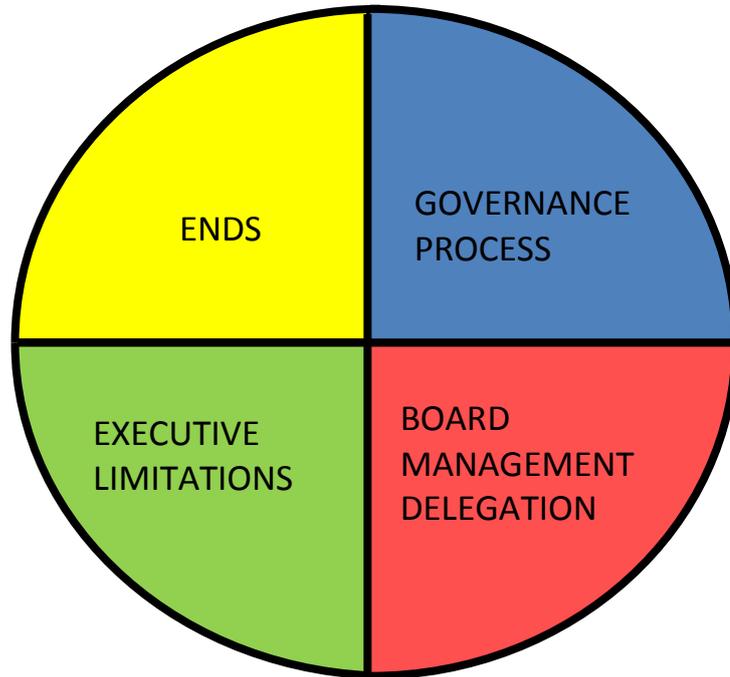


HIV Scotland Board Policy Manual

Version: October 2015



NOTES

1. No policy in this manual should be read in isolation from HIV Scotland's Constitution and Articles which take precedence over this manual.
2. This manual belongs to the board of HIV Scotland and any policy in this manual may be added to, amended or deleted by the board at any time.
3. No policy in this document should be read in isolation from the manual as a whole.
4. The policies in this manual express the board's governing intent rather than its legal obligations.
5. Further HIV Scotland policies, procedures and activities may be created by staff in accordance with the policies in this manual.
6. The policies in this Manual are not intended to have the force of law and should any conflict between the policies in this document and relevant legislation arise at any time, relevant legislation will take precedence.

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1. HIV SCOTLAND ENDS POLICIES

1.0 Overall End

HIV Scotland exists on behalf of all those living with and at risk of HIV to ensure that Scotland has responsive policies, quality services and a supportive environment that enables people living with or at risk of HIV in Scotland to live healthy and fulfilling lives.

This End is to be achieved in a cost-effective manner and interpreted as follows:

- 1.1. Public and political discourse on HIV issues in Scotland is informed and impacted by the lived experience and viewpoints of people living with or at risk of HIV.
- 1.2. Health and social policy and service provision in Scotland are informed and impacted by the lived experience and viewpoints of people living with or at risk of HIV.
- 1.3. Relevant decision makers and service providers have access to quality research and information on preventing HIV transmission and achieving the best outcomes for people living with HIV in Scotland.
- 1.4. People living with or at risk of HIV have the skills, confidence and responsive communication channels needed to engage with relevant decision makers and service providers.

[Note; The board has not ranked the above Ends in order of priority as priorities may need to be changed from year to year.]

2. HIV SCOTLAND EXECUTIVE LIMITATIONS POLICIES

2.0. Overall Executive Limitation

The Chief Executive Officer (CEO) shall not cause or allow any practice, activity, decision, or organisational circumstance that is either unlawful, imprudent, or in violation of commonly accepted business and professional ethics.

2.1. Financial Budgeting and Planning

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the board's Ends priorities, risk fiscal jeopardy, or fail to be derived from a multiyear plan.

