



MINUTES

**Southern Nevada Community Health Center Executive Director Annual Review Committee Meeting
November 9, 2020 – 9:00 a.m.
Meeting will be conducted via Webex Event**

- BOARD:** Brian Knudsen – Chair, Council Member, City of Las Vegas
(Present) Gary Costa – Golden Rainbow Director
Erin Breen – UNLV College of Engineering Transportation Research Center
Father Rafael – All Saints episcopal Church
Marilyn Kirkpatrick – Commissioner, Clark County
- (Absent):** Scott Garrett – Manager, POP Vegas Cultural Museum
- ALSO PRESENT:** None
(In Audience)
- LEGAL COUNSEL:** Annette Bradley, Esq
- EXECUTIVE SECRETARY:** Dr. Fermin Leguen, MD, MPH, Acting Chief Health Officer/FQHC Executive Director
- STAFF:** Heather Anderson-Fintak, Andria Cordovez Mulet, Andrea Green

- I. **CALL TO ORDER AND ROLL CALL**
Chair Knudsen called the Southern Nevada Community Health Center Executive Director Annual Review Committee Meeting to order at 9:07 a.m.
- II. **PLEDGE OF ALLEGIANCE**
- III. **PUBLIC COMMENT**: A period devoted to comments by the general public about those items appearing on the agenda. Comments will be limited to five (5) minutes per speaker. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chairman or the Board by majority vote.
- Seeing none, Chair Knudsen closed this portion of the meeting.
- IV. **ADOPTION OF THE NOVEMBER 9, 2020 AGENDA (for possible action)**
- A motion was made by Member Breen seconded by Chair Knudsen and carried unanimously to approve the November 9, 2020 Agenda as presented.*
- V. **REPORT / DISCUSSION / ACTION:**
1. **Review Executive Director Oversight;** direct staff accordingly or take other action as deemed necessary **(for possible action)**

David Kahananui, Senior FQHC Manager, presented the Executive Director Oversight to the board. **(Attachment 1)**

No action was taken on this item.

2. **Receive, Discuss and Accept Executive Director's Report of Accomplishments and Goals and Discuss and Identify Goals for Next Review Period;** direct staff accordingly or take other action as deemed necessary **(for possible action)**

Dr. Leguen, Acting Chief Health Officer, FQHC Executive Director, presented the Executive Director's Report of Accomplishments and Goals for next review period to the board. **(Attachment 2)**

Member Pereira thanked Dr. Leguen and his staff on a job well done during the first year of the Southern Nevada Community Health Center and for allowing the Episcopal All Saints Church to help our community partners during the COVID-19 pandemic. He requested that the Executive Directors Goals for the next review period should include: an emphasis on mental health, behavioral health, and marketing of all the services the Southern Nevada Community Health Center provides.

Chair Knudsen thanked Dr. Leguen and his staff on a job well done during the first year of the Southern Nevada Community Health Center and the excellent service he received while being a patient. He requested some of the Executive Director Goals for the next review period should include: board members receiving a tour of the Southern Nevada Community Health Center and to meet the Community Health Center staff along with having group briefings with staff and board members in-between board meetings.

Member Kirkpatrick thanked Dr. Leguen and his staff on a job well done during the first year of the Southern Nevada Community Health Center. She requested some of the Executive Director's Goals for the next review period should include: Outreach, Marketing for the Health District and FQHC, full time contract specifically for marketing, Healthy Start Program to start up again, and for the patients who are under that Healthy Start Program, to be incorporated through the product of the health center as new customers, provide more free clinical and behavioral health services to students, and to increase the number of encounters by 4%

Member Breen thanked Dr. Leguen and his staff on a job well done during the first year of the Southern Nevada Community Health Center. She requested some of the Executive Director's Goals for the next review period should include: marketing with nontraditional partners such as UNLV and former outreach students. And possibly create a subcommittee to assist Dr. Leguen and staff in searching for nontraditional partners.

No action was taken on this item.

3. **Discuss and Approve Recommendations to the Southern Nevada Community Health Center Board on November 19, 2020;** direct staff accordingly or take other action as deemed necessary **(for possible action)**

A motion was made by Chair Knudsen seconded by Member Pereira and carried unanimously to approve the recommendations to the Southern Nevada Community Health Center Board on November 19, 2020.

- VI. **SECOND PUBLIC COMMENT:** A period devoted to comments by the general public, if any, and discussion of those comments, about matters relevant to the Board's jurisdiction will be held. Comments will be limited to five (5) minutes per speaker. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chairman or the Board by majority vote.

Seeing none, Chair Knudsen closed this portion of the meeting.

VII. ADJOURNMENT

Chair Knudsen adjourned the meeting at 10:19 a.m.

Fermin Leguen, MD, MPH
Acting Chief Health Officer/Executive Secretary/FQHC Executive Director

/ag



AGENDA

SOUTHERN NEVADA COMMUNITY HEALTH CENTER EXECUTIVE DIRECTOR ANNUAL REVIEW COMMITTEE MEETING November 9, 2020, 9:00 a.m.

Meeting will be conducted via Webex Event

NOTICE

This meeting is being conducted consistent with the Governor's March 22, 2020 Declaration of Emergency Directive 006 as extended by the Governor's March 31, 2020 Declaration of Emergency Directive 010

From a computer, use the Webex Event Link:

<https://snhd.webex.com/snhd/onstage/g.php?MTID=eb239225c781ff9ba4786919b0eea1c2b>

To call into the meeting, dial (415) 655-0001 and enter Access Code: 126 325 1401

For other governmental agencies who use video conferencing capability, the Video Address is 1263251401@snhd.webex.com

NOTE:

- Agenda items may be taken out of order at the discretion of the Chair
- The Board may combine two or more agenda items for consideration
- The Board may remove an item from the agenda or delay discussion relating to an item on the agenda at any time

I. CALL TO ORDER AND ROLL CALL

II. PLEDGE OF ALLEGIANCE

- III. FIRST PUBLIC COMMENT: A period devoted to comments by the general public about those items appearing on the agenda. Comments will be limited to five (5) minutes per speaker. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chairman or the Board by majority vote.

