



Board Administrative Policy Chief Executive Officer Performance Review

I. Purpose

- A. To provide guidelines and procedures for the systematic assessment of Chief Executive Officer (CEO) performance.
- B. To enhance CEO and organizational effectiveness, by ensuring that:
 - 1. SJCERA's mandates are being carried out appropriately,
 - 2. The working relationship between the Board and the CEO is effective and strong, and
 - 3. The CEO is provided with specific expectations and feedback regarding his/her performance.

II. Frequency and Content

- A. CEO performance is evaluated annually against clearly defined objectives and expectations, which are developed jointly by the CEO and trustees.
 - 1. Objectives and expectations may include SJCERA's achievement of financial and organizational goals, and service targets, as well as effective human resource management, progress on implementing SJCERA strategy, and other Board directives.

III. Objectives

- A. The CEO Performance Review includes two objectives: assessment of performance during the past fiscal year and development of goals for the upcoming year. The evaluation should document past successes and targeted achievements, future objectives and goals, and also the CEO's ability, vision, strategy and resources to achieve those aims.

IV. Process and Timeline

- A. The CEO Performance Review will proceed according to the following process and timeline:
 - 1. October
 - a. The CEO presents to the Board of Retirement for their approval written goals for the upcoming calendar year.
 - b. Goals should include performance targets and personal/development goals.
 - c. The approved goals will be incorporated into the staff goals and budget, and considered by the Board and the CEO Performance Review Committee in the performance and compensation review process.

2. December

- a. The CEO presents a budget, which identifies necessary funding to achieve approved goals.
- b. The CEO provides the Committee Chair a schedule of proposed due dates for tasks outlined in this policy. The schedule will consider, among other things, Board meeting dates and required approvals.

3. January

- a. The CEO reports on accomplishments on prior-year goals to the full board at its regularly scheduled meeting in open session.
- b. In closed session, the CEO provides to all Board members a self-evaluation for the Board's consideration in completing their overall evaluation.
- c. CEO Performance Feedback Worksheets (Attachment A) are distributed to all Board members.
- d. The CEO Performance Review Committee meets and appoints a Committee Chair, if the Board Chair did not assign a Committee Chair when making committee assignments. The Committee Chair is responsible for gathering the Worksheets, compiling/summarizing results, relaying trustee comments during review discussions and, in collaboration with the committee, drafting the performance review memo.
- e. The Worksheets shall be returned to the Committee Chair. The Chair shall set a due date that is no later than month-end.
 - i. The Committee Chair consolidates feedback into the Consolidated Trustee Feedback form (Attachment B) and drafts a memo using the Memo Template (Attachment C) reflecting the collective assessment of the CEO's performance. The Committee Chair distributes the consolidated feedback and draft memo to the CEO Performance Review Committee.
 - ii. The Committee Chair may have one-on-one discussions as needed to clarify trustees' individual input, provided appropriate care is taken to ensure compliance with the Brown Act.

4. February/March

- a. The committee meets, without staff present, to review and provide input on the memo based on the consolidated feedback, including assisting with summarizing the feedback, determining the key accomplishments, and making suggestions for further development (if any) to include in the memo. The committee will also formulate a recommendation regarding compensation in accordance with Section IV(A)(4)(g) of this policy and the CEO's employment agreement.

- b. The Committee Chair distributes the summarized feedback and committee-approved draft memo to the trustees and the CEO.
 - i. The trustees may have one-on-one discussions with the Committee Chair as needed regarding the draft memo, provided appropriate care is taken to ensure compliance with the Brown Act.
- c. The Board Chair and the Committee Chair meet with the CEO to discuss the feedback.
- d. The CEO meets with the Board in closed session to discuss the performance review memo and feedback.
 - i. Upon completion of IV.A.4.d, the Board Chair signs the memo, obtains the CEO signature acknowledging receipt, provides a copy of the review memo to the CEO, and submits the original signed memo to the County Human Resources Department (44 North San Joaquin Street, Suite 330, Stockton, CA 95202) for inclusion in the CEO's personnel file.
 - ii. Upon completion of IV.A.4.d, all Board members shall shred or otherwise destroy all feedback, notes, drafts, emails, and other related documents and correspondence, whether paper or electronic, that were produced or obtained, sent or received, as part of the CEO Review Process.
- e. The Board subsequently authorizes merit, equity, or incentive compensation increases, if any, based on performance. Such increases, if any, shall be in addition to any COLA increases awarded to the Executive Unit.
 - i. Compensation for the CEO position shall be included in a market survey of total compensation every three years, to ensure its competitiveness.
 - 1. The County Human Resources Division conducts total compensation surveys for County department heads.
 - ii. The Board may authorize incentive compensation if it determines the goals approved pursuant to Section IV.A.1 have been achieved. Such incentive compensation shall not exceed 10 percent of the CEO's annual base salary, increase base pay, or be included as part of the CEO's retirement-eligible compensation.
 - iii. In accordance with the Brown Act, the Board must vote on any merit, equity, or incentive compensation increases, in open session. This open session vote, if any, is scheduled for the next available Board meeting's open session, typically in March.

