



## General Board Policies G.E.M. (Governance Effectiveness Model)



# Overview

## General Board Policies

Governance

The board of Hamilton Township Mutual Insurance Company (HTM) will be a governing board operating within the guidelines of the Corporations Act, its Regulations, and the Bylaws of the Corporation, focusing on leadership by planning and policy setting, and delegating the implementation to the staff through the CEO.

Expectation

The board policies clarify expectations in regard to each of the seven disciplines of governance excellence.

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# CONNECT

## For Healthy Board Relations

### General Board Directive

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The board is responsible to direct and protect the organization in the interest of the policyholders (owners).

#### Con - 1

**Board Leadership:** The board is responsible for creating and managing a governance structure, for holding itself accountable, and for ensuring effective board collaboration for the benefit of the organization and its policyholders (owners).

#### Con - 1.1

The board commits itself to ethical, efficient, and lawful conduct. Board members will function in an ethical manner, contribute to the work of the board, support the decisions of the board, and respect the confidentiality of privileged information.

#### Con - 1.2

The board will speak with one voice. All board members will support all board decisions outside of board meetings.

#### Con - 1.3

Board members will make every effort to attend and participate in all meetings and be properly prepared for board deliberation.

#### Con - 1.4

Board members will treat others with respect and professionalism. When differences of opinion exist, the commitment will be to challenge the issues but never attack or defame the person.

#### Con - 1.5

The board will actively recruit capable individuals to run for positions on the board.

#### Con - 1.6

The board will assess individual contributions to the board and will request that a board member resign if commitments cannot be met.

#### Con - 2

**Board Meetings:** The board will meet monthly.

#### Con - 2.1

The board will establish a schedule of regular meeting times at the first meeting after the annual meeting.

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C o n - 2 . 2

The Chair, the CEO or a majority of board members may call for a special meeting to deal with urgent issues.

C o n - 2 . 3

Board members will notify the office or the Chair if unable to attend a meeting.

C o n - 3

**Board Meeting Process:** Board Meetings will follow a customized process for our board.

C o n - 3 . 1

The preference is to build consensus leading to decision making. The Chair has the responsibility to manage the discussion and discern when the group is ready to make a decision. Decisions will be formalized by a vote on a motion duly moved and seconded.

C o n - 3 . 2

The will of the majority must be carried out while hearing the minority and protecting their rights.

C o n - 3 . 3

All board members are expected to participate in the meetings. Each board member is to be regarded as having rights and power equal to every other board member and is expected to voice an opinion.

C o n - 3 . 4

Only one topic or motion will be considered at a time.

C o n - 3 . 5

On meeting matters not specifically covered by bylaws or policies, Robert's Rules of Order will be followed.

C o n - 4

**Board Meeting Agenda:** The board will set the agenda for its meetings. Every board member will receive a draft agenda in advance of each meeting.

C o n - 4 . 1

The CEO in consultation with the Chair of the Board, will develop a draft agenda for every board meeting in advance.

C o n - 4 . 2

Anyone wishing an item to be put on the agenda of a future meeting will notify the Chair and the CEO of the board at least 4 days prior to the meeting.

C o n - 4 . 3

The draft agenda will be circulated so all board members receive it at least 5 days in advance of the meeting.

C o n - 4 . 4

Approval of the agenda by the board will be one of the first items of business at every meeting.

C o n - 4 . 5

The Chair has discretion to allow or disallow agenda additions on the date of the meeting. However, the board may insist that an item be added if that is the preference of a two-thirds majority of board members present.

C o n - 4 . 6

Board members will be provided with adequate background information on every agenda item at least 1 day in advance of the meeting.

C o n - 5

**Board Member Competency:** The board will ensure that its members have the skills necessary to perform their duties effectively.

C o n - 5 . 1

The board will maintain a clear description of the duties of board members.

C o n - 5 . 2

The board will have a selection process that encourages individuals with appropriate experience and skills to be candidates for board positions.