There will be two public comment periods. To submit public comment on either public comment period on individual agenda items or for general public comments:

- **By Webex: Use the link above. You will be able to provide real-time chat-room messaging, which can be read into the record by a Community Health Center employee or by raising your hand during the public comment period, a Community Health Center employee will unmute your connection. Additional Instructions will be provided at the time of public comment.**
- **By email: public-comment@snchc.org For comments submitted prior to and during the live meeting. Include your name, zip code, the agenda item number on which you are commenting, and your comment. Please indicate whether you wish your email comment to be read into the record during the meeting or added to the backup materials for the record. If not specified, comments will be added to the backup materials.**

IV. ADOPTION OF THE NOVEMBER 9, 2020 AGENDA (for possible action)

V. REPORT / DISCUSSION / ACTION

1. **Review Executive Director Oversight;** direct staff accordingly or take other action as deemed necessary **(for possible action)**
2. **Receive, Discuss and Accept Executive Director’s Report of Accomplishments and Goals and Discuss and Identify Goals for Next Review Period;** direct staff accordingly or take other action as deemed necessary **(for possible action)**
3. **Discuss and Approve Recommendations to the Southern Nevada Community Health Center Board on November 19, 2020;** direct staff accordingly or take other action as deemed necessary **(for possible action)**

VI. SECOND PUBLIC COMMENT: A period devoted to comments by the general public, if any, and discussion of those comments, about matters relevant to the Board’s jurisdiction will be held. Comments will be limited to five (5) minutes per speaker. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chairman or the Board by majority vote.

See above instructions for submitting public comment.

VII. ADJOURNMENT

NOTE: Disabled members of the public who require special accommodations or assistance at the meeting are requested to notify Andrea Green or Andria Cordovez - Mulet in Administration at the Southern Nevada Health District by calling (702) 759-1201.

THIS AGENDA HAS BEEN PUBLICLY NOTICED on the Southern Nevada Health District’s Website at <https://snhd.info/meetings>, the Nevada Public Notice website at <https://notice.nv.gov> ., and a copy will be provided to any person who has requested one via U.S mail or electronic email. All meeting notices include the time of the meeting, access instructions, and the meeting agenda. For copies of agenda backup material, please contact Andrea Green or Andria Cordovez - Mulet at (702) 759-1201.

Chapter 7: CEO Oversight and Partnership

Executive Summary

Finding and maintaining a strong Chief Executive Officer (CEO) for the health center is one of the most important roles a board plays. The organization's CEO has tremendous responsibilities in management and operations, leadership, and development of the health center. A strong CEO maintains strong working relationships with the community that the health center serves, staff, and the board.

Once hired, the board's role in evaluating, compensating, supporting, and recognizing excellent service by the CEO (when appropriate) is essential for a productive relationship that results in safeguarding the health center's mission and achieving its vision and goals. It is good practice for a board to undertake CEO succession planning so that it has a plan in place when action is needed to find the next CEO.

While the CEO is the only health center employee who is selected, evaluated, and, if necessary, dismissed by the board, it is inevitable that the board and senior staff of the health center will interact; what is important is having parameters in place for this interaction that respects the roles and authority of the board and CEO and proactively addresses common challenges in board-staff interaction.

This section covers the following topics:

- A. Roles and Responsibilities Related to CEO Oversight and Partnership
- B. The Health Center Program and CEO Oversight
- C. Selecting and Hiring the Health Center CEO
- D. Establishing Goals and Evaluating CEO Performance
- E. CEO Compensation
- F. CEO Succession Planning
- G. Pillars of Board-CEO Partnership
- H. Board and Staff Interaction

Tips for Using this Section

Using This Chapter as a Board

If your board is reviewing and discussing this chapter as a group, consider the following discussion questions:

- Does our board ensure the CEO has performance goals that are connected to the strategic plan?
- Does the board periodically evaluate the CEO's performance? What practices do we want to maintain, stop, or start related to CEO evaluation?
- Does the board approve the CEO's compensation?
- Has the board developed and approved an emergency CEO succession plan and a CEO succession policy?
- Do we have an effective partnership with the CEO?
- Does the board understand the parameters that are important to follow related to interaction with staff?

Using This Chapter as an Individual

If you are reviewing this chapter on your own, consider the following questions:

- What did I learn from this chapter?
- What did I learn from this chapter that may be helpful to the board I serve on or support?
- Would additional information be helpful and, if so, on what topics?

A. Roles and Responsibilities Related to CEO Oversight and Partnership

The CEO, who may be called the Executive Director or “Project Director,” is the only employee who is selected by the board.⁵⁴ The board is responsible for selecting the CEO and, if necessary, terminating the CEO. The board should work with the CEO to establish annual performance goals and provides a routine evaluation of CEO performance. It is also good governance practice for the board to approve the compensation of the CEO – and the Internal Revenue Service (IRS) asks specific questions about the process for determining such compensation on the Form 990 (discussed below) – as well as to undertake CEO succession planning.

Ideally, the board and CEO have a strong partnership as neither can do its job effectively without the support of the other. Markers of a strong board-CEO relationship include mutual trust and respect, shared understanding of roles, clear communication, and mutual accountability.

The CEO is responsible for hiring and oversight of the health center’s staff. Senior staff members often attend board meetings and/or are designated by the CEO to serve as the staff liaison for a board committee. It is important that both board and staff understand parameters for appropriate board-staff communication.

