

## **Governance Manual**

MainePERS Board of Trustees

### **Board – Chief Executive Officer Coordination**

#### **4.3 – Monitoring Chief Executive Officer Performance**

Date Adopted: June 13, 2013

Date Amended: February 9, 2023

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#### **Policy**

The Board of Trustees has a duty to carefully monitor the performance of the Chief Executive Officer in implementing the delegated authority.

#### **Annual Evaluation**

The Board Chair shall lead the Board in an annual performance evaluation of the Chief Executive Officer. The evaluation shall occur at the end of each successive twelve-month period following the date of hire.

The Board shall evaluate the Chief Executive Officer in the following categories:

- Leadership;
- Management;
- Communications;
- Policy matters; and
- Staff development.

In the first month following the completion of each year of service, the Chief Executive Officer shall provide the Board Chair with a self-assessment including accomplishments in each category of the evaluation form (Attachment 1), an assessment of the System's progress against the strategic plan, and a set of proposed goals for the coming year.

The Board Chair will provide Trustees with the Chief Executive Officer's self-evaluation and the evaluation form. Trustees shall provide the Board Chair with the completed evaluation form within two weeks of receiving the Chief Executive Officer's self-evaluation and the evaluation form. Numeric rankings are a method to provide relative feedback, not a numeric overall ranking. Written comments should be used to more fully document the numeric rankings.

The Board Chair shall compile individual Trustee evaluations for the Board to review collectively. The Board shall discuss and reach consensus on the overall evaluation. The Board Chair shall write the Board's performance evaluation based on this discussion. The Board's evaluation may be discussed with the Chief Executive Officer in executive session.

### Comprehensive Evaluation

In the second year of the Chief Executive Officer's service and every four years thereafter, the annual review will be replaced with a comprehensive evaluation according to the following guidelines:

1. A review committee will be established including the Chair and Vice Chair of the Board of Trustees. The review committee will develop a schedule for the comprehensive evaluation to be completed.
2. The review committee and the Chief Executive Officer will agree on the selection of an external reviewer to conduct the comprehensive evaluation and to report to the review committee.
3. The Chief Executive Officer shall provide the Board Chair with a self-assessment including accomplishments in each category of the evaluation form, an assessment of the System's progress against the strategic plan, and a set of proposed goals for the coming year. This shall be provided to the Board Chair in the first month following the anniversary of service as Chief Executive Officer.
4. The external reviewer will utilize the categories included in the evaluation form as the criteria for assessing the Chief Executive Officer's performance and will meet with the review committee to discuss the comprehensive evaluation process and the self-assessment, and to identify any other issues to be considered.
5. The external reviewer will meet with the Chief Executive Officer to discuss the comprehensive evaluation process and the self-assessment, and to identify any other issues to be considered.
6. The external reviewer will interview or survey all members of the Board of Trustees for the comprehensive evaluation.
7. The review committee and the Chief Executive Officer will each develop a list of other parties to be interviewed or surveyed by the external reviewer, including members of the executive and senior administrative staff. The external reviewer will select parties from these lists to be interviewed or surveyed, ensuring balanced representation from both lists.
8. The external reviewer will prepare a draft report and meet first with the review committee and then the Chief Executive Officer to discuss the findings.
9. The external reviewer will finalize the report and forward it to the review committee and the Chief Executive Officer. The review committee and the Chief Executive Officer will meet to discuss the report.
10. The review committee will forward the final report to the Board of Trustees.
11. The Board will meet in executive session to discuss the report with the Chief Executive Officer.

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## Board – Chief Executive Officer Coordination

### 4.3 – Attachment 1 – Chief Executive Officer Evaluation Form

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**Chief Executive Officer Name:**

**Evaluation Date:**

**Leadership Rating** \_\_\_\_\_

**5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable**

- \_\_\_\_\_ Inspires confidence, establishes credibility with Board, staff, members, retirees, and legislators
- \_\_\_\_\_ Maintains a “big picture” outlook and is aware of industry issues
- \_\_\_\_\_ Exhibits diligence in leading the organization
- \_\_\_\_\_ Thoroughly prepares issues for the Board to discuss
- \_\_\_\_\_ Forecasts trends, responds to change, and invites innovation
- \_\_\_\_\_ Solicits and acts upon ideas of others when appropriate
- \_\_\_\_\_ Provides direction and support to the Board regarding its statutory and fiduciary obligations
- \_\_\_\_\_ Projects a positive image as the Chief Executive Officer of MainePERS

**General Comments or Examples:**

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## Management Rating \_\_\_\_\_

**5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable**

- \_\_\_\_\_ Manages MainePERS' activities in accordance with relevant laws and Board policies
- \_\_\_\_\_ Develops reasonable budgets, communicates them to the Board, and operates within budgetary limits
- \_\_\_\_\_ Ensures the efficient and effective functioning of the System through delegation to the executive and senior administrative staff and outside service providers
- \_\_\_\_\_ Assesses and advises on adequate security for all official documents and technology systems
- \_\_\_\_\_ Exhibits skill in problem solving

**General Comments or Examples:**

## Communications Rating \_\_\_\_\_

**5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable**

- \_\_\_\_\_ Keeps the Board and staff informed, and effectively communicates with them
- \_\_\_\_\_ Organizes ideas and information logically
- \_\_\_\_\_ Speaks clearly and concisely, using understandable terminology
- \_\_\_\_\_ Effectively communicates with the Board
- \_\_\_\_\_ Effectively communicates with stakeholders, members and retirees when appropriate
- \_\_\_\_\_ Effectively communicates with government officials, legislators, service providers, the media, and the general public

**General Comments or Examples:**

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### Policy Matters Rating \_\_\_\_\_

**5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable**

- \_\_\_\_\_ Periodically reviews Board policies and rules, and makes recommendations to the Board for changes in Board policies and rules
- \_\_\_\_\_ Effectively interprets Board policies and concerns, and develops a consistent direction for the staff to follow
- \_\_\_\_\_ Initiates changes in day-to-day operations to conform to established Board policies
- \_\_\_\_\_ Acts creatively to evaluate and recommend new programs or policies

**General Comments or Examples:**

### Staff Development Rating \_\_\_\_\_

**5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable**

- \_\_\_\_\_ Creates an atmosphere that fosters teamwork, creativity, and participation
- \_\_\_\_\_ Sets clear standards of performance for the executive and senior administrative staff
- \_\_\_\_\_ Encourages professional development and appropriate training of staff
- \_\_\_\_\_ Addresses succession planning for key positions within the System

**General Comments or Examples:**

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## Rating Summary

5 – Outstanding, 4 – Above Average, 3 – Satisfactory, 2 – Needs Improvement, 1 – Unacceptable

<b>Categories</b>	<b>Rating</b>
<b>Leadership</b>	
<b>Management</b>	
<b>Communications</b>	
<b>Policy Matters</b>	
<b>Staff Development</b>	
<b>Average</b>	

Summary Comments: