**Policy Statement**

According to the Michigan Community College Act, the Board is exclusively responsible for the oversight and operations of the College. To fulfill professional expectations and Higher Learning Commission accreditation obligations associated with operating the College, the Board hires a CEO and delegates operational duties to that person. Since the CEO operates the College as the Board’s primary employee, the Board has a direct interest in monitoring CEO performance and providing feedback in ways that support the CEO’s success. To accomplish this, the Board and the CEO must create a partnership of focus and mutual accountability using the tenets of policy governance.

In this collaborative relationship, the Board is responsible for clearly defining the Ends (which identify the desired results of the College’s work) and the CEO is responsible for determining the Means (i.e. strategies and methods) to accomplish these Board-defined Ends. To facilitate and strengthen communication, the Board clarifies the responsibilities of the CEO, defines performance expectations for the CEO, and communicates specific leadership competencies that the CEO must demonstrate as they carry out their duties. By doing so, the Board effectively defines, monitors, evaluates, and assures accountability for the Ends, as well as provides the CEO with the necessary tools for continuously improving the quality of College operations.

To facilitate and sharpen Board decision-making, the Board will engage in a program of self-evaluation to determine if the Ends and Executive Limitations are appropriate, to review the Board’s compliance with defined governing principles related to Board and Trustee responsibility policies, and to explore ways in which they can improve their support of the CEO.

This process of monitoring CEO and Board effectiveness provides the Board with opportunities for:

- Deepening its understanding of the CEO and the College
- Strengthening the Board-CEO partnership to ensure CEO success
- Connecting and integrating elements of Board and CEO responsibility with College performance
- Strengthening Board engagement with the CEO and College
- Improving its oversight of College operations

**Monitoring CEO Effectiveness**

The Board clearly defines areas of accountability, responsibilities, and duties in the CEO Accountability Policy (2.2). In addition, to maintain effective oversight and provide guidance to the CEO on Means activities, the Board establishes Executive Limitations (restrictions) on the CEO’s authority to administer and operate the College within the boundaries of prudence and ethics.
In terms of establishing performance expectations and identifying leadership competencies for the CEO, the Board will monitor CEO effectiveness through three activities: 1) Continuous evaluation through monitoring reports; 2) Conducting an annual performance assessment; and 3) Conducting a periodic comprehensive review of CEO and Board performance.

**Continuous Evaluation through Monitoring Reports**
Monitoring reports are the primary method used to evaluate CEO performance. The Board will evaluate all monitoring report activities in a manner that systematically assesses College progress on the Ends and CEO compliance with Executive Limitation policies. As such, the Board shall use the following methods to monitor CEO performance:

1. **Internal Reports** – Reports created by the College as noted in the Monitoring College Effectiveness Policy (4.3);
2. **External Reports** – Reports created by parties external to the College (e.g. accrediting bodies, auditors, inspectors, etc.);
3. **CEO Reports** – Written reports that convey policy interpretations, as well as compliance information, relevant to policies being reviewed by the Board as noted in the Board Policy Creation and Review Policy (1.4). As appropriate in a given context, the CEO may present information to justify the reasonableness of his/her interpretation; and
4. **Direct Board Inspection** – Inspection of documents, activities, or circumstances directed by the Board, to determine policy compliance.

Consistent with policy governance principles, the Board will consider the CEO’s reasonable interpretation of Ends and Executive Limitation policies as it evaluates CEO performance through monitoring reports. Specifically, the Board will judge whether the CEO’s interpretation is reasonable and whether the data presented demonstrates a reasonable accomplishment of (or compliance with) the CEO’s interpretation. The Board, not individual Trustees, is the final arbiter of reasonableness. Therefore, only information that enables the Board to assess accomplishment of Ends and compliance with Executive Limitations is considered relevant.

If the Board determines that the CEO’s interpretation is reasonable, but the data presented does not demonstrate reasonable accomplishment (or compliance) with a Board policy, then the Board will review and clarify the appropriate policy, as necessary. If the Board determines that the CEO’s interpretation is unreasonable, then the Board will develop, in collaboration with the CEO, a strategy to ensure appropriate interpretation in the future.

All policies instructing the CEO will be monitored at a frequency and by a method chosen by the Board. To provide continuous and timely communication, the Board may choose to monitor any policy by any method at any time, but will ordinarily follow an annual review schedule as agreed to by the Board.

