

FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM
BOARD PERFORMANCE ASSESSMENT POLICY

BACKGROUND

- 1) The purpose of this policy is to provide a framework and process to allow the Board to periodically review its own performance and practices and engage in self-analysis for the purposes of continually improving its effectiveness. The focus of the policy is strictly limited to the Board. Separate processes and policies may be developed for reviewing the performance of the System, the Director, or vendors.
- 2) The Chair and the Vice Chair of the Board, in collaboration with the Director, shall be responsible for coordinating the Board performance assessment processes described herein.
- 3) Should the System retain a third party advisor(s) to assist in implementing this policy, the Board Chair and the Vice Chair, or the Director, may delegate to such advisor(s) any tasks that have been assigned herein to the Board Chair and the Vice Chair, or the Director.

GUIDELINES

- 4) In assessing its performance, the Board shall periodically consider a variety of factors, which may include:
 - a) The extent to which the Board's policies and practices are consistent with industry standards.
 - b) The extent to which the Board satisfies minimum performance criteria such as, for example:
 - i) Requisite meeting frequency.
 - ii) Board member attendance.
 - iii) Compliance with legal requirements and the Board's policies.
 - c) Board member satisfaction with the Board and its committees.
 - d) Stakeholder satisfaction with the Board and its committees.
- 5) The Board shall assess the above factors using a variety of methodologies and with varying frequencies as set out below:
 - a) On an annual basis, the Board Chair and the Vice Chair, in collaboration with the Director, shall administer a survey to all board members, allowing them to evaluate and comment upon the effectiveness of the Board and its committees. The Board Chair and the Vice Chair shall present a summary of the survey results to the Board for discussion and possible action. The survey results are to be summarized in a manner that maintains the anonymity of board members' survey responses. The survey form shall contain a notification to board members that individual surveys may be public records subject to public record requests.
 - b) On an annual basis, the Director shall prepare a report on the Board's performance relative to minimum performance criteria as per paragraph 4(b) above. The report will accompany the report of survey results presented to the Board as per paragraph 5(a) above.
 - c) At least every three years, the survey described in paragraph 5(a) above may, at the discretion of the Board, be supplemented with interviews of board members, Staff, or stakeholders to obtain more in-depth and independent input into the effectiveness of the Board and its committees. Such interviews are to be conducted by an independent third party with relevant experience.
 - d) At least every three years, the Board Chair and the Vice Chair, in collaboration with the Director, shall co-ordinate an assessment or analysis of the Board's governance policies and practices relative to industry standards. The results, along with any recommendations for improvement, shall be presented to the Board for discussion and consideration.

- e) Every five years, or as otherwise determined by the Board, the Board may direct the Board Chair and the Vice Chair, in collaboration with the Director, to coordinate an assessment of stakeholder satisfaction with the Board. This may take the form of consultations with members of City Council, the City Administration, or representatives of employee associations or retiree associations; or other suitable methods of inquiry.
- 6) The Director shall be responsible for developing and maintaining procedures and records in connection with the Board's performance assessments and for apprising each new Board Chair and Vice Chair of such procedures in a timely manner to support effective implementation of this policy over time.

POLICY REVIEW & HISTORY

- 7) The Board shall review this policy at least once every three years.
- 8) The Board reviewed and amended this policy on August 16, 2012.**