



POLICY NUMBER:	BC - 5
ISSUING AUTHORITY:	Board of Directors

ISSUE DATE:	July 19, 2012
REVIEW DATE:	December 13, 2023
REVISE DATE:	December 19, 2023

SUBJECT: Board – CEO Linkage
MONITORING CHIEF EXECUTIVE OFFICER (CEO) PERFORMANCE & CEO PERFORMANCE APPRAISAL

POLICY:

Systematic and intentional monitoring of CEO job performance will be solely evaluated against the expected CEO job competencies: accomplishment of Board policies on the Statement of Purpose and organizational operation within the boundaries established in Board policies on Executive Limitations. A formal CEO Performance Appraisal will occur annually by March.

Accordingly:

1. Monitoring determines the degree to which Board policies are being met. Data that does not do this will not be considered to be monitoring data.
2. The Board will acquire monitoring data:
 - 2.1. by internal report:
 - 2.1.1. CEO Governance Dashboard Report, in which the CEO discloses compliance information to the Board
 - 2.1.2. Other mechanisms identified by the Board e.g. Leadership Reports; CEO reporting on Executive Limitations etc.
 - 2.2. by external report, in which an external, impartial third party, selected by the Board, assesses compliance with Board policies, and
 - 2.3. by direct Board inspection, in which a designated member, or members, of the Board assess compliance with the appropriate policy criteria.
3. In every case, the standard for compliance shall be any reasonable CEO interpretation of the Board policy being monitored. The Board is the final arbiter of reasonableness, but will always judge using the “reasonable person test”¹.

¹ The reasonable person is a hypothetical person used as a legal standard to determine whether the conduct of the parties in a case was proper in the circumstances. It is the standard of conduct adopted by persons of ordinary intelligence and prudence. (Courthouse Libraries BC, 2019)

4. The Board can monitor any policy, at any time, by any method, but will ordinarily depend on a routine schedule as established by the Governance Calendar and approved by the Board at its inaugural meeting.
5. CEO Performance Appraisal:
 - 5.1. In October of each year the Board Chair will review and validate the CEO evaluation process with the Board
 - 5.2. In November of each year:
 - 5.2.1. Board members are to review the current Executive Limitation (EL-11) CEO Leadership Competency Monitoring Tool and bring any questions/comments/clarification to the Board meeting.
 - 5.2.2. In accordance with Governance Process (GP-10) Monitoring of Board Policies, the Board will identify a Board Member to monitor Board-CEO Linkage (BC-5) policy.
 - 5.2.3. The Board will request the CEO to complete/prepare the following:
 1. CEO annual goals and objectives (to be consistent with Statement of Purpose).
 2. A Status Report on achievement of the prior year's key goals and objectives.
 - 5.3. In January of each year the Board will receive their copy of the CEO Leadership Competency Tool (as found in EL-11)
 - 5.4. In February of each year:
 - 5.4.1. the Board will complete and submit the CEO Leadership Competency Tool
 - 5.4.2. The Board will appoint designated members of the Board to assemble the final performance appraisal package and meet with the CEO to complete the Performance Appraisal process by March 31 each year.