5. June

- a. CEO provides mid-year progress report on calendar year goals presented to the Board pursuant to Section IV(A)(1).

- b. Board discusses mid-year progress and performance with CEO present in closed session.
 - i. This meeting is intended to assist the Board in monitoring the organization's progress toward the annual goals, to provide an opportunity to adjust expectations in light of new circumstances, and to provide the opportunity for the CEO to make adjustments, if needed, during the second half of the calendar year.

6. August

- a. The Board Chair appoints CEO Performance Review committee members.

V. Policy Review

- A. Staff shall review this Policy annually to ensure that it remains relevant, appropriate, and in compliance. Any revisions or amendments to this policy must be approved by the Board of Retirement in accordance with the bylaws.

VI. History

06/08/2018	Adopted Policy
06/29/2018	Staff updated format
07/12/2019	Amended to make Committee a standing committee with appointment considerations, clarified Committee's role, and integrated compensation review into the process
07/10/2020	Amended to align the committee appointment timing with other standing committees, remove text included in committee charter, assign responsibility for proposing schedule of tasks, and clarify compensation discussion and decision requirements

Certification of Board Adoption:


 Clerk of the Board

07/10/2020

Date



**Chief Executive Officer
Performance Feedback
Worksheet**

CEO Name: _____ Review Period: _____ to _____

Trustee Name: _____ Date: _____

Each Trustee is asked to reflect and comment on the CEO's performance during the Review Period. For each of the evaluation categories, descriptions have been provided to assist you with assigning a score of 1 (the minimum score) through 5 (the maximum), or a half-point increment in between. The CEO's self-assessment has also been provided for your reference. Wherever possible, please include observations or specific examples that support your assessment. The Chair of the CEO Performance Review Ad Hoc Committee will compile the results to produce an overall Board assessment. In consultation with the Ad Hoc Committee and the CEO, the Ad Hoc Committee Chair will utilize these materials to draft a memorandum to the CEO, documenting the Board's collective assessment of the CEO's performance and serving as a foundation for productive, two-way dialogue between the Board and the CEO. Note: these worksheets are considered confidential personnel records and should not be shared, discussed or disclosed outside of the CEO Performance Review process. **Please return your completed CEO Performance Review Worksheet to the Ad Hoc Committee Chair on or before the deadline.**

		Unacceptable 1	1.5	Needs Improvement 2	2.5	Satisfactory 3	3.5	Above Average 4	4.5	Outstanding 5
Leadership	<p>Is often unaware of politically sensitive situations.</p> <p>Demonstrates poor judgment in public interactions.</p> <p>Often runs into crises because of weak leadership/management.</p> <p>Does not communicate a link between organizational goals and employee responsibilities.</p> <p>Does not analyze trends and prepare for the future.</p> <p>Consistently out of touch with work going on.</p> <p>Consistently makes poor ethical decisions.</p>			<p>Understands the long-term view of SJCERA's strengths, challenges and opportunities and is aware of industry issues.</p> <p>Articulates and acts as a role model for mission and core values.</p> <p>Anticipates issues, responds to changes affecting SJCERA and brings forward workable alternatives and solutions.</p> <p>Provides direction and support to the Board regarding its fiduciary obligations and governance role.</p> <p>Brings new strategic concepts to the organization.</p> <p>Receptive to change.</p> <p>Makes decisions with integrity.</p> <p>Builds depth and breadth of technical expertise and effectively makes decisions based on technical knowledge.</p>					<p>Inspires confidence, established credibility with Board, staff, members and participating employers.</p> <p>Takes a long-term view and builds a shared vision with others that is understood at all levels of the organization.</p> <p>Creates and drives critical change initiatives throughout the organization.</p> <p>Empowers the senior management team to drive organizational success.</p> <p>Models the highest of ethics, values and integrity at all times; fosters a culture of ethical behavior.</p> <p>Forecasts trends, invites innovation and development of creative strategies and practical solutions to issues and challenges.</p> <p>Builds an organization that makes thoughtful choices in a timely manner.</p> <p>Displays courage and appropriately makes sound decisions.</p>	
	Leadership General Comments or Examples:									

