

**POLICY TITLE:** MONITORING CEO PERFORMANCE

**POLICY SECTION:** SECTION 3 – GLOBAL GOVERNANCE – MANAGEMENT CONNECTION

**POLICY NO:** 3.4

**APPROVED BY:** BOARD

**REGULAR BOARD POLICY REVIEW FREQUENCY:** EVERY 4 YEARS

**FREQUENCY OF BOARD MONITORING BOARD ACHIEVEMENT:** EVERY 2 YEARS

**DATE ORIGINALLY APPROVED:** 4/9/2006

**DATE REVIEWED/REVISED:** 7/9/2011, 1/14/2012, 10/3/2023

**BOARD CHAIR'S SIGNATURE:**

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## **POLICY PURPOSE**

The purpose of the Monitoring CEO Performance Policy is to define the Board's principles, system, and process for monitoring executive performance (CEO) related to achievement of the Board's Ends (Critical Outcomes) Policies and compliance with the Board's Executive Limitation Policies.

Board monitoring of the CEO is synonymous to and the primary process for the evaluation of CEO performance. This monitoring/evaluation of executive performance (CEO) is also synonymous to the evaluation of organizational performance (GOVERN for IMPACT). The primary criteria for this monitoring/evaluation is the achievement of the Ends (Critical Outcomes) and the Executive Limitations Policies, set by the Board, and the subsequent CEO interpretation of these policies.

## **POLICY**

Systematic and rigorous monitoring of CEO performance will be solely against the Board's required CEO job outputs: organizational accomplishment of any reasonable interpretation of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations, reasonably interpreted.

Accordingly:

### **1. Relevant Information**

Monitoring is simply to determine whether or not expectations express in Board policies have been met. Information that does not disclose this will not be considered to be monitoring information and will not be considered by the Board to be a part of the monitoring report.

### **2. CEO Interpretations**

The Board will obtain disclosure about the CEO's interpretations of the Board policy being monitored from the CEO himself or herself, including as part of the interpretation

- (a) an operational definition of accomplishment of Board Ends Policies or compliance with the Executive Limitation policy being monitored, and
- (b) a rationale of justification for the operational definition.

### **3. Board Sources of Monitoring Data**

The Board will obtain data disclosing whether or not the CEO's interpretations have been accomplished using one or more of three methods:

- (a) by internal report, in which the CEO discloses the data to the Board,
- (b) by external report, in which an external, disinterested third party selected by the Board collects the data, and
- (c) by direct inspection, in which data are collected by the Board, a designated Board Member or by designated Board Members.

### **4. Reasonableness of Interpretation**

In every case, the Board will determine:

- (a) the reasonableness of the CEO's interpretations using a "reasonable person test" rather than with interpretations favoured by Board Members for the Board as a whole. The Board is the final arbiter of reasonableness. The Board will also assess:
- (b) whether data demonstrate the accomplishment of the interpretation.

### **5. Monitoring Schedule**

All policies that instruct the CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will normally use a routine schedule.