C o n - 5 . 3

The board will schedule time for board orientation and education.

C o n - 5 . 4

Board members may not exercise individual authority over the organization, management, staff, or clients except as explicitly set forth in a board policy. Board members will not judge the performance of personnel outside of the official board process. Similarly, board members will interact with the industry as representatives of the board only within the parameters of a board policy.

C o n - 6

**Officers:** The board will maintain clear descriptions of the duties of each officer. Each officer will serve the board and follow the board direction.

C o n - 6 . 1

The board will monitor and regularly discuss the board's own process and performance. Board members will give feedback on the performance of themselves and each other annually, discussing plans for improvement.

C o n - 7

**Chair:** The Chair of the board will ensure that the board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.

C o n - 7 . 1

The Chair of the board will preside at board meetings. He/she may appoint an alternate to serve in this capacity as needed.

C o n - 7 . 2	The authority of the Chair is only to make reasonable interpretations of board policy on behalf of the board within board-set policies, except where the board specifically delegates portions of its authority to others.
C o n - 7 . 3	The Chair will deliberate with the Vice-Chair to ensure that the Vice-Chair is familiar with and informed about the issues well enough to assist and replace the Chair if necessary.
C o n - 7 . 4	The Chair will hear any concerns regarding alleged inappropriate activities as per the Company's "wrongful acts" policy.
C o n - 7 . 5	The Chair of the board will be the public spokesperson for the board, unless someone else is appointed by the board.
C o n - 8	<b>Vice-Chair:</b> The Vice-Chair of the board will perform the functions of the Chair in the Chair's absence.
C o n - 8 . 1	The Vice-Chair will review the draft agenda for board meetings prior to distribution to the board.
C o n - 8 . 2	The Vice-Chair will participate in quarterly performance reviews of the CEO.
C o n - 8 . 3	The Vice-Chair will perform other duties the board may assign to the position.
C o n - 9	<b>2<sup>nd</sup> Vice-Chair:</b> The 2 <sup>nd</sup> Vice-Chair of the board will perform the functions of the Chair in the absence of both Chair and Vice-Chair.
C o n - 9 . 1	The 2 <sup>nd</sup> Vice-chair will participate in quarterly performance reviews of the CEO.
C o n - 1 0	<b>Secretary:</b> The Secretary of the board will ensure all corporate records and filings are up to date.
C o n - 1 0 . 1	The Secretary of the board will ensure the minutes are prepared and circulated following a board meeting.
C o n - 1 0 . 2	The Secretary of the board will ensure the minutes are signed and stored for easy access by the board.
C o n - 1 1	<b>Board Committees:</b> The purpose of all committees of the board is to help the board carry out its responsibilities. At a minimum, the board will create any committee required by-law or government regulator.

C o n - 1 1 . 1	Board committees may not speak or act for the board except when formally given such authority for specific and time-limited purposes.
C o n - 1 1 . 2	Board committees are to help the board do its job, not to help staff do its jobs. Committees ordinarily will assist the board by preparing policy alternatives and implications for board deliberation. Board committees are not to be created by the board to advise staff.
C o n - 1 1 . 3	Committee reports to the board will be in writing and made available so that they can be circulated for all board members to receive them at least 2 days prior to the board meeting at which related matters will be discussed.
C o n - 1 1 . 4	Committee reports will summarize the information researched by the committee. When various options have been considered by the committee, the report will indicate the pros and cons of each option. Such reports will not make a recommendation to the board.
C o n - 1 1 . 5	<p>The following committees have been created by the board:</p> <ul style="list-style-type: none"> <li>➤ Executive Committee</li> <li>➤ Conduct Review Committee</li> <li>➤ Finance and Investment committee</li> <li>➤ Nominations Committee</li> <li>➤ Audit Committee</li> <li>➤ Governance Committee</li> </ul>
C o n - 1 2	<b>Remuneration:</b> Board members will receive a per diem for each day they serve on board business. This payment is an expression of thanks for their service to the organization; it is not intended as payment for service nor to replace income which could be earned elsewhere.
C o n - 1 2 . 1	Board members will receive other remuneration and expense reimbursement as determined from time to time by the board through board policies.
C o n - 1 2 . 2	The board will review their remuneration each year and compare their remuneration with peer groups using the OMIA bi-annual remuneration survey.