	Unacceptable		Needs Improvement		Satisfactory		Above Average		Outstanding	
	1	1.5	2	2.5	3	3.5	4	4.5	5	
Management	<p>SJCERA's activities are frequently out of compliance with laws, policies, regulations. Fails to understand and act upon requests from the Board in a timely manner. Failed to manage in several situations, causing a breakdown in service quality and timeliness. Makes little or no effort to assess risks or keep current on changes that may require adjustments. Loses sight of the financial big picture. Does not control expenditures well. Does not accept responsibility when problems arise.</p>		<p>Manages SJCERA's activities in compliance with laws, policies, and regulations. Understands and respects the Board's policy role; implements Board direction. Recommends, formulates and implements operating policies and procedures to comply with laws, plan provisions, and/or best practices. Delivers performance as measured by key metrics in core business areas. Exhibits effective problem solving. Meets deadlines. Oversees the development of reasonable budgets, communicates them to the Board, and operates within budgetary limits. Uses financial resources prudently to support the mission; cuts unnecessary spending. Assesses the value of programs and activities; makes changes as needed. Assesses and advises on adequacy of security of all official documents and technology systems. Ensures adequate internal controls. Receives a clean financial audit. Maintains a safe, healthy and environmentally sound workplace.</p>				<p>Proactively monitors legislation and regulations for changes; assesses impact on SJCERA; effectively manages implementation of required changes. Actively redesigns operations, processes, and procedures to improve efficiency, effectiveness, or better meet stakeholder needs. Identifies and removes problems hindering peak performance. Designs intermittent feedback loops to gauge the progress on budget and business goals. Effectively balances risk in decision making. Consistently achieves high levels of productivity and quality in work product.</p>			
	<p>Management General Comments or Examples:</p>									

		Unacceptable 1	1.5	Needs Improvement 2	2.5	Satisfactory 3	3.5	Above Average 4	4.5	Outstanding 5
Goal Attainment	<p>Plans poorly. Most goals are not completed, late or regularly over budget. Fails to act upon Board direction. Project results do not reflect the direction given by the Board.</p>				<p>Completes organizational goals on time or renegotiates expectations in light of unexpected circumstances. Develops and attains Board approval on appropriate goals to address organizational needs.</p>					<p>Leads SJCERA staff to achieve SJCERA's goals on time and within budget. Engages the SJCERA leadership team in proposing specific, measurable goals and concrete outcomes. Demonstrates results that meet or exceed stated objectives.</p>
	Goal Attainment General Comments or Examples:									

		Unacceptable 1	1.5	Needs Improvement 2	2.5	Satisfactory 3	3.5	Above Average 4	4.5	Outstanding 5
Stakeholder Relations	<p>Frequently ignores employers' or participants' needs. Allows issues to escalate as a result of untimely resolution.</p>				<p>Actively works with stakeholders to identify and work through issues. Effectively represents SJCERA to members, employers, the media and the general public. Projects a positive image of the organization. Surveys members and uses feedback to identify opportunities for improvement.</p>					<p>Makes an active effort to build rapport. Communicates a compelling and inspiring vision for SJCERA. Maintains a leadership presence that builds others' confidence in the organization. Looks for continuous improvement opportunities in relationships with employers and participants. Member feedback shows a consistent high level of satisfaction.</p>
	<p>Stakeholder Relations General Comments or Examples:</p>									

	Unacceptable		Needs Improvement		Satisfactory		Above Average		Outstanding
	1	1.5	2	2.5	3	3.5	4	4.5	5
Communication Skills	<p>Frequently shows annoyance or impatience; is condescending or impolite. Does not inform Board of potential problems. Does not accept responsibility; reacts defensively when issues arise. Is inaccessible or unapproachable; two-way, open dialogue with staff is rare.</p>		<p>Effectively communicates with the Board and staff, keeping them informed. Presents information logically, clearly and concisely; makes complex issues understandable. Demonstrates proficient written and verbal communication/presentation skills. Willing to accept and consider differing viewpoints and constructive feedback. Works collaboratively with the Board, counsel and employer representatives. Provides well-balanced information and clear recommendations/analysis to assist the board in its decision making. Ably serves as Clerk of the Board; minutes are accurate, complete and on time.</p>			<p>Recommendations are thoroughly researched and insightful, and presented in a clear and concise manner. Clearly and persuasively communicates on a broad range of topics inside and outside the organization. Effectively addresses both large and small groups. Effectively handles both friendly and hostile situations with ease. Encourages and embraces candid feedback and constructive suggestions from the Board, staff and stakeholders. Effectively uses the Board for counsel.</p>			
	<p>Communication Skills General Comments or Examples:</p>								