B. The Health Center Program and CEO Oversight

The Health Resources and Services Administration (HRSA) Health Center Program Compliance Manual (Compliance Manual) includes some requirements related to CEO oversight in Chapter 11: Key Management Staff and Chapter 19: Board Authority; excerpts from the Compliance Manual that discuss how a health center would demonstrate compliance with these requirements are included below for ease of reference.⁵⁵

Excerpt from Health Center Program Compliance Manual, Chapter 11: Key Management Staff. Please note the footnotes in this excerpt are from and link directly to the Compliance Manual.

Demonstrating Compliance

A health center would demonstrate compliance with these requirements by fulfilling all of the following:

- a. The health center has determined the makeup of and distribution of functions among its key management staff² and the percentage of time dedicated to the Health Center Program project for each position, as necessary to carry out the HRSA-approved scope of project.
- b. The health center has documented the training and experience qualifications, as well as the duties or functions, for each key management staff position (for example, in position descriptions).

⁵⁴ Project Director is a title that appears in the HRSA Health Center Program Compliance Manual (see Chapter 11: Key Management Staff).

⁵⁵ See Chapter 19: Board Authority and Chapter 11: Key Management Staff of the HRSA Health Center Program Compliance Manual at <https://bphc.hrsa.gov/programrequirements/compliancemanual/chapter-19.html#titletop> and <https://bphc.hrsa.gov/programrequirements/compliancemanual/chapter-11.html#titletop> for more information.

- c. The health center has implemented, as necessary, a process for filling vacant key management staff positions (for example, vacancy announcements have been published and reflect the identified qualifications).
- d. The health center's Project Director/CEO is directly employed by the health center,³ reports to the health center's governing board² and is responsible for overseeing other key management staff in carrying out the day-to-day activities necessary to fulfill the HRSA-approved scope of project.
- e. If there has been a post-award change in the Project Director/CEO position,³ the health center requests and receives prior approval from HRSA.

Excerpt from Health Center Program Compliance Manual, [Chapter 19: Board Authority](#). Please note the footnotes in this excerpt are from and link directly to the Compliance Manual.

The most relevant parts of this excerpt as they apply to the board's CEO oversight role are bolded below; this emphasis was added by NACHC.

Demonstrating Compliance

A health center would demonstrate compliance with these requirements by fulfilling all of the following:

- a. The health center's organizational structure, articles of incorporation, bylaws, and other relevant documents ensure the health center governing board maintains the authority for oversight of the Health Center Program project, specifically:
 - o The organizational structure and documents do not allow for any other individual, entity or committee (including, but not limited to, an executive committee authorized by the board) to reserve approval authority or have veto power over the health center board with regard to the required authorities and functions;¹¹
 - o In cases where a health center collaborates with other entities in fulfilling the health center's HRSA-approved scope of project, such collaboration or agreements with the other entities do not restrict or infringe upon the health center board's required authorities and functions; and
 - o For public agencies with a co-applicant board;¹² the health center has a co-applicant agreement that delegates the required authorities and functions to the co-applicant board and delineates the roles and responsibilities of the public agency and the co-applicant in carrying out the Health Center Program project.
- b. **The health center's articles of incorporation, bylaws, or other relevant documents outline the following required authorities and responsibilities of the governing board:**
 - o Holding monthly meetings;
 - o **Approving the selection (and termination or dismissal, as appropriate) of the health center's Project Director/CEO;**
 - o Approving the annual Health Center Program project budget and applications;
 - o Approving health center services and the location and hours of operation of health center sites;
 - o Evaluating the performance of the health center;
 - o Establishing or adopting policy¹³ related to the operations of the health center; and
 - o Assuring the health center operates in compliance with applicable Federal, State, and local laws and regulations.

- c. The health center’s board minutes and other relevant documents confirm that the board exercises, without restriction, the following authorities and functions:
- Holding monthly meetings where a quorum is present to ensure the board has the ability to exercise its required authorities and functions;
 - **Approving the selection, evaluation and, if necessary, the dismissal or termination of the Project Director/CEO from the Health Center Program project;**
 - Approving applications related to the Health Center Program project, including approving the annual budget, which outlines the proposed uses of both Health Center Program award and non-Federal resources and revenue;
 - Approving the Health Center Program project’s sites, hours of operation and services, including decisions to subaward or contract for a substantial portion of the health center’s services;
 - Monitoring the financial status of the health center, including reviewing the results of the annual audit, and ensuring appropriate follow-up actions are taken;
 - Conducting long-range/strategic planning at least once every three years, which at a minimum addresses financial management and capital expenditure needs; and
 - Evaluating the performance of the health center based on quality assurance/quality improvement assessments and other information received from health center management,¹⁴ and ensuring appropriate follow-up actions are taken regarding:
 - Achievement of project objectives;
 - Service utilization patterns;
 - Quality of care;
 - Efficiency and effectiveness of the center; and
 - Patient satisfaction, including addressing any patient grievances.
- d. The health center board has adopted, evaluated at least once every three years, and, as needed, approved updates to policies in the following areas: Sliding Fee Discount Program, Quality Improvement/Assurance, and Billing and Collections.¹⁵
- e. The health center board has adopted, evaluated at least once every three years, and, as needed, approved updates to policies that support financial management and accounting systems and personnel policies. However, in cases where a public agency is the recipient of the Health Center Program Federal award or designation and has established a co-applicant structure, the public agency may establish and retain the authority to adopt and approve policies that support financial management and accounting systems and personnel policies.