C o n - 1 3

**Confidential Information:** Board members will not reveal to anyone, not normally present at board meetings, any confidential information of which they become aware during the performance of their duties.

C o n - 1 3 . 1

Board members will not use their knowledge of confidential information for personal gain.

C o n - 1 4

**Ethics:** Board members will operate in an ethical and legal manner.

C o n - 1 4 . 1

Board members will adhere to fraud, dishonest conduct, discrimination and sexual harassment policies established by the organization.

C o n - 1 5

**Conflict of Interest:** Board members must avoid conflict of interest with respect to their fiduciary responsibility. This requires that board members declare their personal interest in any board agenda items and refrain from discussion and vote whenever they or the board believe there to be a conflict.



# DIRECT

## Organizational Performance

### General Board Directive

The board is responsible to direct the organization in the interests of the policyholders (owners), by determining the vision and directions of the organization and setting policies through which those directions are achieved.

#### Dir-1

**Board Role:** The board is responsible to put emphasis on planning, priority setting, and policy development as opposed to day-to-day administrative detail.

#### Dir-2

**Strategic Operation:** The board is responsible for the organization having a current, relevant strategic plan and for determining its contents including vision, mission, values, and strategic priorities. The board will review and update the strategic plan at board meetings and planning sessions throughout the fiscal year.

#### Dir-3

**Key Result Areas:** Our resources will be focused on achieving results in areas of strategic priority, known as key result areas:

- Policyholder focus and community minded
- Financial Strength & Stability
- Sustainable and Controlled growth
- Efficient use of resources, including fixed assets, to operate the company
- Innovative and adaptive

#### Dir-4

**Planning Cycle:** To fulfill its role in a governance style consistent with board policy, the board will establish and follow an annual planning cycle that ensures it provides regular direction to the organization.

#### Dir-4.1

The board will develop financial performance expectations for the next fiscal year at least 1 month prior to the beginning of the fiscal year.

# PROTECT

## In the Interest of the Policyholders

### General Board Directive

The board is responsible to protect the interests of the organization's policyholders (owners). The board delegates operations to the Chief Executive Officer (CEO) with clear direction to ensure our practices lead to the fulfillment of the interests of the policyholders (owners).

### Pro-1

**Board Controls:** The board is responsible for protecting the organization in the interests of the policyholders (owners) by assessing and managing risk, setting policies, and monitoring operations.

### Pro-2

**Board Member Accountability:** The board will assign duties to individual board members and establish accountability mechanisms for its own conduct.

### Pro-3

**Secretary:** The Secretary of the board will ensure that all documentation of board business is up to date and in compliance with legal obligations.

### Pro-3.1

The Secretary of the board will ensure that the policy manual is updated following each board meeting.

### Pro-3.2

The Secretary of the board will ensure any corporate reporting has been completed and maintained as required.

### Pro-4

**Audit Committee:** The board audit committee will arrange for and ensure full audit disclosure annually.

### Pro-4.1

The board audit/ERM committee will Act in a manner in accordance with the Audit Committee Mandate approved by the board.

### Pro-4.2

The audit committee will ensure the full board is made aware of any issue(s) discovered through the audit process.

