



Board Self-Evaluation

December 18, 2013

Board Self-evaluation is ...

- **An organized process**
- **Regularly re-examine collective and individual performance**
- **Reaffirm commitment & identify plans for improvement**

Why

- **Best practices in board governance**
 - Adopted by leading public retirement boards
 - Contemporary practice in private sector
- **Evaluate/discuss performance**
- **Accountability**
- **Build relationships, efficiency, effectiveness**

What

- **Roles & Responsibility**
- **Policy Making**
- **Planning & Performance**
- **Conduct & Practices**
- **Board Relationships**

When & Where

- **Evaluation results are reported and reviewed by the Board annually**
- **Values about transparency influence where**
 - Regular Open Meeting
 - Executive Session
 - Work Session

Who

- **Board Self-evaluation consists of three parts:**
 - Individual Board Member Self-evaluation
 - Overall Board Evaluation
 - Executive Director Input

Next Steps

- **Complete First Evaluation**
- **Report on Results Next Interim**
- **Address Additional Evaluation Possibilities**
 - Executive Director Evaluation of Individual Board members
 - Peer Evaluations of Individual Board members
 - Term Limits
 - Attendance
 - Continuing Education Requirements
 - Minimum Skill Requirements
 - Evaluations of Each Board meeting

Questions?

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Board Self-Evaluation

2013





Board Self-Evaluation Process

Introduction

The LEOFF Plan 2 Retirement Board acknowledges its intention to establish and follow “best practices” in board governance in order to fulfill its fiduciary obligation to the membership and the Fund. Fundamental to sound governance is the practice of undertaking a board self-evaluation on an annual basis. This practice has been adopted by leading public retirement boards nationwide and is also a contemporary practice of corporate and non-profit boards. The LEOFF Plan 2 Retirement has not conducted a formal Board Self-Evaluation to date.

Purpose

The purpose of a self-evaluation is to give all Board members an opportunity to evaluate and discuss the Board’s performance with candor and from multiple perspectives. An evaluation is particularly helpful when a board is not functioning at an optimal level, but is also helpful when a board is functioning well as a way to ensure continuous improvement in the way the Board conducts its business. The self-evaluation can lead to a closer working relationship among Board members, greater efficiency in the use of the Board’s time, and increased effectiveness of the Board as a governing body.

Process

Copies of the self-evaluation forms will be distributed to each Board member. Board members will complete the forms and return them to staff within four weeks of receipt of the forms, or an otherwise designated date.

Results will be compiled prior to the next/future meeting and presented in a summary report to the Board. The meeting will be held in accordance with open meetings requirements and, at the discretion of the Board, in a manner that is most constructive and useful to the Board.

Written comments will be attributed to individual Board members to facilitate discussion. Input will also be gathered from the Executive Director, and shared in aggregated form during the evaluation. The individually completed surveys will also be preserved and available to the Board.

The Board should discuss areas that are working well, and those that need attention. The Board should consider if changes in its governance practices and policies need to be made going forward. Staff will work with the Board to implement any necessary changes.



Board Self-Evaluation Process

Evaluation Criteria

The evaluation criteria and forms attached may be changed at any time by the Board.

The Board Self-evaluation consists of three parts:

1. Individual Board Member Self-evaluation
2. Overall Board Evaluation
3. Executive Director Input

In the Individual Board Member Self-evaluation, each Board member is encouraged to be introspective about the personal responsibility of being a fiduciary.

In the Overall Board Evaluation, each Board member is asked to provide written input; this is the part Board members complete and submit for tabulation. Eleven different areas are evaluated with 6-11 questions for each. This is followed by three questions requiring written answers.

In the Executive Director Input, the Executive Director will provide input in relation to the overall operation of the Board during the last year.



Individual Board Member Self-Evaluation

(This is to be filled out individually by each Board Member and returned to staff)

Each Board Member is to rate the following statements in relation to *their individual effectiveness* as a member of the Board during last year. Please place an X in the appropriate box next to each statement using the indicated scale. Please use any extra white space to provide any specific comments you may have on an issue.