Accordingly, the CEO shall not:

- 2.1.1. Use any reserves.
- 2.1.2. Allow reserves to be built at less than 10% of unrestricted income raised each year.
- 2.1.3 Allow HIV Scotland to be without a strategy for increasing and then maintaining its reserves to the level at which if the core grant funding were to be removed at 3 month's notice HIV Scotland would be able to cover all its obligation.
- 2.1.4. Allow HIV Scotland to be without a strategy for increasing the diversity of its funding.
- 2.1.5. Allow the board to be unaware of the timetable for significant core funders' decisions and contingency plans for late decisions or decisions that would put HIV Scotland's ability to fulfil its contractual obligations at risk.

2.2. Actual Financial Condition

With respect to the actual, ongoing financial condition and activities, the CEO shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board Ends policies.

Accordingly, the CEO shall not:

- 2.2.1. Expend more funds for a fiscal year than are conservatively projected to be received in that period plus any accumulated surplus designed to be carried forward from prior years, unless the debt guideline (below) is met.
- 2.2.2. Allow the untimely payment of payroll and debts.
- 2.2.3. Indebt the organisation in an amount that leaves the organisation unable to cover the notice period on all contracts and repay by unencumbered funds within the next fiscal year.
- 2.2.4. Acquire, encumber, or dispose of real property.

2.2.5. Make a single purchase or commitment of greater than £3,000 which has not been established in the Ends priorities as reflected in the budget.

2.3. Asset Protection

The CEO shall not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked.

Accordingly, the CEO shall not:

2.3.1. Insure against theft and casualty losses to less than 80% of replacement value and against liability losses to board members, staff and the organisation itself.

2.3.2. Subject the office facilities to improper wear and tear or insufficient maintenance.

2.3.3. Allow the organisation to be without a plan for fulfilling its likely future information systems needs.

2.3.4. Unnecessarily expose the organisation, its board, or staff to claims of liability.

2.3.5. Make any purchase without due consideration to quality, after-purchase service, value for money, and opportunity for fair competition

2.3.6. Allow intellectual property, information and files to be unprotected from loss or significant damage.

2.3.7. Receive, process or disburse funds without using internal control procedures sufficient to meet the standards of the board appointed auditor and the banking resolution as agreed and amended by the board on 28 March, 2013.

2.3.8. Fail to provide a report to the board in November on the implementation of any and all recommendations in the Auditor's Report.

2.3.9. Invest or hold capital in instruments, including bonds of less than AA rating, or in non-interest bearing accounts except where necessary to facilitate ease in operational transactions.

2.3.10. Endanger the organisation's public image or credibility, particularly in ways that would hinder its accomplishment of Ends.

2.4. Treatment of Other Agencies and the Public

The CEO shall not allow other agencies serving PLWHIV or the public to be unaware of what may and may not be expected from HIV Scotland:

Accordingly the CEO shall not:

2.4.1. Dilute the organisation's policy focus by entering into the provision of individual care and support.

2.4.2. Abdicate HIV Scotland's unique remit in relation to Scottish legislation, regulation and public policy.

2.4.3. Allow UK-wide focused organisations to be without the benefit of HIV Scotland's experience.

2.4.4. Fail to address and respond to other agencies' and the public's concerns about the operations of HIV Scotland in a fair and timely manner.

2.5. Engagement and Treatment of Staff

With respect to the engagement and treatment of staff (whether employed on a salaried or fixed-term contract basis) and volunteers, the CEO may not cause or allow conditions that are unsafe, unfair or undignified.

Accordingly, the CEO shall not:

2.5.1. Prevent staff from appealing to the board when:

a) Internal dispute resolution procedures have been exhausted: or

b) The employee alleges either that the board policy has been violated to the detriment of HIV Scotland or any member of staff or that board policy does not adequately protect his or her legal rights.

2.5.2. Employ or continue to employ any person who has a relationship with another member of staff that extends beyond their employment and could create, or appear to create, a conflict of interest unless:

- i. That relationship is declared to the CEO (or the Chair if the relationship involves the CEO).
- ii. The potential for conflict of interest is identified and appropriately managed.
- iii. Related staff are not in a direct reporting or supervisor to subordinate relationship.
- iv. Related staff have no influence over each others' wages, hours, benefits, career progress or other terms and conditions of service.
- v. A contract of employment that has been developed to reflect the above criteria has been signed by the related staff.
- vi. Where a relationship develops while employed and all the above criteria cannot be met, the last person to be employed will be required to leave.

2.5.3. Operate without written job descriptions for all staff and human resource policies that clarify expectations, benefits, working conditions and a comprehensive dispute resolution process.

- i. Allow staff complaints and their resolution to go unrecorded.

- ii. Allow staff to be uninformed of their rights under this policy.

2.6. Compensation and Benefits

With respect to employment, compensation, and benefits to employees, consultants, contract workers and volunteers, the CEO shall not cause or allow jeopardy to fiscal integrity or public image.

Accordingly, the CEO shall not:

2.6.1. Change his or her own compensation and benefits.

2.6.2. Establish compensation and benefits that deviate materially from the current geographic or professional market for the skills employed.

2.7. Chief Executive Officer Succession

The CEO shall not operate without ensuring that there is at least one other person who has access to the information needed to operate the organization in a competent manner in event of sudden loss of CEO services.

2.8. Board Communication and Support

The CEO shall not permit the Board of Directors to be uninformed or unsupported in its work.

Accordingly, the CEO shall not:

2.8.1. Fail to submit monitoring data required by the board (see policy on Monitoring CEO Performance) in a timely, accurate, and understandable fashion, directly addressing provisions of board policies being monitored.

2.8.2. Allow the board to be without administrative support for official board, officer or committee communications as may be required by the Chair.

2.8.3 Fail to deal with the board as a whole except when:

- a) fulfilling individual requests for information;
- b) responding to officers or committees duly charged by the board.
- c) drawing, at his or her discretion, on individual board member expertise.

2.8.4 .Let the board be unaware of anticipated adverse media coverage, legal threats, publications for general distribution, staff changes and other significant internal and external changes.

2.8.5. Fail to report in a timely manner any anticipated or actual non-compliance with any board policy.

2.8.6. Fail to advise the Chair if, in the CEO's opinion, the board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of board behaviour that is detrimental to the work relationship between the board and the CEO. In the case where the opinion relates to the Role of the Chair, the opinion shall be provided to the full board *[through the vice-chair]*.

2.8.7. Make the board meeting minutes and papers available for board member review later than 7 working days before the next board meeting.

2.8.8. Supply for the board agenda all items delegated to the CEO yet required by law or contract to be board-approved, along with the relevant board policy monitoring assurance.

2.8.9. Fail to make available to the board adequate information to support informed board Ends choices, including relevant statistical, demographic and other environmental data.

3. HIV SCOTLAND GOVERNANCE PROCESS POLICIES

3.0 Overall Governance Process Commitment

The purpose of the Board of Directors, on behalf of those whom it defines as its moral owners - all those living with and at risk of HIV in Scotland - is to ensure that HIV Scotland:

1. Achieves appropriate results at an appropriate cost; and
2. Avoids unacceptable actions and situations.

The board shall pursue this purpose in fulfilment of the following vision, mission, and values:

OUR VISION is a society which is well informed about HIV, devoid of HIV related stigma and discrimination, and where everyone living with or affected by HIV has access to and helps shape excellent services.

OUR MISSION is to ensure that all HIV relevant policy and practice in Scotland is grounded in evidence and in the experience of people living with and affected by HIV. We are dedicated to the meaningful engagement of people living with HIV, to ensuring we can demonstrate how their involvement makes a difference, and to constant reflection and action towards best practice in their involvement.

OUR VALUES as individual board members and as an organisation are to:

Involve people: We engage people in a meaningful way because we believe the best outcomes are achieved by working together. We are clear about our purpose; we notice and address barriers; we are patient, respectful, and show understanding.

Promote equality: We foster and promote diversity and the right to be different; to one's own beliefs and values; to be free from discrimination; and to have choice, dignity and be valued.

Be accountable: We are honest, fair, professional and responsible. We use resources wisely; ensure accuracy in our work; make sound decisions; take accountability for our actions; and consistently apply these values.

3.1. Governing Style

The board will govern lawfully, in accordance with its Constitution and the principles of Policy Governance, with an emphasis on:

- (a) outward vision
- (b) encouragement of diversity in viewpoints,
- (c) clear distinction of board and executive roles, (even when the latter are performed by board members)
- (d) collective rather than individual decisions,
- (e) future rather than past or present, and
- (f) proactivity rather than reactivity.

3.1.1. The board will cultivate a sense of group responsibility. Therefore the board will not use the expertise of individual members to substitute for the judgement of the board, although the expertise of individual members may be used to enhance the understanding of the board.

3.1.2. The board will enforce upon itself the discipline needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability. Although the board can change its governance process policies at any time, it will always act in accordance with them while in force.

3.1.3. Continual board development will include orientation of new board members in the board's governance process and periodic board discussion of process improvement.

3.1.3.1. Orientation of new board members will include: an introduction to the organisation, an introduction to board members and the CEO, an orientation to the governance model and governance processes.

3.1.3.2. The board will appoint a monitor at each of its meetings who shall give a verbal and written report on the board's compliance with the policies in this manual. This role shall rotate between board members, normally in alphabetical order, exempting the current Chair.

3.1.3.3 The board will conduct an annual evaluation of its performance; ranking itself against all elements of its job description in 3.4 and making plans for improvement.

3.1.5. The board will allow no officer, individual or committee of the board to hinder or be an excuse for not fulfilling its commitments.

3.2. Ownership Connection

The board of HIV Scotland will seek to connect its authority to its moral owners - all those living with and at risk of HIV in Scotland - through:

- a) Having a rolling programme of guest speakers at board meetings
- b) Taking time at major HIV Scotland events to consult on the work of the board
- c) Educating itself about the results of relevant surveys
- d) Publishing its policies on the HIV Scotland website

3.3. Governance Succession

In keeping with the board's commitment to excellence in governance, the board shall actively solicit for positions on the board candidates who have characteristics that will enable them to govern effectively.

3.3.1. The Board will establish a Selection Committee to recruit and select candidates in accordance with HIV Scotland's Memorandum and Articles for full board approval. Committee composition will be reviewed annually at the Board's November meeting.

3.3.1.1. Applications will be reviewed by the Selection Committee and where there is an appropriate skills match, the candidate will be invited to an interview. The Chief executive will be present in an advisory capacity. Suitable candidates will be invited to attend a Board meeting as an observer to develop their understanding.

3.3.2 Prior to an offer being made to a potential trustee, two references will be sought. Candidates will also be asked to confirm in writing any existing or potential conflicts of interest.

3.3.3 The Chair of the Board will write to the proposed trustee informing them of the outcome of the Board's decision. New trustees will receive a letter setting out their duties along with an information pack about the organisation. They will also be provided with orientation to HIV Scotland as well as the Board's governance system and a mentor.

3.3.4. In line with the GIPA (Greater Involvement of People Living with HIV/AIDS) principles and its values (see board policy GP 3.0), HIV Scotland aims to realize the rights and responsibilities of people living with HIV, including their right to participation in decision-making processes that affect their lives.

Therefore, in addition to ensuring that the board has relevant skills, (see board policies GP 3.3.4 and 3.6.1.1.b.), the board seeks to ensure that the majority of its board members are people who are living with HIV, at risk of HIV or are otherwise affected by HIV. The board also seeks to have its membership reflect the diversity of all those living with and at risk of HIV in Scotland - HIV Scotland's ownership (see board policy GP 3.2. Ownership Linkage).

None of the above alters the fact that all board members have the same legal responsibilities and obligation to represent the best interests of all HIV Scotland's owners regardless of their background or profile.