C. Selecting and Hiring the Health Center CEO

The CEO is the only health center employee selected by the board; the CEO – in turn – is responsible for selecting the other members of the staff. Selecting the CEO has a significant impact on the success of the health center. A board has the opportunity to shape the health center’s future by selecting the best candidate to lead the organization. There are various reasons a board may need to search for and select a new CEO – including retirement, resignation, termination, and death, among others. Ideally a board has an Emergency Succession Plan and a CEO Succession Policy in place (discussed later in this chapter) which it can look to in order to provide guidance on steps to take during a CEO search process.

In the case of a sudden event – which may include death or termination – a board will likely implement its emergency CEO succession plan and name an interim leader while it determines how to proceed with a CEO search. In this and other circumstances, a board may also first wish to conduct an organizational assessment to assess the overall sustainability of the organization. Such an assessment often focuses on the health center’s business model and

strategy, leadership, resources, and culture and can inform what is needed in the next leader. NACHC's "Essential Guides to Sustainability, Succession, and Transition Planning" has guidance on conducting this type of assessment.⁵⁶

Understanding the Type of Transition

An assessment can help a board understand the health center's situation. There are four classic transition types:

1. Sustained success – The organization is well led and performing well. The board needs to resist the temptation to find someone "just like" the departing executive. High-performing executives are often times hard to follow. The board will want to ensure that the job is doable for the successor. That does not mean changing the job, but rather empowering the new leader to delegate.
2. Underperforming – The organization is performing poorly or is about to go into decline. The challenge here is to properly diagnose the issues and make sure that they are addressed during the transition. There is also a challenge to align the chief executive job duties with the real leadership needs of the organization. Finally, the board will want to guard against "hiding" the situation from candidates. Transparency is the best policy.
3. Turnaround – The organization is in active decline. The board's challenge is to stabilize the organization first. This is ideally be done before launching the search. This is a time to promote or hire strong interim leadership to help turn the organization around, and focus on improving staff morale.
4. Long tenured executive – The organization is facing the departure of the founder or a long tenured executive. It is vital that the committee reassess the job and empower the new CEO to delegate some of the executive's accumulated responsibilities. Finally, the board will need to break out of the business-as-usual mentality and reimagine the board-executive relationship with a new executive in place.

Source: Adapted from NACHC's "Essential Guides to Sustainability, Succession, and Transition Planning" written for Transition Guides (prior to merging with Raffa) on behalf of NACHC available on <http://mylearning.nachc.com/>.

When starting a CEO search, typically a board will consider:

- CEO role expectations based on the health center's most urgent priorities and goals and/or findings of an organizational assessment.
- Essential kinds of experience.
- The personal style needed to fit the health center's mission and culture.
- Whether or not to consider individuals from within the organization, along with external candidates.
- Whether to hire a search firm or conduct the search themselves. Many health centers retain professional search firms who can assist them with the CEO search process. A major benefit of a search firm is its ability to proactively identify candidates – including those who may not actively be looking for a new role.
- Who will serve on the search task force.
- How to assure the board is kept informed of the process.

Typically, a board will form a CEO Search Task Force (sometimes called a CEO Transition Task Force). This Task Force often consists of approximately five board members and takes the lead in preparing the position/job description,

⁵⁶ NACHC's "Essential Guides to Sustainability, Succession, and Transition Planning" available on (<http://mylearning.nachc.com/>).

interviewing candidates, and ultimately recommending a final candidate to the board for consideration and approval. Input from the board members not on the Task Force and key staff leaders is also sought along the way. For example, staff are typically consulted regarding the type of competencies needed in a CEO and the Senior Leadership Team often participates in interviews with final candidates – providing the board with feedback. It is not recommended that staff formally serve on the search committee.

Prior to hiring a candidate to serve as CEO, the CEO Search Task Force typically ensures reference checking occurs and consider a background check if permitted by state law. Robust reference checking may include talking with several former supervisors and, if the person has previously served as a CEO, member(s) of the board of directors of that organization. Sometimes this may also entail conversations with direct reports and colleagues. If the candidate has previously worked at another health center, talking with that center can be helpful. A formal background check – conducted in accordance with the health center’s personnel policies and state law – is also a good practice. Such background checks are typically conducted by a third-party organization, and usually involve review of a number of databases - local, state, and federal criminal history, and credit reports. Other typical checks include verification of prior employment and/or verification of education and/or licensing credentials. Many states are tightening up on pre-employment background checks. Be sure to check with your legal counsel to ensure the scope of background checks is permitted in your state.⁵⁷

Once selected, a contract or employment agreement with the CEO establishes parameters for such items as compensation, benefits, evaluation, among others. More information and resources are available on CEO search in a resource called “*Essential Guides to Sustainability, Succession and Transition Planning*” which contains additional details on organizational assessments, CEO succession planning, and the CEO hiring process.⁵⁸

When it is in the best interests of the organization, the board should, by contract, have the authority to replace the current CEO and select a more qualified executive. This is never an easy task and must be approached with sensitivity and planning. It is important to note that the board must approve the termination or dismissal of a CEO.

Finally, it is important for a board to keep in mind Chapter 11: Key Management Staff of the Health Center Program Compliance Manual, Demonstrating Compliance, e requires that “If there has been a post-award change in the Project Director/CEO position,²the health center requests and receives prior approval from HRSA.”⁵⁹

D. Establishing Goals and Evaluating CEO Performance⁶⁰

It is considered a good practice for the board and CEO to agree on performance goals annually that are connected to the strategic plan. Often a CEO will prepare suggested goals, discuss them with the board chair or a designated committee, and the goals will be approved by the board.

Additionally, conducting a routine evaluation of the CEO is an important way to inform the CEO whether they are meeting or exceeding the board’s expectations. Generally, it is considered effective practice for the CEO evaluation to take place annually. To be fair and consistent, it is important to base the performance assessment on the:

- CEO’s job description – Each responsibility described in the CEO’s job description can be formulated into a question for the CEO evaluation form so that the CEO’s performance of those responsibilities can be assessed.

