

**Policy Type:** Board – CEO Delegation (BCD)

**Policy No.:** BCD 05

**Policy Title:** Monitoring Executive Performance

**Date Originated:**

**Date Last Reviewed/Revised:** May 2023

**Last Approved by Board Motion:** 23.44 on May 25, 2023

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## 1. POLICY STATEMENT

Systematic and rigorous monitoring of CEO job performance will be undertaken. Performance will be measured solely against the organizational accomplishment of Board Ends policies and organizational operation within the boundaries established in Board policies on Executive Limitations.

## 2. POLICY ELEMENTS

1. Monitoring is simply to determine the degree to which Board policies are being met. Information that does not do this will not be considered to be monitoring data.
2. The Board will acquire monitoring information by one or more of three methods:
  - a. by INTERNAL REPORT: in which the CEO discloses interpretations and compliance information to the Board;
  - b. by EXTERNAL REPORT: in which an external, disinterested third party selected by the Board assesses compliance with the CEO's interpretation of Board policies and evidence demonstrating accomplishment of the policy criteria;
  - c. by DIRECT BOARD INSPECTION: in which a officially designated Board member or members of the Board assess compliance of the CEO's

interpretation and evidence demonstrating accomplishment of the policy criteria. Results of the inspection will be reported to the full Board at a meeting for review, approval and potential action.

3. In every case, the Board will judge:
  - a. the reasonableness of the CEO's interpretation; and
  - b. whether evidence demonstrates accomplishment of the interpretation.
4. The standard for compliance shall be any reasonable CEO interpretation and evidence of the Board policy being monitored. The Board is the final arbiter of reasonableness, but will always judge with a "reasonable person" test rather than with interpretations favoured by Board members or by the Board as a whole.
5. 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 ordinarily depend on a routine schedule as outlined in the current Annual Board Calendar.
6. The Board will have a yearly formal evaluation of the CEO based on the Executive Limitations and Ends Policies.