



Introduction

The Board of Trustees has delegated a significant amount of responsibility to the Executive Director. In order to meet its fiduciary responsibility to be prudent in making such a delegation, the Board recognizes that it has a duty to carefully monitor and evaluate the Executive Director it has hired.

Good governance is important to the Board and, therefore, it has adopted this policy about the way it will evaluate the Executive Director. The Board acknowledges that the process and criteria outlined below are unique to the Executive Director position and may not necessarily be the same as the process and criteria used for other staff of MPERS.

Board Participation

All Board members are to participate in the evaluation by completing an evaluation form and are encouraged to further discuss and refine their views during an executive session meeting. The Board may call upon the Executive Director to participate in any portion of the executive session meeting.

Frequency and Timing

The evaluation will take place annually, typically in the month of November. The Executive Director's first evaluation will take place approximately 6 months after initial hire and then annually after that. The Board may undertake more frequent evaluations, if warranted. The Executive Director's first evaluation after initial hire will be informal in nature, and the Chair (or Board designee) may prescribe the process for such evaluation.

The performance evaluation will typically address activities, events and accomplishments that took place during the most recently completed fiscal year.

Evaluation Criteria

The criteria to be used in the evaluation of performance will be those duties and responsibilities that the Board and the Executive Director mutually agree upon. The criteria will be documented in an evaluation form, or other form, as appropriate, prior to the commencement of the evaluation period so that the Executive Director understands what is expected for the coming year. The evaluation criteria may be supplemented, when appropriate, with specific initiatives, projects or professional development objectives that have been developed by the Board and the Executive Director, and which are also to be stated in writing. Typically, the evaluation criteria for the next ensuing year will be considered and revised when necessary in conjunction with the current year evaluation.

Executive Director Input

The Executive Director will provide a written self-assessment to the Chair or (Board designee), that corresponds to the evaluation criteria and any specific initiatives, projects or professional development objectives. The Executive Director may also include a statement of any additional noteworthy accomplishments.

Procedure

Evaluation Form: The Chair (or Board designee) will be responsible for the distribution of the evaluation form and the Executive Director's written self-assessment to each trustee and the collection and tabulation of the completed evaluation forms prior to an executive session meeting. The Chair (or Board designee) will conduct or oversee the ministerial duties to prepare, send, collect and tabulate the evaluation forms and schedule conference calls or necessary meetings to facilitate the evaluation.

All trustee comments and scores provided in the evaluation form will be anonymous, but any negative scores (i.e., any score below the midpoint) given must be accompanied by supporting comments or details in order to be included in the tabulation of results

Objective Criteria: The Governance Committee will meet to assess the Executive Director's performance against any pre-established objective criteria, and may request data or information from any party to facilitate their assessment. The Executive Director will be responsible for providing supporting information or data to assist the Governance Committee in this assessment. The Governance Committee may invite the Executive Director to participate in some or all of its meeting.

If a board governance consultant is retained, the Chair (or Board designee) may utilize the consultant to support the foregoing activities and the consultant may also be called upon to facilitate an executive session meeting to finalize the Executive Director's evaluation and related matters such as reviewing and setting the Executive Director's compensation.

Consensus

The Board recognizes how confusing it can be to send mixed messages to the Executive Director. In order to act as a cohesive governing body and "speak in one voice," the Board will strive to reach consensus about the evaluation ratings and messages. In this regard, the results of the portion of the evaluation survey that are individually completed by each Trustee will be tabulated and averaged to arrive at a consensus. However, to assure full communication, the individual scores and Trustee comments presented on the evaluation forms will also be reported, but in an anonymous manner.. The individual comments and views may also be discussed in executive session, including discussion with the Executive Director.

Communication

The Chair and Vice-Chair, together, will meet with the Executive Director soon after the executive session to deliver the outcomes of the evaluation, which shall be in writing. The purpose of having both Board officers involved is to ensure accuracy in expressing the Board's collective view. The Executive Director shall not be provided the results of the evaluation until after they have been discussed by the Board in executive session. The Executive Director shall be provided an opportunity to address the Board in an executive session regarding his or her final evaluation results, or submit a written response to the Board to be kept as an attachment with the written evaluation results.

Confidentiality

The discussions held during the executive session are to be kept confidential among those who attend the session. The written evaluation results are not public records. They will be kept in the confidential personnel file of the Executive Director, in accordance with State law.

Compensation Determinations

The evaluation results may impact the Executive Director's compensation. Therefore, the annual review and determination of the Executive Director's compensation will be decided at the same time as the evaluation.

Legal Advice

If the Board should ever need legal advice in connection with the evaluation process, it will seek counsel from the General Counsel. If conflicts of interest exist with that counsel, the Board will seek outside counsel, in accordance with law and its usual practice.