⁵⁷ This discussion on reference checks and background checks is adapted from NACHC’s “Essential Guides to Sustainability, Succession, and Transition Planning” (<http://mylearning.nachc.com/>).

⁵⁸ NACHC’s “Essential Guides to Sustainability, Succession, and Transition Planning” available on (<http://mylearning.nachc.com/>).

⁵⁹ See Chapter 11: Key Management Staff of the HRSA Health Center Program Compliance Manual at <https://bphc.hrsa.gov/programrequirements/compliancemanual/chapter-11.html#titletop>.

⁶⁰ Some of the information in this section is adapted from a resource previously published by NACHC titled, “Evaluation of the Health Center’s Chief Executive Officer,” and written by Marcie H. Zakheim, Esq. with Feldesman Tucker Leifer Fidell.

- Pre-established CEO individual performance goals – As noted above, on an annual basis, the CEO and board can establish individual performance goals for the CEO that address any concerns about performance or priorities of the board for the coming year. These goals and priorities are ideally linked to the health center’s multi-year strategic plan and annual operating plan. Specifically, the performance goals may include areas such as:
 - Implementing a particular program, project, or initiative defined in a strategic or operational plan
 - Effective leadership and management style
 - Negotiating skills
 - Ability to motivate others
 - Willingness to delegate responsibilities
 - Ability to understand and navigate the changing health care landscape
 - Time management skills
 - Communication skills

Typically, the evaluation process is led by the board officers but may also be led by a committee that seeks input from all board members via an evaluation tool; this is often done through an online survey platform. The CEO is often asked to complete a self-evaluation so that the board can compare the CEO’s perspective on their own performance to the board’s evaluation. Often, the chair or officers compile the findings and discuss them with the board. Items with a wide variation in point of view can be discussed and adjusted. Finally, the board approves the evaluation and it is shared with the CEO both in writing as well as verbally. Appendix 12 contains a sample evaluation tool.

When merited by good performance, it is important to recognize the CEO’s accomplishments and to be attentive to supporting the CEO’s professional development. Allocating resources for professional development and/or executive coaching for the CEO is common.

E. CEO Compensation

The health center’s board is responsible for recruiting and retaining the best CEO to lead the center. In a competitive market, compensation plays a major role. However, most health centers are tax-exempt organizations and must consider the principles of “reasonable compensation” and “intermediate sanctions,” which are defined below:

- Reasonable compensation is the prevailing rate of compensation paid to comparably qualified and experienced individuals performing similar functions for similar organizations in the community. Health centers must find information on comparable compensation packages, inclusive of salary and all benefits.
- Intermediate sanctions is the provision in tax law that gives the Internal Revenue Service the authority to impose tax penalties (ultimately the organization could lose its tax exemption status) on individuals who receive unreasonably high compensation and those who knowingly approve such compensation.

Board members should be aware of these requirements when considering CEO compensation.

NACHC produces an annual salary and benefit report that can serve as a tool for boards regarding comparable salary data. Additionally, looking at the IRS Form 990 of other comparable nonprofit organizations can serve as a resource – including health care delivery nonprofits – which can be found online through an organization called Candid (formerly GuideStar). The board should approve the CEO’s compensation.

F. CEO Succession Planning

Succession planning is the process of ensuring effective organizational leadership over time. It is considered good practice for boards to undertake. This process is often misunderstood and it is important to clarify that a CEO Succession Plan is not about naming a successor but, rather, it addresses both emergency and planned CEO succession, and outlines guidelines and steps to take when action is needed to find the next chief executive.⁶¹

Good practices include:

- **Proactively broach CEO succession** – Planning for CEO Succession is a board responsibility. Whether a CEO has been in place for 6 months or 30 years, it is important to have plans in place to help ensure organizational sustainability, mitigate risk, and increase the likelihood of well managed transitions.
- **Develop a plan for emergency succession** – It is considered a good governance and good risk mitigation strategy for the board to have plans in place for CEO succession that address emergency succession.⁶² It is advisable for a board to work with the CEO to establish how the CEO’s responsibilities will be taken care of during a CEO absence. A formal plan will typically address both a short-term absence – in which another staff member may fill the role – as well as longer-term absences which may be filled internally or by an external interim CEO. Such plans typically include the CEO’s job description, a communications plan, and address compensation and oversight of the interim CEO.
- **Develop a CEO succession policy** – This policy addresses steps that would be taken in the event a board needed to fill a CEO vacancy. Such a policy typically addresses the formation of a Transition (or CEO Search) Task Force, processes that would be followed (e.g., possible retention of a search firm), commitment to find diverse candidates, among other items.⁶³

Extended CEO Transitions

For boards of health centers that have founding or long-term CEOs who are passionate about the health center movement and mission, executive transition can be both emotional and challenging. Some organizations use an **Extended CEO Transition**, which involves overlap of the exiting and incoming chief executives and a prolonged role for the exiting leader. There are various considerations when employing this model. Research by the Building Movement Project notes that the motivation for such transitions must be to promote overall organizational sustainability.⁶⁴ In addition to a successor typically being internal, additional research points to various processes and conditions that needed to be in place for this model to be successful including:

- both the founder and successor needing to let go of their “egos;”
- the founder or long-term CEO must have the ability and desire to remain engaged;

⁶¹ See the “Essential Guides to Sustainability, Succession and Transition Planning” (<http://mylearning.nachc.com/>) for an overview of CEO Succession Planning practices.

⁶² Sample plans that address Emergency and Planned Succession can be found in the “Essential Guides to Sustainability, Succession and Transition Planning” (<http://mylearning.nachc.com/>).