### Pro-5

**Payments to Board Members:** Payments to Board members may not violate board per diem and expense guidelines.

Pro-5.1	Board members expense reimbursement may not exceed their out-of-pocket expenses. Reimbursements may not be made for un-receipted amounts, except mileage. Mileage rates and other reimbursements may not exceed the CRA rates outlined for and updated annually by staff.
Pro-6	<b>Operational Limits:</b> The CEO will ensure any practice, activity, decision, or organizational circumstance is lawful, and in accordance with commonly accepted business and professional ethics.
Pro-7	<b>Prudent Management of Operations:</b> The CEO will manage operations in a prudent and effective manner.
Pro-7.1	The CEO will maintain a skilled, ethical, results-oriented staff team. In this regard, the CEO will:
Pro-7.2	Develop and implement processes to ensure that staff has the skills necessary to fulfill their job requirements.
Pro-7.3	Ensure staff actions promote a positive image in the community.
Pro-7.4	Ensure that staff upholds the standards of ethical conduct that are expected of employees. The CEO shall strive to develop an ethical standard document applicable to employees.
Pro-8	<b>Compensation &amp; Benefits:</b> With respect to employment, compensation, and benefits, the CEO will act in a manner that improves the organization's fiscal integrity and public image. The CEO will:
Pro-8.1	Maintain his or her compensation or benefits in accordance with the board authorized amounts.
Pro-8.2	Not promise or guarantee permanent employment to people if it is not in the organization's best interests.
Pro-8.3	As a guideline, staff compensation will be competitive with the marketplace and should fall within the range of 80% to 120% of the industry average per OMIA salary review data.
Pro-8.4	Keep staff benefits to fall behind the norm in the sector.
Pro-8.5	Create employment obligations within the revenues can be safely projected.

Pro-9

**Treatment of Staff:** The CEO will ensure staff to be treated in any way which shows consideration and respect for their quality of life or the quality of their work experience. The CEO will:

Pro-9.1

Create and maintain staff working conditions or hiring practices which are fair, dignified, equitable, safe, meet or exceed legislated employment standards.

Pro-9.2

Provide staff with safe and healthy conditions

Pro-9.3

Provide staff with a due-process grievance procedure.

Pro-9.4

Provide staff with a discriminated free environment.

Pro-9.5

Provide staff with the opportunity to report fraudulent or dishonest conduct without fear of reprisal.

Pro-10

**Financial Condition & Asset Protection:** The CEO will ensure the organization continues to be placed in a position of financial strength, adequately maintained, or not unnecessarily risked. The CEO will:

Pro-10.1

Provide to the Board, no later than 30 days before the beginning of the fiscal year, an operating and a capital budget with comparisons to last year actual, current year budgeted, year-to-date actual, and current year expected along with 2 years historical data.

Pro-10.2

Work within the set budget on expenses.

Pro-10.3

Operate within the company's investment policies and procedures.

Pro-10.4

Only transact acquisitions, encumbrances, or disposal of real property below \$20,000 unless specified in the budget or with board approval.

Pro-10.5

Protect the company's intellectual property.

Pro-10.6

Implement a system(s) of internal controls which safeguard key transactional, software, and data risks.

Pro-10.7	Allow only staff to borrow funds on behalf of the organization beyond their individual corporate credit limit, including the computer loan program.
Pro-10.8	Ensure payables or receivables to accumulate in a timely manner.
Pro-10.9	Keep the board informed on current financial performance.
Pro-10.10	Notify the board when actual results in a financial category deviate from budget by more than \$10,000 or 10%, whichever is greater.
Pro-10.11	Ensure government ordered payments or filings to be overdue or inaccurately filed.
Pro-10.12	Ensure cheques, debt instruments and material contracts to be executed with no fewer than two authorized signatures.
Pro-10.13	Ensure insurance coverage of equipment, furniture, fixtures, and buildings to fall below 80% of current replacement value.
Pro-10.14	Protect the organization, its board, & staff against unnecessary exposure claims of liability.
Pro-11	<b>Communication of Organizational Performance and Counsel to the Board:</b> With respect to providing information and counsel to the board, the CEO will not permit the board to be uninformed about matters essential to carrying out its policy duties. The CEO will:
Pro-11.1	Keep the board up to date on organizational performance.
Pro-11.2	Provide the board with all requested reports by the deadline assigned.
Pro-11.3	Provide to the board any information relevant to the organization or internal or external changes that could materially influence the performance of the organization.

