors, Ting, Zoglin).	
<b>10. AGENDA ITEM 15: FY20 PACING PLAN</b>	Chair Miller commented that it would be ideal if the Committees reviewing goal subject matter (Quality and Finance) and structure (Executive Compensation) review the organizational goals before they go to the Board.	
<b>11. AGENDA ITEM 16: CLOSING COMMENTS</b>	Chair Miller thanked the Committee for their patience and participation.	
<b>12. AGENDA ITEM 17: ADJOURNMENT</b>	<b>Motion:</b> To adjourn at 5:38pm.  <b>Movant:</b> Wadors <b>Second:</b> Eyre <b>Ayes:</b> Eyre, Kliger, Layney, Miller, Wadors, Ting, Zoglin <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None	<i>Meeting adjourned at 5:38pm</i>

Attest as to the approval of the foregoing minutes by the Executive Compensation Committee and the Board of Directors of El Camino Hospital.

DocuSigned by:  
  
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Bob Miller  
 Chair, Executive Compensation Committee

DocuSigned by:  
  
 96074807D8A74B0...

Julia E. Miller  
 Secretary, ECH Board of Directors

Prepared by: Sarah Rosenberg, Contracts Administrator/Governance Services EA