



ADMINISTRATIVE COMMITTEE

Staff Report

File #: 19-413

Agenda Date: 7/18/2019

Agenda #: 7.

FROM: Stacey Barnier, Director of HR and Risk Management

SUBJECT: Performance Evaluation Process for Chief Executive Officer and Chief Counsel

RECOMMENDATION:

Recommend that the Board approve the 2020 performance evaluation process and timing for the Chief Executive Officer and Chief Counsel.

BACKGROUND:

At its January 10, 2019 meeting, the Board requested a review of the performance evaluation process for the Chief Executive Officer (CEO) and Chief Counsel. Both positions have contractual provisions for a six-month performance review by the Board followed by a performance review every 12 months thereafter. In the past, written evaluations were prepared for these positions using an electronic performance evaluation system. The forms were extremely complex with individual scores (from "1" to "7") provided over 27 differently weighted items. Those then rolled up in to four broad areas for performance evaluation. By example, for the CEO position, those included: (1) SBCERA Purpose Participation; (2) Team Goals Participation; (3) Essential Position Duties; and (4) Performance Competencies.

In consultation with the Board Chair and Vice-Chair, staff proposed a streamlined performance evaluation framework and timeline for the CEO and Chief Counsel at the February 7, 2019 Board Meeting. Vice Chair Waner was selected to serve as chair of the ad-hoc committee. At its meeting on March 22, 2019, the CEO and Chief Counsel both provided self-evaluations and a discussion of goals, as well as discussed the proposed evaluation questions and framework, which are attached as Exhibits "A" and "B" for the CEO and Chief Counsel, respectively. The electronic performance evaluation system was then made available for the Board to provide their individual feedback, which was subsequently synthesized by Vice-Chair Waner. At its meeting on April 4, 2019, the Board held a closed session discussion on the performance evaluations. Subsequently, Chair Rutherford and Vice-Chair Waner issued the performance evaluations to the CEO and Chief Counsel individually. Compensation adjustments were recommended and approved at the May 2, 2019 Board Meeting.

At the request of the Board, this item is being brought forward to discuss the process for future evaluations.

In accordance with the SBCERA Staff Performance Evaluation and Planning (PEP) Policy (018), the format and framework for completion of the CEO's or Chief Counsel's performance evaluation shall be reviewed with the Board annually.

The next performance review for the CEO and Chief Counsel is due to begin in February 2020. Staff recommends the following timeline:

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| February 6, 2020 | Board Chair appoints Performance Evaluation Committee members. |
| March 5, 2020 | Chief Executive Officer and Chief Counsel will provide briefings to the Board on their accomplishments and goals. |
| March 5, 2020 | An online survey tool will be released to the Trustees to gather their feedback, which will request a specific evaluation of no more than ten key areas, with room for narrative discussion on each area, as well as overall. The survey will close on March 15, 2020 to allow for compilation of the results by one or more Board-designated representatives (to be determined). |
| April 2, 2020 | Board Meeting - Closed Session discussion (Board only) to discuss the performance self-evaluations and compiled survey results. Desired outcome: Board will reach a consensus on key points to be covered in the performance evaluation with the CEO and Chief Counsel and designate representative(s) to deliver the performance evaluation and compensation adjustments, if any. |
| April 6-22, 2020 | Identified range of time for Board designee(s) to meet with CEO and Chief Counsel separately to provide performance evaluation and compensation adjustments, if any. Should additional time be required, or additional full Board discussion needed, this time would be adjusted into May. |

BUDGET IMPACT:

None.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Quality Employer and Workplace

STAFF CONTACT:

Stacey Barnier

ATTACHMENTS:

- Exhibit A: Chief Executive Officer Performance Evaluation Framework
- Exhibit B: Chief Counsel Performance Evaluation Framework
- Exhibit C: SBCERA Staff Performance Evaluation and Planning (PEP) Policy