Pro-11.4	Copy to the Board all communication from any lawyer acting on behalf of the organization where someone is or may take action against the organization except for routine claims activity.
Pro-11.5	Provide to the Board any operational matter that is being hindered by current board policy.
Pro-11.6	Present information in a way that allows the board to make the best decision(s) possible by providing information in sufficient, but appropriate, detail and volume.
Pro-12	<b>Communication to Staff:</b> The CEO will ensure the staff is informed about the organization's issues to protect the organization with respect to the loss or unavailability of the CEO. The CEO will:
Pro-12.1	Make staff aware of board policies, particularly those on Direct, Protect, and Expect.
Pro-12.2	Communicate a fraud and dishonest conduct policy to employees including a mechanism for staff to report conduct concerns regarding the CEO.
Pro-13	<b>Temporary Executive Responsibilities:</b> The CEO will ensure pertinent staff is informed about the organization's issues to protect the organization with respect to the loss or unavailability of the CEO. The CEO will:
Pro-13.1	Strive not to be absent from the workplace without indicating a temporary replacement and providing the replacement with all information necessary to carry out his or her duties as operational limitations reasonably allow.
Pro-13.2	Have another executive familiar with board and CEO issues and processes in order to protect the organization from sudden loss of service by the CEO as operational limitations reasonably allow.
Pro-14	<b>Fraudulent Behavior:</b> The CEO will strive to maintain and communicate procedures for reporting fraudulent or dishonest conduct.
Pro-14.1	The board, through the Conduct Review Committee will ensure investigation of any accusations against the CEO or individual board members of fraud or dishonest use or misuse of company resources or property.

Pro-14.2	Anyone found to have engaged in fraudulent or dishonest conduct is subject to disciplinary action by the company up to and including civil or criminal prosecution when warranted.
Pro-14.3	The CEO will ensure that those investigating suspected misconduct take reasonable care to protect the individual employee's rights and reputation.
Pro-15	<b>Internal Controls:</b> The CEO will strive to develop and maintain effective information and communication systems that assist the organization in effectively carrying out and evaluating progress on its strategic plan and adherence to policies.
Pro-16	<b>Treatment of Customers:</b> With respect to interactions with customers, the CEO will ensure conditions, procedures and decisions are safe, dignified, not unnecessarily intrusive, and provide appropriate confidentiality and privacy.
Pro-17	<b>Risk Assessment:</b> The Board will annually assess risks facing the organization and methods to minimize unnecessary risks.

# RESPECT

## Owner Expectations

### General Board Directive

The board is responsible for two-way communication with owners (policyholders), gathering ownership perspectives by listening and communicating strategic priorities in response to ownership issues

#### Res - 1

**Interests of the Owners:** The board is responsible to make decisions in the best interests of the ownership as a whole.

#### Res - 1.1

Board members must loyally serve in the interests of the owners (policyholders) as a whole. This accountability supersedes any conflicting loyalty

#### Res - 2

**Communication with the Owners:** The board is the link between the organization's operations and the owners.

#### Res - 2.1

Board members will communicate directly with owners (policyholders) only as it relates to their owner interests.

#### Res - 2.2

The board will regularly inform the owners (policyholders) of progress towards goals and critical challenges that are facing the organization. This will typically occur at, but may not be limited to, the Annual General Meeting.

#### Res - 3

**Organizational Image:** The board is responsible to contribute to the positive image of the organization in the eyes of the owners and the general public.



# REFLECT

## On Organizational Results

General  
Board  
Directive

The board is responsible to understand the organization’s results and the rationale for deviations.

Ref - 1

**Operational Performance:** The board will assess the reasons for deviations from the goals of the organization in order to size-up whether a near-term strategy or policy review is warranted.