⁶³ Sample plans that address Emergency and Planned Succession can be found in the “Essential Guides to Sustainability, Succession and Transition Planning” (<http://mylearning.nachc.com/>).

⁶⁴ Frances Kunreuther and Stephanie Clohesy, “The Long Goodbye: Advice, How-Tos and Cautionary Tales for Extended Leadership Exits,” Building Movement Project (2016) available at <http://www.buildingmovement.org/>.

- the board must see a clear value from continued involvement of the outgoing leader and define a role that aligns with their interest and capabilities;
- the long-term CEO must want the successor to succeed; and
- the successor must be willing to engage in an extended transition.⁶⁵

The board should be a critical player in designing and overseeing such a transition. It is ideal that the board work closely with the exiting executive and the incoming executive to design the transition arrangement.⁶⁶

See “CEO Succession and Transition: A Case Study on Extended CEO Transition at East Boston Neighborhood Health Center” and “Extended CEO Transitions & the Board’s Role” from NACHC (<http://mylearning.nachc.com/>) for additional details and guidance on this type of transition.

G. Pillars of Board-CEO Partnership

The success of the CEO and board are interdependent upon one another. They function as a team with separate, yet complementary roles and responsibilities. Board members bring the community’s voice into the boardroom, provide oversight, and are concerned with the “big picture” strategic issues. The CEO manages the health center.

Pillars of an effective board-CEO partnership include:⁶⁷

- Role clarity – It is important for the board and CEO to have the same understanding of their respective roles. Role descriptions for the board and CEO, along with periodic training, can help.
- Shared expectations and accountability – Ideally both the CEO and board have goals that are linked to the strategic plan. Additionally, it is good practice for a board to ensure processes are in place to assess both CEO performance as well as board performance (see Chapter 10 of the *Governance Guide* for more information on board self-assessments).
- Trust and respect – It is important for the board and CEO to work on building trust, develop agreed upon expectations, and have an understanding that disagreements will be handled constructively.
- Open communication – It is important to ensure transparency in communication, and to be clear about priorities and concerns to avoid surprises.
- Ability to navigate difficult moments – Difficult moments will arise. Ensuring the board and CEO leverage existing agreements regarding expectations and follow board policies when navigating difficult situations can help.

H. Board and Staff Interaction

The CEO is the only employee selected by and reporting to the board; however, the board will interact with other staff members, especially other members of the senior leadership team (e.g., Chief Financial Officer, Chief Medical Officer, etc.) at board and committee meetings. It is important for both the board and staff to understand parameters for such interaction.

⁶⁵ Jari Tuomala, Donald Yeh & Katie Smith Milway, “Making Founder Successions Work,” *Stanford Social Innovation Review* (Spring 2018).

⁶⁶ Kunreuther and Clohesy, “The Long Goodbye.”

⁶⁷ Adapted from “Top 10 Principles and Practices of Great Boards, *Great Boards*; BoardSource: *The Source: Twelve Principles of Governance That Power Exceptional Boards*; and Melanie Lockwood Herman and Erin Gloeckner, “Let’s Work Together: The Sweet Sounds of a Board-CEO Partnership” (available at www.nonprofitrisk.org).

For example, it is important that staff know not to approach board members with grievances – but rather to follow the organization’s grievance policy. Additionally, board members should know that if they are approached by a staff member in this capacity, it is important to suggest the person follow the center’s grievance policy rather than to get involved directly. It can also be helpful to have an understanding that any extensive request from the board or a board committee should be made to the CEO directly – rather than to staff – so that the CEO can prioritize this with their team based on other responsibilities.

When in doubt, the board chair and CEO can help both board and staff respectfully navigate these dynamics.



SOUTHERN NEVADA

Community
HEALTH CENTER

Southern Nevada Community Health Center

Executive Director & Staff Accomplishments FY19-20

Executive Director & Staff Accomplishments General

- Applied and received New Access Point funding to establish an FQHC
- Successfully completed the Operational Site Visit for H80 Compliance under HRSA
- Received provisional enhanced FQHC billing rate for Medicare/Medicaid
- Completed entity credentialing with new NPI number

Executive Director & Staff Accomplishments General

- Received 3 supplemental funding awards in response to COVID-19 pandemic
- Applied and received emergency scope designation to respond to COVID-19
- Received National Health Service Corps designation for Providers (including designation for SNHD)

Executive Director & Staff Accomplishments General

- Received National Nurses Corps designation for Nurses (including designation for SNHD)
- Partnered with other FQHC's and UMC to provide Point of Care COVID-19 testing
- Built successful alliance with local church to offer additional COVID-19 testing to the Hispanic community

Executive Director & Staff Accomplishments General

- Grew the SNCHC Board of Directors to include additional health center consumers
- Produced and rolled out bus marketing campaign
- Rebranded the Health District clinical services to SNCHC – health center programs
- Fully implemented new EMR system, eClinicalWorks

Executive Director & Staff Accomplishments Ryan White Program

- Participated in demonstration/research project with Boston University to integrate Community Health Workers into Ryan White services
- Received new funding for
 - Transitional Care Coordination program with correctional facilities
 - Medical Nutrition Therapy program
- Participated in a Learning Collaborative through the Ending the HIV Epidemic Initiative

Executive Director & Staff Accomplishments Family Planning

- Procured a new mobile unit
- Added an additional Women's Health NP to our ELV location
- Rolled out various marketing campaigns to enhance use of FP services; included “No Bun in My Oven” and “Show Us Your Cervix”.
- Implemented telehealth service for women needing birth control refills and annual exams without PAPs

Executive Director & Staff Accomplishments

Family Planning

- Built four additional exam rooms to be used as pediatrics and additional family care wing
- Instituted telehealth to reach patients in settings outside of the clinic to facilitate continuity of care
- Established a sick care clinic for clients needing COVID-related outpatient services
- Received funding to enhance the use of PrEP in primary care settings

