

POLICY TYPE: GOVERNANCE PROCESS

4-25 Board Monitoring System Policy

PURPOSE

This policy outlines the rationale, process, and mechanisms that the Board uses to monitor the Registrar, CEO/organization's achievement of results (Strategic Outcomes Policies) within operational risk boundaries (Operational Limitations Policies).

POLICY

Monitoring Registrar, CEO performance is primarily done by the Board by measuring achievement of and/or compliance with Strategic Outcomes Policies and Operational Boundaries Policies (collectively the "Policies"). Monitoring is therefore synonymous to evaluation of Registrar, CEO performance.

1. The purpose of 'monitoring' is to determine the degree to which Board policies on Strategic Outcomes and Operational Boundaries are being achieved by the Registrar, CEO.
2. The following principles will apply to the Board's monitoring of the Registrar, CEO:
 - a. The Board is committed to a thorough review and evaluation of Monitoring Reports and to providing useful feedback to the Registrar, CEO.
 - b. Monitoring will be as automatic as possible such that the majority of the Board's time can be focused on designing the future.
 - c. Monitoring of the Registrar, CEO is considered synonymous with monitoring organizational performance.
3. The Board's monitoring of the Registrar, CEO will follow one or more of the following processes to generate "monitoring data/reports":
 - a. Internal Monitoring Reports: The Registrar, CEO will provide Internal Monitoring Reports on the Policies to the Board in accordance with the schedule set out in Appendix 1 or as otherwise directed by the Board.
 - b. External Monitoring Reports: These are reports prepared by a qualified, impartial external reviewer who is selected and retained at the direction of the Board to assess the Registrar, CEO's performance or achievement of a Policy. External Monitoring Reports assess executive performance only against policies of the Board, not those of the external party unless the Board has previously indicated the external party's opinion/policies to be the standard. External Monitoring Reports may only be obtained in the following circumstances:
 - i. Where the Registrar, CEO has failed to provide a Monitoring Report in accordance with paragraph a;
 - ii. The Registrar, CEO provided a Monitoring Report in accordance with paragraph a, but upon review, at least 75% of Directors are of the opinion that further information is required in order to properly assess the performance of the Registrar, CEO; or

- iii. Where the Board has approved a policy for regularly scheduled external monitoring in accordance with the schedule set out in Appendix 1.
 - c. Direct Board Inspection: This is a direct inspection of documents, activities or circumstances relating to the Registrar, CEO's performance or achievement of a Policy. The direct inspection may be carried out by the Board as a whole or delegated to a Director or committee and will apply a "prudent person" standard to the Registrar, CEO's performance/policy compliance. Direct Board inspection will only take place in the following circumstances:
 - i. Where an External Monitoring Report has been obtained in accordance with paragraph b, but upon review at least 75% of Directors are of the opinion that further information is required in order to properly assess the performance of the Registrar, CEO; or
 - ii. Where the Registrar, CEO has failed to provide a Monitoring Report in accordance with paragraph a, and at least 75% of Directors are of the opinion that it would not be appropriate to obtain an External Monitoring Report, having regard to all relevant circumstances.
- 4. The Board will review and evaluate all Monitoring Reports submitted by the Registrar, CEO. The Board will record in the Board meeting minutes the outcome of its evaluation of each report as to whether the Registrar, CEO policy interpretation is reasonable and as to whether the evidence provided demonstrates policy achievement.
- 5. Each year by January/February, the Board will conduct a formal Annual Performance Evaluation Summary for the Registrar, CEO. This evaluation will consider monitoring data as defined in paragraph 3 and as reviewed throughout the year along with the Board's general feedback on performance trends [See Registrar, CEO Performance Evaluation Process Policy, 3-07].