Ref - 1.1

The board will meet monthly and schedule time for whole board reflection on operational performance.

Ref - 1.2

Every quarter the board will compare their results to available bench-marking data as produced by the Financial Review Committee (FRC) or their designate (ie. OMIA).

Ref - 1.3

The board will consider the reasons for the organization’s recent results and articulate lessons learned that can enhance future performance.

# SELECT

## Your Prominent Leadership

### General Board Directive

The board is responsible to ensure that appropriate individuals are selected, prepared for board, board officer and CEO positions in the organization – and also to remove those who are not fulfilling the organization’s needs.

#### Sel - 1

**CEO Selection and Support:** The board is responsible for the organization having a CEO who ably leads the operations of the organization.

#### Sel - 1.1

The board is responsible for hiring the CEO.

#### Sel - 1.2

The board is responsible for doing due diligence to select a CEO that can satisfy the requirements of the job as outlined in the Expect policies.

#### Sel - 1.3

The board is responsible for orienting the CEO and making appropriate developmental opportunities available to the CEO.

#### Sel - 1.4

The board is responsible for monitoring CEO performance and redirecting the CEO as required.

#### Sel - 1.5

The board is responsible for removing the CEO when it determines that there is no longer a fit between the incumbent and the organization's needs.

#### Sel - 2

**Board Member Selection and Support:** The board is responsible to ensure that board members and officers have the appropriate knowledge and skills to fulfill their roles.

#### Sel - 2.1

The board will create and maintain a skills matrix for use in the nomination process.

#### Sel - 2.2

The board will actively encourage diversity on the board in all forms.

#### Sel - 2.3

The board will nominate people who have the skills and commitment to do an excellent job of governing the organization.

S e l - 2 . 4	The board will provide the Nominating Committee with a description of the board member’s job and expected time commitment.
S e l - 3	<b>Board Member Development:</b> The board is responsible for new board member orientation, to coach for board performance and for proactively ensuring strong board succession so the board members can fulfill the expectations outlined in Connect policies.
S e l - 3 . 1	New board members will receive an orientation to ensure familiarity with the organization, its issues, and the process of governance. A board handbook including all governing policies will be provided.
S e l - 3 . 2	The board will support each board member in leading the organization with excellence.
S e l - 4	<b>Board Member Discipline:</b> When individual board members do not meet the shared expectations of the board, steps will be taken to encourage improved performance.
S e l - 4 . 1	On the first occasion of concern or infraction, the Chair will speak to the person, encouraging the board member to give his or her best and reconfirming that the expectations are understood.
S e l - 4 . 2	On a second incident, the Chair will speak to the person and give a written admonition with reference to the earlier conversation.
S e l - 4 . 3	On a third incident, the Chair will circulate to the board the letter written as a result of the second incident, and bring the matter to a board discussion. The board, in discussion with the board member in question when possible, will determine next steps.
S e l - 4 . 4	A board member that refuses to comply with the expectations and directives of the board will be asked to resign and if he/she refuses to resign, will be informed that the board will move to replace the, at the next available annual meeting of the members. This decision requires a 75% majority decision of the remaining board members.
S e l - 4 . 5	If a board member is deemed to have willfully or negligently breached the confidentiality of board business, the board reserves the right to ask for their resignation or if he/she refuses to resign, inform the offending director that the board will move replace the board member at the next available annual meeting. This decision requires a 75% majority of the remaining board members.

### **Confidentiality & Conflict of Interest**

S e l - 5

When a confidentiality breach or an undeclared conflict of interest is brought to light it will be reported to the Chair or Vice-Chair who will meet with the board member in question. The outcome will depend upon the severity of the breach, and the content of the discussion. The Chair or Vice-Chair will determine if the matter will be brought to the whole board.