## MONITORING OF CEO/ORGANIZATIONAL PERFORMANCE SCHEDULE (Ends and Executive Limitations Policies)

### ATTACHMENT - 2021-2025 BOARD MONITORING CEO SCHEDULE

Policy No.	Policy	Policy Type	Method	Frequency	Planned Month	2021	2022	2023	2024	2025
E-01	Ends Policies - INTERPRETATION	Ends	Internal Report	Every 6 months	Jun	Jun	Jun	<del>Jun</del> Jul	Jul	Jul
E-01	Ends Policies – MID-YEAR REPORT	Ends	Internal Report	Every 6 months	Sep	Sep	Sep	Sep	Sep	Sep
E-01	Ends Policies – YEAR-END REPORT	Ends	Internal Report	Every 6 months	Feb	Feb	Feb	Feb✓ delivered Mar✓ evaluated	Feb delivered Mar evaluated	Feb delivered Mar evaluated
EL-4.0	General Executive Constraint	Executive Limitation	Internal Report	Every 3 years	May	---	---	May✓	---	---
EL-4.1	Emergency CEO Succession	Executive Limitation	Internal Report	Annual	Mar	Mar	Mar	Mar✓	Mar	Mar
EL-4.2	Asset Protection	Executive Limitation	Internal Report	Every 2 years	Oct	---	Oct	---	Oct	---
4.2.1	Control on Funds	Sub-Executive Limitation	Internal Report	Every 2 years	Oct	---	Circ Oct Rev Nov	---	Oct	---
4.2.2	Intellectual Property Protection	Sub-Executive Limitation	Internal Report	Every 2 years	Oct	---	Circ Oct Rev Nov	---	Oct	---
4.2.3	Credibility and Public Image	Sub-Executive Limitation	Internal Report	Every 2 years	Oct	---	Circ Oct Rev Nov	---	Oct	---
4.2.3.1	Portrayal of Referral Services <b>Policy Rescinded</b>	Sub-Sub-Executive Limitation	Internal Report	Every 2 years		---	?	---	---	---
4.2.3.2	Certification <b>Policy Rescinded</b>	Sub-Sub-Executive Limitation	Internal Report	Every 2 years		---	?	---	---	---
4.2.3.3	Service Mark and Copyright Information	Sub-Sub-Executive Limitation	Internal Report	Every 2 years	Oct	---	Circ Oct Rev Nov	---	Oct	---
4.2.4	Board Insurance	Sub-Executive Limitation	Internal Report	Every 2 years	Oct	---	Circ Nov Rev Dec	---	Nov	---
4.2.5	Fundraising Practices & Expenditures	Sub-Executive Limitation	Internal Report	Every 2 years	Oct	---	Circ Nov Rev Dec	---	Nov	---
EL-4.3	Financial Planning/Budgeting	Executive Limitation	Internal Report	Annual	Feb	Feb	Feb	Feb✓	Feb	Feb
4.3.1	Credible Projections	Sub-Executive Limitation	Internal Report	Annual	<del>Oct</del> Feb	Feb	Feb	Feb✓	Feb	Feb
4.3.2	Board Funding	Sub-Executive Limitation	Internal Report	Every 2 years	<del>Feb</del> Dec	---	Circ Oct Rev Nov	--	Oct	---

## MONITORING OF CEO/ORGANIZATIONAL PERFORMANCE SCHEDULE (Ends and Executive Limitations Policies)

Policy No.	Policy	Policy Type	Method	Frequency	Planned Month	2021	2022	2023	2024	2025
EL-4.4	Financial Conditions and Activities	Executive Limitation	Internal Report	Annual	Feb	Feb	Feb	Feb✓	Feb	Feb
4.4.1	FC&A Payment of Debts	Sub-Executive Limitation	Internal Report	Annual	Sep	Sep	Sep	Sep	Sep	Sep
4.4.2	FC&A Long Term Reserves	Sub-Executive Limitation	Internal Report	Annual	Feb	Feb	Feb	Feb✓	Feb	Feb
4.4.4	FC&A Surplus and Loss	Sub-Executive Limitation	Internal Report	Annual	Feb	Feb	Feb	Feb✓	Feb	Feb
EL-4.5	Communication & Support to the Board	Executive Limitation	Internal Report	Every 3 years	Apr	---	---	Apr✓	---	---
4.5.1	Monitoring Report Format	Sub-Executive Limitation	Internal Report	Every 2 years	Apr	---	Circ Apr Rev May	---	Apr	---
4.5.2	C&SB Board Policy Compliance	Sub-Executive Limitation	Internal Report	Annual	<del>Apr</del> May	May	Circ Apr Rev May	Apr✓	Apr	Apr
4.5.3	Board Information Exceptions	Sub-Executive Limitation	Internal Report	Annual	Mar	Mar	Mar	Mar✓	Mar	Mar
4.5.3.1	Financial Information Exceptions	Sub-Sub-Executive Limitation	Internal Report	Every 6 months	Apr Dec	Apr Dec	Circ Apr Rev May And Dec	Apr✓ Dec	Apr Dec	Apr Dec
4.5.4	C&SB Board Own Non-Compliance Report	Sub-Executive Limitation	Internal Report	Annual	Apr	Apr	Apr	Apr✓	Apr	Apr
EL-4.6	Treatment of People	Executive Limitation	Internal Report	Every 3 years	Nov	---	---	Nov	---	---
4.6.1	Fair Consultant Referrals	Sub-Executive Limitation	Internal Report	Every 3 years	Feb	---	---	Feb✓	---	---
4.6.2	Whistleblower	Sub-Executive Limitation	Internal Report	Every 3 years	Jan	---	---	Jan✓	---	---
4.6.3	Competition with Members	Sub-Executive Limitation	Internal Report	Every 3 years	Jan	---	---	Jan✓	---	---
EL-4.7	Data Protection	Executive Limitation	Internal Report	Annual	Feb	Feb	Mar	Mar✓	Mar	Mar