3.3.5. Candidates will be sought who offer a range of perspectives and backgrounds and demonstrate:

- a) commitment to having HIV Scotland's mission and work reflect the best interests of all PLWHIV in Scotland
- b) understanding of the diversity of all PLWHIV
- c) understanding and commitment to the role of trustee
- d) propensity to think in terms of systems and context
- e) ability and eagerness to deal with values, vision and the long-term
- f) ability and willingness to participate assertively in deliberation and abide by the intent of established policies
- g) willingness to share any relevant expertise for the education of the whole board
- h) willingness to share power in group process, and to delegate areas of decision-making to staff

3.3.6. Appointment of Chair and Vice-Chair

At the board meeting immediately prior to its Annual Meeting, the board shall appoint a Chair and Vice-Chair who shall take up office immediately following the Annual Meeting. These appointments shall normally be made from among the board's number for a one year term and can serve up to a maximum three year term. The outgoing Chair shall issue a call for nominations at least two weeks prior to the relevant board meeting. Nominees who accept nomination will be invited to speak to the board for 3 minutes as to their qualifications and interest in serving. Nominees will then be asked to withdraw and a vote will be taken. In the event of a tie, the outgoing Chair shall have the casting vote.

3.4. Board Job Description

The board of HIV Scotland is accountable to the moral owners of HIV Scotland (all those living with and at risk of HIV in Scotland) for ensuring appropriate organisational performance through producing:

- a. The link between HIV Scotland and all those living with and at risk of HIV in Scotland as owners of HIV Scotland.
- b. Written governing policies which address the broadest levels of all organisational decisions and situations.
 - i. **Ends:** Defining HIV Scotland's purpose in terms of specific outcomes for specific beneficiaries at a specific level of cost-efficiency.
 - ii. **Executive Limitations:** Defining boundaries of prudence and ethics within which all executive activity and decisions must take place.
 - iii. **Governance Process:** Defining how the board conceives, carries out and monitors its own task.
 - iv. **Board-Management Delegation:** Defining how board authority is delegated and its proper use monitored;
- c. Assurance of effective organisational performance

3.5. Audit

The board will appoint the auditor for HIV Scotland and will normally rotate auditors at least once every five years.

3.5.1. The Chair will be responsible for ensuring that the engagement letter includes:

- a. A requirement for the auditor to inform HIV Scotland in advance of commencing the audit of the auditor's standards for internal controls.
- b. Specification of relevant board policies.

3.6. Agenda Planning

To fulfil its job description in a manner consistent with board policies, the board will follow an annual agenda which (a) includes a review of its Ends policies and (b) continually improves board performance through board education and enriched input and deliberation.

3.6.1. Agendas for the board's meetings will be as per the annual board calendar agreed each November.

3.6.1.1. The annual board calendar will include:

- a. An annual review of the coherence and completeness of all policies. This does not alter board members' obligation to raise any policy concerns they may have at any time.
- b. An annual audit of the board's individual and collective skills and knowledge for board decision-making to allow for development plans to be included in the next year's calendar.

3.6.2. Board members will notify the Chair and the Secretary in advance of the meeting if they wish additional items to be on the agenda

3.6.3. When an item is brought to the board via the Required Approvals Agenda, provided that compliance with all of the criteria in the board's relevant policies has been demonstrated, the board will not discuss the item prior to approval unless a majority of the board votes to remove the item from the Required Approvals Agenda for discussion.

3.7. Board Member's Code of Conduct

The board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as board members.

3.7.1. Board members must have loyalty to the moral ownership unconflicted by loyalties to employees, other organisations, and any personal interest as a consumer.

3.7.1.1. New board members shall send the board secretary a note of their interests which shall be notified to whole board in advance of their first meeting. All board members will notify the secretary of any changes as they arise and declare them at their next board meeting.

The Chair will ensure that an annual declaration is signed by all board members at the board's September meeting and that the information is summarized and provided to all board members in time for the Annual General Meeting.