S e l - 5 . 1

No action will be taken if the board member is deemed to have been wrongly accused

S e l - 5 . 2

Admission and apology to the whole board should occur if the offence is considered minor. The board will choose whether to expel the member. This determination will be made by way of a vote by the non-involved board members. The board reserves the right to dismiss a board member by a 75% majority decision of the remaining board members.

Non-involved board members are the directors who are neither the accused nor the accuser.

S e l - 5 . 3

Adjudication in a board meeting will take place if the board member denies the compelling evidence put before the Chair or Vice-Chair. Once the board has heard both sides of the story, there will be a vote by the non-involved board members. The board reserves the right to replace them at the next available annual meeting of the members. This decision requires a 75% majority of the remaining board members.

# EXPECT

## Great Board – Management Interaction

### General Board Directive

The board is responsible for overseeing the organization and the CEO and for establishing communication protocols between the board, CEO, and staff.

#### Exp - 1

**CEO Job Description:** CEO performance will be considered to be organizational performance. The CEO is responsible to achieve the organization's strategic plan (Vision, Mission, Values, Key Result Areas and Indicators of Success) and follow board policies.

#### Exp - 1.1

The board will update the strategic plan each year to provide direction for the CEO.

#### Exp - 1.2

The board may change its strategic plan and board policies and, by so doing, change the latitude of choice given to the CEO.

#### Exp - 2

**Delegation to the CEO:** All board authority delegated to staff is delegated through the CEO so that all authority and accountability of staff and operations is considered to be the authority and accountability of the CEO.

#### Exp - 2.1

The CEO is responsible for, and accountable for, the complete operations of the organization.

#### Exp - 2.2

The board delegates all staff authority through the CEO. This means the board will not direct, manage, hire, or fire any staff other than the CEO. The board will refrain from evaluating, either formally or informally, any staff other than the CEO.

#### Exp - 2.3

The board will accept any reasonable interpretation by the CEO of the strategic plan and board policies in the disciplines of Direct, Protect, and Expect.

#### Exp - 3

**Board Supervision of the CEO:** The board, as a whole, is responsible to ensure effective performance of the CEO.

#### Exp - 4

**Performance Review:** The board will provide a formal, verbal, and written performance review of the CEO annually in the first 2 months following the end of a fiscal year or in accordance with the signed contract. In the first year of hire, the CEO will also receive reviews at 3 months and 6 months from his/her start date.

E x p - 4 . 1

The board's review of CEO performance will include a self-evaluation by the CEO, praise for jobs well done, articulation of concerns related to elements of the strategic plan not achieved and board policies not followed, discussion of how to address the areas of concern, and development of a mutually agreed-to professional development plan for the CEO for the coming year.

E x p - 4 . 2

The reports that the board will use to monitor the performance of the CEO are the performance management tool, which the CEO will provide the board quarterly.

E x p - 4 . 3

The executive will be provided with a 360 peer review of the management team on an annual basis and the results will be incorporated into the CEO's performance management tool. If information on the 360 document is concerning, the executive will provide the document to the full board.

E x p - 5

**Unity of Control:** Only officially-passed motions of the board are binding upon the CEO.

E x p - 5 . 1

Decisions or instructions of individual board members, officers, or committees are not binding on the CEO except in rare instances when the board has specifically authorized such exercise of authority.

E x p - 5 . 2

The board will instruct the CEO through written board policies in the disciplines of Direct, Protect, and Expect.

E x p - 5 . 3

The CEO is the board's only link to operational achievement and conduct so that all authority and accountability of staff is considered the authority and accountability of the CEO.

E x p - 6

**Remuneration:** The CEO's remuneration, including salary and benefits, will be determined by the board.

E x p - 7

**Monitoring the CEO**

Monitoring CEO performance is synonymous with monitoring the organization's performance against the strategic plan and board policies. Accordingly, the organizational accomplishment of the strategic plan and compliance with board policies will be viewed as successful CEO performance.

E x p - 7 . 1

The organizational accomplishment of the strategic plan, and compliance with board policies will be viewed as successful CEO performance.