Appendix 1 – Board Monitoring System Schedule of Registrar, CEO/Organization

APPENDIX 1 – BOARD MONITORING SYSTEM SCHEDULE OF REGISTRAR, CEO/ORGANIZATION

Monitoring Schedule by Policy Topic								
Policy No.	Policy	Policy Type	Method	Frequency of Monitoring	2020	2021	2022	2023
1-01	Strategic Outcomes Policies	Strategic Outcomes	Registrar, CEO Report	Semi Annual	Feb (2020 Strategic Outcomes R/CEO Interpretation)	Feb (2020 Year End)	Feb (2021 Year End)	Feb (2022 Year End)
					Oct (2020 mid year)	Oct (2021 mid year)	Oct (2022 mid year)	Oct (2023 mid year)
2-01	General Executive Constraint	OB	Registrar, CEO Report	Every 3 years	-	-	Feb	-
2-02	Financial Planning and Budgeting	OB	Internal Report External Audit	Annual Annual	-	Feb	Feb	Feb
2-03	Financial Condition	OB	Internal Report	Annual	June	June	June	June
			External Audit	Annual	June	June	June	June
2-04	Asset Protection	OB	Internal Report	Every 2 years	-	Oct	-	
2-05	Vendor Relations	OB	Internal Report	Every 3 years		June	-	
2-06	Investment Policy	OB	Internal Report	Annual	Dec	Dec	Dec	Dec
2-07	Reserves Policy	OB	Internal Report	Annual	Dec	Dec	Dec	Dec
2-08	Human Resources Parameters • Relationship with Staff • Staff Compensation and Benefits	OB	Internal Report	Every 2 years		Oct	-	Oct
2-09	Relationship with Public and Other COO Beneficiaries	OB	Internal Report	Every 3 years	-	June	-	-
2-10	Member Relations	OB	Internal Report	Every 2 years	-	Dec	-	Dec
2-11	Communications and Support to the Council	OB	Internal Report	Every 2 years	Oct	-	Oct	-
2-12	Corporate Identify, Public Image and Communication	OB	Internal Report External Audit	Every 2 years	-	Feb	-	Feb
2-13	Intellectual Property	OB	Internal Report	Every 4 years	-	-	June	-
2-14	Emergency Registrar, CEO Succession	OB	Internal Report	Annually	Feb	Feb	Feb	Feb

Note: By December 2020, Council is committed to determining and recoding an external monitoring schedule which will likely involve one Executive Limitations Policy undergoing an External Monitoring Report by regular schedule every three to four years.

Summary of Registrar, CEO Monitoring Schedule by Month (Strategic Outcomes and Executive Limitations)				
Month	Monitoring Policy Topics 2020	Monitoring Policy Topics 2021	Monitoring Policy Topics 2022	Monitoring Policy Topics 2023
January/ February	<ul style="list-style-type: none"> 1-01 Strategic Outcomes Policies 2-80 Emergency Registrar, CEO Succession 	<ul style="list-style-type: none"> 1-01 Strategic Outcomes Policies 2-05 Financial Planning and Budgeting 2-60 Corporate Identify, Public Image and Communication 2-80 Emergency Registrar, CEO Succession 	<ul style="list-style-type: none"> 1-01 Strategic Outcomes Policies 2-01 General Executive Constraint 2-05 Financial Planning and Budgeting 2-80 Emergency Registrar, CEO Succession 	<ul style="list-style-type: none"> 1-01 Strategic Outcomes Policies 2-05 Financial Planning and Budgeting 2-60 Corporate Identify, Public Image and Communication 2-80 Emergency Registrar, CEO Succession
May/June	<ul style="list-style-type: none"> 2-06 Financial Condition 	<ul style="list-style-type: none"> 2-06 Financial Condition 2-08 Vendor Relations 2-35 Relationship with Public and Other COO Beneficiaries 	<ul style="list-style-type: none"> 2-06 Financial Condition 2-30 Staff Conduct and Transparency Policy 2-70 Intellectual Property 	<ul style="list-style-type: none"> 2-06 Financial Condition
October	<ul style="list-style-type: none"> 1-01 Strategic Outcomes Policies 2-50 Communications and Support to the Council 	<ul style="list-style-type: none"> 1-01 Strategic Outcomes Policies 2-07 Asset Protection 2-20 Human Resources Parameters 	<ul style="list-style-type: none"> 1-01 Strategic Outcomes Policies 2-09 Investment Policy 2-50 Communications and Support to the Council 	<ul style="list-style-type: none"> 1-01 Strategic Outcomes Policies 2-09 Investment Policy 2-20 Human Resources Parameters
December	<ul style="list-style-type: none"> 2-15 Reserves Policy 	<ul style="list-style-type: none"> 2-09 Investment Policy 2-10 Signing Authority 2-15 Reserves Policy 2-40 Member Relations 	<ul style="list-style-type: none"> 2-09 Investment Policy 2-10 Signing Authority 2-15 Reserves Policy 	<ul style="list-style-type: none"> 2-09 Investment Policy 2-10 Signing Authority 2-15 Reserves Policy 2-40 Member Relations