	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. I attend the Board and Committee meetings I am expected to attend, and I arrive on time and stay until meetings conclude.					
2. I contribute to the discussion in a meaningful and helpful way, listening to others and making my points concisely.					
3. I fully understand my fiduciary duties and act for the benefit of all members, not merely for or in response to pressure from a particular constituency or the appointing authority.					
4. I make an effort to be educated on the aspects of the retirement plan that I do not understand.					
5. I am adequately well-versed on benefits, actuarial/funding, and investments.					
6. I avoid conflicts of interest and ask questions of the Board Chair or Executive Director if I am unsure if a conflict exists.					
7. I read the materials distributed before the Board meeting so I can constructively participate and make timely decisions.					
8. I work with the other Board members as a team, striving for consensus when it is called for.					
9. I understand that certain work requests of staff and outside consultants need to be agreed to by the Board and I act accordingly.					
10. I work with the Executive Director in a way that creates an atmosphere of trust and cooperation.					
11. I understand that the Executive Director works for the entire Board and not for individual Board Members.					
12. I communicate governance and ethical problems to the Board Chair and Executive Director.					



Overall Board Evaluation

(This is to be filled out and returned to board staff)

Each board member is to rate the following statements in relation to the overall operation of the board during the last year. Please place an X in the appropriate box next to each statement using the indicated scale. Please use any extra white space to provide any specific comments you may have on an issue.

Section 1: Board & Staff Roles	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. The roles and responsibilities of our board are clearly defined and separate from those of the staff.					
2. Our board takes the primary responsibility for setting the organization's policies.					
3. Board members seldom assume roles and responsibilities that belong to staff.					
4. The board delegates sufficient authority to the organization's Executive Director to lead the staff and carry out the organization's mission.					
5. Board members do not interact with staff directly to influence staff behavior or program management without first coordinating with and getting the agreement of the Executive Director.					
6. When a problem or conflict arises between board and staff, we move quickly and effectively to resolve it.					
7. Board goals, expectations, and concerns are promptly, candidly, and effectively communicated to the Chairman and Executive Director.					
8. The board anticipates issues and does not often find itself reacting to "crisis" situations.					
9. The board speaks with one voice when directing or delegating to staff					
10. The board members respect the majority vote on issues.					
11. The board brings discussions to a conclusion with clear direction to staff.					



Overall Board Evaluation

Section 2: Policy Making Practices	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. If a new policy is needed for the board or the organization as a whole, the issue is clearly presented to and discussed by the board.					
2. The full board approves all new organizational policies before they are implemented.					
3. Policies exist for key areas such as finance, human resources, safety, conflicts of interest, legal and ethical compliance, and any other functions unique to the board's work.					
4. Board policies are effectively communicated to all board members.					
5. The board reviews policies at least every two years, and updates them as needed.					
6. The board revisits its role as the policy-making body of the organization at least every two years to ensure it is meeting this responsibility and has not drifted off-course into areas belonging to the staff.					
7. The board recognizes its policy-making role, and reconsiders and revises policies as necessary.					
8. The board periodically monitors benefit levels as well as service to members and retirees.					



Overall Board Evaluation

Section 3: Planning Practices	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. The board engages in long-range strategic thinking and planning.					
2. The mission and purpose of the organization are reviewed by the board each time strategic planning takes place to ensure that they are aligned with current program activities.					
3. The board's mission and purpose are clearly understood and accepted.					
4. The members of the board reach consensus on a vision that communicates where the organization will be headed over the next 3-5 years.					
5. The full board collaboratively reviews and updates the organization's strategic plan at least every two years.					
6. Staff develop and carry out annual action plans based on the board-approved strategic plan.					
7. The board is thoroughly briefed by the staff on annual plans developed by staff.					



Overall Board Evaluation

Section 4: Fiscal Management Practices	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. The organization's annual budget is fully reviewed, understood, and monitored by the board throughout the year.					
2. The annual expense report of the board's independent auditor is reviewed by the board and any necessary actions are taken in a timely way.					
3. Board members are fully aware of their legal responsibilities for the organization's fiscal management.					
4. The fiscal health of the plan is regularly reviewed and any necessary board actions are taken thoughtfully and in a timely way.					
5. Board leadership takes steps to ensure that fiscal reports are thoroughly understood by all board members.					
6. The board regularly reviews the financial investment practices and portfolio performance of the plan.					
7. The board comprehends and respects the difference between its oversight role and the WSIB investment management role.					