Executive Director & Staff Accomplishments Family Health Center

- Built four additional exam rooms to be used as pediatrics and additional family care wing
- Instituted telehealth to reach patients in settings outside of the clinic to provide continuity of care
- Established a sick care clinic for clients needing COVID-related outpatient follow-up
- Received funding to enhance the use of PrEP in primary care

Executive Director & Staff Accomplishments Dental Clinic

- Offered low-cost preventive dental services for adults and children
- Received funding and purchased dental equipment to enhance dental services for individuals with HIV and expand our dental services

Executive Director & Staff Accomplishments COVID-19

- Offered a combination of point of care testing and SNPHL PCR COVID-19 tests to over 10,000 community members
- Collaborated to secure a non-congregate shelter facility to provide isolation for COVID-19 positive patients
- In collaboration with the SNHD ICS secured and coordinated the efforts of COVID-19 Crisis Counselors

Executive Director & Staff Accomplishments Communications

- Rolled out a Southern Nevada Community Health Center awareness campaign with a new logo, interior and exterior building signage, a new website section at www.snhd.info/snchc, and a new location on Google Maps. The marketing campaign included a highly visible and targeted transit campaign across 60 bus shelter ad panels, 40 bus exteriors, and 300 bus interior cards throughout select ZIP codes.

Executive Director & Staff Accomplishments Human Resources

- Completion and implementation of the Human Resources SharePoint site. The Human Resources SharePoint provides detail information for employee use relative to Benefits, Careers (Recruitment), Labor Relations, Employee Resources and Training

<https://southernnevadahealth.sharepoint.com/sites/Intranet-hr>

Executive Director & Staff Accomplishments

Human Resources

- Updated recruitment processes to include virtual interviews, pdf fillable interview sheets and trained hiring managers on new processes
- Updated recruitment filing system to electronic files
- Developed HR processes to assist FQHC with onboarding and credentialing of new providers
- Implemented job hotline for external callers

Executive Director & Staff Accomplishments Information Technology

- Won a Government Technology Innovation Award – Citizens category award for the Food Handler Card system
- Completed contracting and onboarding of the 24x7 managed cyber security processes with Mosaic 451
- Transitioned over 300 users to Virtual Desktops
- Went live with new Intranet site in the cloud.

Executive Director & Staff Accomplishments Information Technology

- Upgraded all district phones to new models with video calling capabilities
- Developed multiple applications to assist with COVID testing, contact tracing and public access to lab reports
 - COVID-19 symptom tracking mobile app
 - SMS / Email mass notification system for close contacts
 - Online testing registration and accessioning into SNPHL Orchard System
 - Online lab results patient portal

Executive Director & Staff Accomplishments Information Technology

- Onboarded over 350 contact tracers to assist with the COVID response
- Enabled over 400 employees and volunteers to work remotely during the pandemic
- Added and implemented new eClinicalWorks modules
 - MCH
 - Dental
 - FQHC
 - Patient Engagement and Portal
 - Telehealth

Executive Director & Staff Accomplishments Information Technology

- Implemented new Learning Management System for both internal and public use
- Acquired WebEx capabilities for all employees
- Staff presented at three national webinars about SNHD's IT response to COVID-9

Next Period Goals

October 2020-September 2021

- 1) Purchase and implement additional elements of eClinical Works (e.g. Dental module, Population Management Module).
- 2) Development of Dental Services infrastructure in partnership with UNLV Dental School.
- 3) Expand scope of services of the Health Center by adding the SNHD East Las Vegas clinic site, and a mobile unit.

Next Period Goals

October 2020-September 2021

- 4) Enhance delivery of behavioral/mental health services at the Health Center by diversifying the services offered and identifying additional space for this service.
- 5) Increase the number of annual patient encounters by 4%.
- 6) Achieve and Approve CHC strategic plan by May 2021.

Next Period Goals

October 2020-September 2021

- 7) Implementation of a Saturday Free Community Clinic in partnership with UNLV School of Medicine.
- 8) Continue working on developing improved clinical services for our residents.

Questions?





2020
Executive Director Review Committee Meeting
and
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Executive Director Oversight

Executive Director Review Committee Members

- ▶ Vice Chair Councilman Brian Knudsen
- ▶ Member Commissioner Marilyn Kirkpatrick
- ▶ Member Erin Breen
- ▶ Member Gary Costa
- ▶ Member Rafael Pereira
- ▶ Member Scott Garrett

Board Approved Scope for the Executive Director Review Committee

Scope Guidance

- ▶ The Board of Directors is responsible for evaluating the performance and progress of the CEO/Executive Director of the Southern Nevada Community Health Center. The **Executive Director Review Committee** will provide ongoing recommendations, guidance, feedback, and support to the BOD and the Executive Director as a part of the Executive Director's Annual Evaluation process.
- ▶ This is to be a fluid process that will be continually developed as the Health Center progresses and the Committee continues to meet.
- ▶ Committee can use, refine, and adjust the key components, as necessary.
- ▶ Committee is to decide how recommendations will be presented to the Board and vice versa.
- ▶ Committee will decide who is the most appropriate person to communicate information between the Committee and the Board.
- ▶ Committee will monitor and review the Executive Director's: accomplishments, current goals, future goals, strategic goals, and incentives and compensation.

Scope Key Components

- ▶ Profit and Loss
 - ❖ Including Depreciation
- ▶ Health Center Stability and Growth
- ▶ Clinical Regulation/Quality Performance
- ▶ Patient Satisfaction
- ▶ Staff Satisfaction
- ▶ IT Infrastructure
- ▶ Program Strategic Plan
 - ❖ Operational Work Plan from the New Access Point Grant
 - ❖ Define that strategic plan
- ▶ Professional/Personal Goals of the CEO
 - ❖ Personal Development Opportunities
 - ❖ Trainings
 - ❖ Memberships into Appropriate Associations
 - ❖ Attendance of workshops or trainings

Questions about the Scope?