		Unacceptable 1	1.5	Needs Improvement 2	2.5	Satisfactory 3	3.5	Above Average 4	4.5	Outstanding 5
Talent Management	<p>Blames other for problems.</p> <p>Selects unqualified individuals, resulting in a poor work product or waste of time/money; fails to hold non--performers accountable.</p> <p>Fails to get qualified candidates on consulting projects.</p> <p>Fails to involve leadership and staff appropriately.</p> <p>Does not appropriately develop staff to perform responsibilities.</p> <p>The organization suffers from significant "key person" risk.</p> <p>Is unaware of or fails to comply with applicable labor laws and agreements.</p> <p>Staff participation in training and development is discouraged.</p>				<p>Shares the praise for successes; takes responsibility for failures.</p> <p>Attracts, engages and retains a talented, diverse workforce.</p> <p>Effectively delegates to staff and outside service providers with appropriate safeguards.</p> <p>Maintains a positive working environment by providing a climate of fairness, cooperation, civility and professionalism.</p> <p>Ensures all employees are informed of SJCERA policies, procedures and strategic direction.</p> <p>Sets clear standards of performance for staff.</p> <p>Provides clear, specific and timely performance feedback; rewards superior performance; works to improve undesirable performance.</p> <p>Ensures adequate cross functional training and succession planning for key positions.</p> <p>Provides opportunities for individual growth and career development.</p> <p>Works to establish a climate that welcomes and promotes respect for diversity.</p> <p>Encourages collaboration among staff across divisional boundaries.</p> <p>Manages in accordance with applicable labor laws and agreements.</p> <p>Staff training and development goals are incorporated in the performance review process.</p>				<p>Demonstrates a superior ability to attract and select employee and consultant talent.</p> <p>Uses a variety of innovative methods to attract the right individuals.</p> <p>Creates and/or continuously improves upon a positive working environment.</p> <p>Creates a framework that allows teams to work effectively and efficiently.</p> <p>Coaches and develops direct reports and emerging leaders to high performance.</p> <p>Sets realistic expectations that are both achievable and provide opportunity for growth.</p> <p>Possesses a strong knowledge of labor laws and agreements and develops that knowledge in others.</p> <p>Fosters a culture of continuous learning that is fully integrated throughout the work force.</p>	
	Team Management General Comments or Examples:									



CONSOLIDATED TRUSTEE FEEDBACK

ATTACHMENT B

CEO Name: _____ Review Period _____ to _____

Category and Scores

Comments *(Copy all trustees' comments for each category into the corresponding space provided below.)*

LEADERSHIP

Trustee Scores (list all): _____

Average Trustee Score: _____

CEO Self-Score: _____

MANAGEMENT

Trustee Scores (list all): _____

Average Trustee Score: _____

CEO Self-Score: _____

GOAL ATTAINMENT

Trustee Scores (list all): _____

Average Trustee Score: _____

CEO Self-Score: _____

STAKEHOLDER RELATIONS

Trustee Scores (list all): _____

Average Trustee Score: _____

CEO Self-Score: _____

COMMUNICATION SKILLS

Trustee Scores (list all): _____

Average Trustee Score: _____

CEO Self-Score: _____

TALENT MANAGEMENT

Trustee Scores (list all): _____

Average Trustee Score: _____

CEO Self-Score: _____



San Joaquin County Employees' Retirement Association

TO: (NAME)
Chief Executive Officer

FROM: (NAME)
Board Chair

DATE:

SUBJECT: (YEAR) CEO Performance Review

Overview

Feedback

The Board of Retirement reviewed your performance across six dimensions: Management, Leadership, Goal Attainment, Stakeholder Relations, Communication Skills, and Talent Management. The Board's scores (average and range) and representative comments are provided below.

- Leadership
Scores: Average: _____ Range (high and low scores): _____
Summarized Comments: _____

- Management
Scores: Average: _____ Range (high and low scores): _____
Summarized Comments: _____

- Goal Attainment
Scores: Average: _____ Range (high and low scores): _____
Summarized Comments: _____

4. Stakeholder Relations

Scores: Average:

Summarized Comments:

Range (high and low scores):

5. Communication Skills

Scores: Average:

Summarized Comments:

Range (high and low scores):

6. Talent Management

Scores: Average:

Summarized Comments:

Range (high and low scores):

Significant Accomplishments (optional, delete section if not used)

Suggestions for Further Development (optional, delete section if not used)

Conclusion

Approved by the SJCERA Board of Retirement.

(NAME), Board Chair

Acknowledgement of Receipt
(NAME), CEO