
SASKCULTURE INC.
BOARD OF DIRECTORS POLICY

Policy Name: Monitoring Executive Performance **Number:** BC-5
Policy Type: Board-CEO Relationship **Date Approved:** April 2000
Latest Revision: October 2020

Systematic and rigorous monitoring of CEO job performance will be solely against the only expected CEO job outputs: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.

1. The purpose of monitoring is simply to determine the degree to which Board policies are being fulfilled. Only information which does this will be considered to be monitoring. 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.
2. A given policy may be monitored in one or more of three ways:
 - 2.1 Internal report: Disclosure of performance data by the on Board-stated criteria that are sufficiently clear, unbiased, and representative to cause a Board majority to be confident that a reasonable interpretation of Board policy has been achieved.
 - 2.1.1 “Clear” means that the data is not submerged in unnecessary incidental information or worded unclearly.
 - 2.1.2 “Unbiased” means that the integrity of the data must be demonstrable.
 - 2.1.3 “Representative” means that data is provided to monitor the complete criterion, not just a part of it or a single implication of it.
 - 2.2 External report: Discovery of compliance information by an impartial, external auditor, inspector or judge who is selected by and reports directly to the Board. Such reports must assess executive performance only against policies of the Board, not those of the external party, unless the Board has previously indicated that party’s opinion to be the standard.
 - 2.3 Direct Board review: Discovery of compliance information by a Director, a committee or the Board as a whole. This is a Board inspection of documents, activities or circumstances directed by the Board which allows a “prudent person” test of policy compliance. Such an inspection is only undertaken at the instruction of the Board, and with the CEO’s knowledge.
3. In every case, the standard for compliance shall be any reasonable CEO interpretation of the Board policy being monitored.
4. Upon the choice of the Board, any policy can be monitored by any method at any time. For regular monitoring, however, each *Ends* and *Executive Limitations* policy will be classified by the Board according to frequency and method.
5. A formal evaluation of the CEO by the Board will occur annually, based on the achievement of the Board's *Ends* Policies and non-violation of its *Executive Limitations* policies. This formal evaluation will be conducted as a summative evaluation of previous regular monitoring data.