Evaluations Were Conducted by the Board

Consisting of:

➤ Four Scored Questions

Scoring Guide

- 1 - Poor
- 2 - Fair
- 3 - Good
- 4 - Outstanding

➤ General Strengths

➤ Areas for Growth

Weight of each Question

- Question 1 - Weighted 20% of overall score
- Question 2 - Weighted 50% of overall score
- Question 3 - Weighted 10% of overall score
- Question 4 - Weighted 20% of overall score

of Evals Submitted

9

Q1: CEO ensures that the agency has a long-range strategy which achieves its mission, and toward which it makes consistent timely progress through:

The following categories:

- ▶ Providing Leadership in Program development and org plans with BOD.
- ▶ Meets or exceeds program goals in quantity and quality.
- ▶ Evaluates how well goals and objectives have been met.
- ▶ Demonstrates quality of analysis and judgment in program planning, implementation, and evaluation.
- ▶ Shows creativity, and initiative in developing new programs.
- ▶ Maintains and utilizes a working knowledge of significant developments and trends in the field (such as healthcare legislation, public health concerns, health disparities, other disease and healthcare issues in communities served).

Average Score
(Weighted at 20%)

3.81

Q2: Administration and Human Resource Management:

- ▶ Divides and assigns work effectively, delegating appropriate levels of freedom and authority
- ▶ Establishes and makes use of an effective management team
- ▶ Maintains appropriate balance between administration and programs
- ▶ Ensures that job descriptions are developed, and that regular performance evaluations are held and documented
- ▶ Ensures compliance with personnel policies and state and federal regulations on workplaces and employment
- ▶ Ensures that employees are licensed and credentialed as required
- ▶ Recruits and retains a diverse staff
- ▶ Ensures that policies and procedures are in place
- ▶ Encourages staff development and education
- ▶ Maintains a climate which attracts, keeps, and motivates a diverse staff of top-quality people

Average Score
(Weighted at 50%)
3.53

Q3: When representing the organization in the communities the CEO:

- ▶ Serves as an effective spokesperson for the agency; represents the programs and point of view of the organization to the agencies, organizations and the general public
- ▶ Establishes sound working relationships and cooperative arrangements with community groups and organizations
- ▶ Welcomes and pursues opportunities to share organizational objectives and perspectives in local, regional, and national forums as strategically appropriate.

Average Score
(Weighted at 10%)
3.38

Q4: The CEO exhibits sound knowledge of the financial management of the organization through the following demonstrated activities:

- ▶ Assures adequate control and accounting of all funds, including developing and maintaining sound financial practices
- ▶ Works with the staff, Finance Committee, and the board in preparing a budget; sees that the organization operates within budget guidelines
- ▶ Maintains official records and documents, and ensures compliance with federal, state, and local regulations and reporting requirements (such as annual information returns, payroll withholding and reporting, etc.)
- ▶ Executes legal documents appropriately
- ▶ Assures that funds are disbursed in accordance with contract requirements and donor designations

Average Score
(Weighted at 20%)

3.58

Executive Director Annual Review Overall Weighted
Score:

Final Score Overall

3.58

Scoring Guide

- 1 - Poor
- 2 - Fair
- 3 - Good
- 4 - Outstanding



“General Strengths” Narratives

- ▶ Organization appears to be running smoothly for its first year.
- ▶ Board Meetings are well run, and the information shared appears to be building as the organization grows.
- ▶ Dr. Leguen is doing a great job providing leadership to the health district during these difficult times.
- ▶ Dr. Leguen is responsive and not afraid to have the difficult conversation and make the needed tough decisions.
- ▶ Dr. Leguen is doing a great job!
- ▶ Dr. Leguen has done a good job establishing the foundation for the CHC.
- ▶ Dr. Leguen’s biggest strength has been the staff he has brought together.
- ▶ Dr. Leguen allows his staff to do their job, which is critical to success.
- ▶ He has done an excellent job adapting to huge changes and challenges.
- ▶ Overall, he doing a great job and I am proud to serve on this CHC board.

“Areas for Growth” Narratives

- ▶ As a patient, it was smooth with the exception of the texting and call back process.
- ▶ I'd like to see more support in the areas of Mental health and behavioral services
- ▶ I believe mental health services will be critical to the area served and the entire community, I think the opportunity to expand these services should be explored.
- ▶ I also would like to see more of the outreach that is going out to the residents of the areas we are serving. I know it is happening due to the bus efforts, but I'd like to see more of the outreach campaign. I think many plans were curtailed due to COVID and I would like to commend the response, I just am hopeful once the pandemic has ended that we immediately respond by evaluating the needs and adjusting the community plan.
- ▶ The only area that I believe could use some attention is the ability to communicate information in a more-timely manner so board members who have to make decisions about actions of the SNHD have the key information needed.
- ▶ I am concerned looking at this review that I can't answer the HR portion of the questionnaire with confidence, so I think communication about all aspects of the operations would be an area of growth.
- ▶ Communication with the Board could be expanded to include:
 - ❖ BOD Tours of Facility,
 - ❖ BOD facilitated conversations with lead staff at the facility,
 - ❖ Group briefings prior to board meetings to help the board get better acquainted with each other and the staff, and
 - ❖ The role of staff, specifically with the changes and interim appointments.
 - ❖ Additionally, the communication with the "community" is not clear and the opportunities for the board to become engaged with the "marketing campaign" will help to build loyalty.

Questions about the Evals?





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