

 BOARD POLICY	Policy #: BCR-003	TYPE: Board-CEO Relationship
	Effective Date: June 29, 2004	
TITLE: Monitoring Executive Performance	Revised: June 26, 2007	
	Minute #: 07.06.14	

The Board will appraise the CEO's performance on an annual basis. In the first year of employment, of any CEO, reviews will be conducted at six months, and again at nine months.

Monitoring executive performance is the same as monitoring the performance of the organization against the Board policies relating to Strategic Direction and Executive Limitations. Any evaluation of the CEO's performance, formal or informal, may be only from these monitoring data.

1. The purpose of monitoring is simply to determine the degree to which Board policies are being fulfilled. Monitoring will be as systematized as possible and reports shall be circulated prior to Board meetings in order to minimize use of Board meeting time.
2. A given policy may be monitored in one or more of three ways:
 - (a) Internal Report: Disclosure of compliance information to the Board from the CEO.
 - (b) External Report: Discovery of compliance information by an impartial, external auditor, inspector or judge who is selected by and reports directly to the Board. Such reports must assess executive performance only against policies of the Board and applicable laws and regulations.
 - (c) Direct Board Review: Discovery of compliance information by a Board member, a committee or the Board as a whole. This is a Board inspection of documents, activities or circumstances directed by the Board, which allows a "prudent person" test of policy compliance. Such an inspection is only undertaken at the instruction of the Board, with the CEO's knowledge.
3. A formal evaluation of the CEO by the Board will occur annually, based on the achievement of the Board's *Strategic Direction* policy and non-violation of its *Executive Limitations* policies. This formal evaluation will be conducted as a summary evaluation based on the ongoing previous regular monitoring data throughout the year, by the Board as a whole.
4. The Board may decide at any time which policy it would like to monitor and by any method of its choice. For regular monitoring, however, each *Strategic Direction* and *Executive Limitation* policy will be classified by the Board according to frequency and Method.



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<i>Executive Limitation Policy</i>	<i>Method</i>	<i>Frequency</i>
General Executive Constraint	Internal	Annually
Consultation in Major Changes	Internal	Annually
Communication and Support to Board	Direct Board Review	3 x / Year
Information Management	Internal	Annually
Financial Planning/Budgeting	Internal	Annually
Financial Condition and Activities	Internal/External	Quarterly/Annually
Asset Protection	External	Annually