**Annual Performance Assessment**
The Board will conduct an annual assessment of the CEO’s performance no later than November 30. A process and assessment instrument will be developed by the Board in collaboration with the CEO. This assessment shall be based on the wider organizational and social context in which the CEO operates and may include, for example, such items as leadership, management, and community relations. In this process, the Board will use continuous improvement principles as the purpose is to assist the CEO with a path forward by outlining issues to address, processes to improve, goals to set, and/or talents to develop.
This assessment will be based on a summary/review of the Board’s assessment of the CEO’s performance, drawn from data presented in the monitoring reports noted earlier, over the preceding fiscal year. In addition, the CEO is responsible not only for achieving the Ends in the present, but also for positioning the College to achieve the Ends in the future.

The criteria for CEO performance is grounded in the goals, expectations, and metrics that have been established jointly by the CEO and the Board as they relate to the accomplishment of the Boards Ends. Further, they will define aspirations and provide measurable benchmarks that reflect CEO leadership and convey wider strategic possibilities for the College. This provides the opportunity for the Board to assess goals and expectations from the past and renew, reconfigure, and create goals for the future.

Monitoring Board Effectiveness
The Board will conduct an annual self-assessment by December 31. This self-assessment will be based on a summary/review of its performance over the preceding fiscal year. The purpose of this evaluation is to allow the Board to assess their own processes and performance as it relates to a comparison of Board activity and adherence to the policies identified in the Board Governance and Board Management Relationship categories. The following outcomes are desired from the monitoring Board Effectiveness process:

1. A summary of Board accomplishments;
2. A better understanding of what it means to be an effective Board (i.e. a refined understanding of the Board’s primary roles and core responsibilities);
3. Clarification of what Trustees expect from each other and themselves;
4. Improved communications among Trustees and between the Board and CEO;
5. A plan for strengthening the working relationship between the Board and the CEO;
6. A renewed sense of commitment to the College’s Ends;
7. Identification of problems, potential issues, and areas to improve;
8. An opportunity to discuss and solve problems that may hinder Board performance;
9. Identification of strategies to enhance Board performance;
10. Increased understanding on Board roles and Trustee responsibilities; and
11. Consensus on goals and objectives for the coming evaluation cycle focused on improving the Board performance.

Comprehensive Performance Review of the Board and CEO
The comprehensive performance review is part of a larger cycle of assessment and governance that focuses on a broader examination of CEO and Board performance to include the relationship between the CEO and the Board, the effectiveness of the Board itself, and the progress of the College in achieving goals since the last comprehensive performance review. The review will recognize successes, identify improvement areas, and raise key strategic questions for the Board and CEO.

The comprehensive performance review will provide additional perspective on CEO and Board effectiveness from interviews with a cross-section of the College community. To accomplish this, the Board will seek an independent review to allow for objectivity and provide College constituents (i.e. faculty, staff, students, alumni, and others) the opportunity to offer anonymous feedback through a confidential process. Further, the comprehensive performance review will focus on strengthening relationships, building trust, and improving CEO, Board, and College effectiveness.

As it relates to the process of implementing a comprehensive performance review, the following guidelines will be observed:
1. The frequency of the comprehensive evaluation will be at least every five (5) years.
2. The Board will develop an objective and structured process in collaboration with the CEO.
3. Sufficient time, typically several months, will be set aside to conduct the review.
4. A process for communicating with the College community will be implemented.

**Change Log**

<table>
<thead>
<tr>
<th>Date of Change</th>
<th>Description of Change</th>
<th>Responsible Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/17/2018</td>
<td>Initial policy approved by Board to become effective</td>
<td>Board of Trustees</td>
</tr>
<tr>
<td>7/1/2018</td>
<td>Effective date of initial policy</td>
<td>Board of Trustees</td>
</tr>
<tr>
<td>10/16/18</td>
<td>Changed the month for the CEO’s annual assessment to November and the Board’s annual assessment deadline to December 31.</td>
<td>Board of Trustees</td>
</tr>
<tr>
<td>8/3/2020</td>
<td>Changed time period for annual assessment of CEO’s performance to “no later than November 30.”</td>
<td>Board of Trustees</td>
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