Overall Board Evaluation

Section 5: Board Structure and Practices	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. Our board's structure allows us to get our work done in a timely and effective way.					
2. The board's committees streamline our work process and increase board effectiveness.					
3. Our board's size is about right.					
4. Our members' terms on the board have appropriate term limits.					
5. The board consciously selects and prepares board officers for their leadership responsibilities.					
6. The board receives timely, accurate, and useful information upon which to make decisions.					
7. The board stays abreast of issues and trends affecting the plan, using this information to assess and guide the organization over the long term.					



Overall Board Evaluation

Section 6: Board Committees	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. The administrative committee assignments generally reflect the interests and expertise of individual board members.					
2. The administrative committee completes their tasks in an effective and timely way.					
3. Board members should attend the administrative committee meetings.					
4. The administrative committee reports to the full board in a timely way.					
5. The administrative committee establishes its goals and plans at the beginning of the fiscal year and then modifies them as needed.					
6. The effectiveness of the board and administrative committee structure is assessed at least every two years.					
7. The Board should create/use ad-hoc or standing committees to carry out the board's work.					

Section 7: Board Meetings	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. Our board's meetings schedule has the right number and length of meetings.					
2. The agendas of our board meetings and supporting written material are provided in advance of meetings.					
3. Board leaders and administrative committee members contribute items to meeting agendas.					
4. Board meetings are generally well-run and make good use of members' time.					
5. Our board tends to brainstorm and identify creative approaches to problem-solving.					
6. Our board thoroughly examines the pros and cons of all major issues and makes fully informed decisions.					
7. Board meetings are conducted in a manner ensuring open communication, meaningful participation, and issue resolution.					
8. The board meeting agendas are well-balanced, allowing appropriate time for the most critical issues.					
9. The board is consistent about being prepared for meetings and staying engaged.					
10. The board is collegial and polite during meetings.					



Overall Board Evaluation

Section 8: Board Membership & Orientation	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. The areas of expertise, skills, and other factors needed to be an effective board are adequately represented among current board members.					
2. To maintain or increase effectiveness, the board annually assess the knowledge and skills of board members and address any identified gaps in an annual board development plan.					
3. The board and staff inform new board members about responsibilities and key organizational information through a structured new member orientation program.					
4. The board continuously seeks to increase knowledge, skills, and information through independent continuing education opportunities.					
5. The board is effective, focusing on pertinent topics and allocating reasonable time.					
6. The board is well-educated on benefits, actuarial/funding and investment issues.					



Overall Board Evaluation

Section 9: Board Executive Relationship	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. The board uses a structured and participative process to recruit and hire the organization's Executive Director.					
2. The board has approved a written job description that clearly spells out the Executive Director's responsibilities and authority.					
3. The board conducts a comprehensive evaluation of the Executive Director annually.					
4. The Executive Director receives ongoing feedback regarding job performance in addition to any formal assessments.					
5. Board members provide the necessary support that allows the Executive Director to carry out the role successfully.					
6. The board ensures that the Executive Director has an ongoing professional development plan to enhance the executive's leadership effectiveness and ensures the availability of resources to implement the plan.					

Section 10: Monitoring & Evaluation Practices	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. Board members are adequately knowledgeable about the organization's programs and services.					
2. The board periodically review with the Executive Director the possibilities of adding new programs and services, and modifying or discontinuing current programs and services.					
3. Our board keeps itself informed of our organization's performance against predetermined plans and goals.					
4. Our board annually assess individual and collective board members' expectations about their participation on the board.					
5. We annually assess our board members' satisfaction with their participation on the board.					
6. We regularly evaluate the effectiveness of our board meetings.					
7. The board has achieved what it set out to accomplish the past year.					
8. The board as a whole (and board members as individuals) evaluates its performance on an annual basis and in a meaningful way.					



Executive Director Input

(This is to be filled out only by the Executive Director and returned to staff)

The Executive Director is asked to rate the following statements in relation to the *overall operation of the Board* as a whole during the last year.

Please place an X in the appropriate box next to each statement using the indicated scale. Please use any extra white space to provide any specific comments you may have on an issue.

	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
1. The Board appears to understand the Board's mission and reflects this understanding when addressing key issues throughout the year.					
2. The Board speaks in one voice and communicates clear expectations to staff.					
3. The Board values the staff's views on matters facing the System.					
4. The Board provides useful feedback on work product, reports, and advice received from the staff.					
5. Individual Board Members are good about not making time intensive requests of staff outside of Board meetings.					

Comments on areas for improvement/Other Comments: