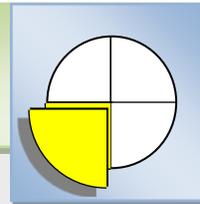


BMD-4 MONITORING CHIEF EXECUTIVE OFFICER PERFORMANCE



Policy Type: Board-Management Delegation

Systematic and rigorous monitoring of chief executive officer's job performance will be solely against the only expected chief executive officer job outputs: organizational accomplishment of Ends and organizational operation within the boundaries established in Executive Limitations.

1. Monitoring is simply to determine the degree to which Board policies are being fulfilled. Only information that does this will be considered to be monitoring.
2. Monitoring will be as automatic as possible, using a minimum of Board time so that meetings can be used to create the future rather than to review the past.
3. A given policy may be monitored in one or more of three ways:
 - 3.1. *Internal report:* Disclosure of compliance information by the chief executive officer, along with his or her explicit interpretation of Board policy, and justification for the reasonableness of interpretation.
 - 3.2. *External report:* Discovery of compliance information by an impartial, external auditor, inspector or judge who is selected by and reports directly to the Board. The external party will first be provided with the chief executive officer's explicit interpretation of the policy and justification for the reasonableness of interpretation. The report must assess the reasonableness of the interpretation of Board policy, and compliance with it. The basis for assessment is *not* the standards of the external party, unless the Board has previously indicated that party's opinion to be the standard.
 - 3.3. *Direct Board Inspection:* Discovery of compliance information by a designated Board Director, a committee or the Board as a whole. This is a Board inspection of documents, activities or circumstances directed by the Board that assesses compliance with policy, with access to the chief executive officer's justification for the reasonableness of his/her interpretation. Such an inspection is only undertaken at the instruction of the Board.



4. In every case, the Board will judge (a) the reasonableness of the chief executive officer's interpretation and (b) whether data demonstrate accomplishment of the interpretation.
5. The standard for compliance shall be *any reasonable chief executive officer interpretation* 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 interpretations favoured by Board Directors or even the Board as a whole.
6. Upon the choice of the Board, any policy can be monitored by any of the above methods at any time. For regular monitoring, however, each *Ends* and *Executive Limitations* policy will be classified by the Board according to frequency and method.

6.7. The monitoring schedule for Ends and Executive Limitations policies follows:

<u>POLICY</u>	<u>WHO</u>	<u>MONITORING METHOD</u>	<u>BOARD MEETING FOR THE REPORT</u>
<u>ENDS</u>			
<u>E Engineers Canada's Purpose</u>	<u>CEO</u>	<u>Internal report</u>	<u>Spring</u>
<u>E-1 Consistency in Regulatory Standards and Practices</u>	<u>CEO</u>	<u>Internal report</u>	<u>Spring</u>
<u>E-2 Public Confidence in the Profession</u>	<u>CEO</u>	<u>Internal report</u>	<u>Winter</u>
<u>E-3 Sustainability of the Profession</u>	<u>CEO</u>	<u>Internal report</u>	<u>Winter</u>
<u>E-4 Protection of the Engineering Term</u>	<u>CEO</u>	<u>Internal report</u>	<u>Fall</u>
<u>EXECUTIVE LIMITATIONS</u>			
<u>EL General Executive Constraint</u>	<u>CEO</u>	<u>Internal report</u>	<u>Spring</u>
<u>EL-1 Treatment of Staff and Volunteers</u>	<u>CEO</u>	<u>Internal report</u>	<u>Spring</u>
<u>EL-2 Treatment of Constituent Associations</u>	<u>CEO</u>	<u>Internal report</u>	<u>Spring</u>
<u>EL-3 Financial Condition</u>	<u>CEO</u>	<u>Internal report</u>	<u>Fall and Winter</u>
	<u>Auditors</u>	<u>External audit</u>	<u>Spring</u>
<u>EL-4 Asset Protection</u>	<u>CEO</u>	<u>Internal report</u>	<u>Fall</u>
	<u>TBD by Audit Committee</u>	<u>External audit</u>	<u>??</u>
<u>EL-5 Planning</u>	<u>CEO</u>	<u>Internal report</u>	<u>Winter</u>
<u>EL-6 Compensation and Benefits</u>	<u>CEO</u>	<u>Internal report</u>	<u>Fall</u>
<u>EL-7 Communication and Support to the Board</u>	<u>CEO</u>	<u>Internal report</u>	<u>Winter</u>
<u>EL-8 Position Statements Terms of Reference</u>	<u>CEO</u>	<u>Internal report</u>	<u>Winter</u>