3.7.2 Board members are accountable to exercise the powers and discharge the duties of their office honestly and in good faith. Board members shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

3.7.3. Board members must avoid conflict of interest with respect to their fiduciary duty.

3.7.3.1. When the board considers an issue about which a board member has a potential conflict of interest, that member will announce the conflict and offer to withdraw from the discussion and vote.

3.7.3.2. Board members will not allow personal or business relationships with the CEO or other board members to supersede or in any other way interfere with the business of HIV Scotland.

3.7.4. Board members will respect the confidentiality appropriate to issues of a sensitive nature.

3.7.5. Board members will be properly prepared for board meetings

3.7.6. Board members will respect the authority of the decisions of the Board.

3.7.7. Board members will be expected to maintain an email account for HIV Scotland board matters and take reasonable care to ensure that this is not accessible to any other persons. Board members shall be responsive and shall notify the board if they will be out of email communication for a week or more.

3.8. Role of the Chair

The authority of the Chair consists in making decisions that fall within topics covered by board policies on Governance Process and Board-Management Delegation, with the exception of (a) employment or termination of a CEO and (b) where the board specifically delegates portions of this authority to others. The Chair is authorised to use any reasonable interpretation of the provisions in these policies.

3.8.1. The Chair is empowered to chair board meetings with all the commonly accepted power of that position (e.g. ruling and recognising).

3.8.2. The Chair has no authority to make decisions about policies created by the board within Ends and Executive Limitations policy areas. Therefore the Chair has no authority to supervise or direct the CEO.

3.8.2.1 . If the Chair receives a complaint against the CEO, the Chair will invite the CEO's comment and bring the matter to the attention of the whole board to be dealt with in accordance with its relevant policies.

3.8.3. The Chair may represent the board to outside parties in relation to board-stated positions and in stating Chair decisions and interpretations within his or her authority.

3.8.3.1 The Chair or another board member may also represent HIV Scotland at the CEO's request when the CEO determines that a board level presence would be useful for Ends fulfillment. In such instances, the Chair or board member will be accountable to the CEO for representing the organisation as part of his/her accountability to the board.

3.8.4. The Chair may delegate his or her authority, but remains accountable for its use.

3.8.5. The Chair will be a designated co-signer on all relevant documents.

3.8.6. The Chair shall bring any opinion provided by the CEO under board policy 2.8.6 to the full board for resolution. However, in the case of an urgent matter, the Chair may take action within board policy and then bring the matter to the full board.

3.9. Board Secretary

The Secretary assures the integrity and safekeeping of the board's documents, including current policies with their history of amendments. Therefore the Secretary has authority to make any reasonable interpretation of the board's policies on these matters.

3.10. Board Committees

Board committees will be used minimally in order to preserve the board's group responsibility and in any case board committees shall not be used to interfere with delegation from the board to the CEO.

3.10.1. Board committees may not speak or act for the board except when formally given such authority for specific and time-limited purposes.

3.10.2. Board committees are to help the board to do its job, not to help the CEO do jobs that have been delegated.

3.11. Cost of Governance

The board will determine an annual budget for its own direct expenses associated with work done by the full board and any board committees in January following its Annual Governance Review.

3.11.1. Direct expenses are defined as the costs associated with making governance decisions e.g. meeting costs, board members' expense reimbursement, external room hire, refreshments, legal advice, governance consultant fees, audit and other third-party monitoring of performance, ownership linkage mechanisms and orientation, training and education of board members.

3.11.2 Board members will be reimbursed for actual, necessary and reasonable expenses incurred in their duties up to the amount allocated to them in the annual governance budget adopted by the board.

4. HIV SCOTLAND BOARD-MANAGEMENT DELEGATION POLICIES

4.0 OVERALL BOARD-MANAGEMENT DELEGATION

The Board's only official connection to the operational organisation, its achievements, and conduct will be through the Chief Executive Officer (CEO).

Accordingly:

1. Only officially passed motions of the board that make or amend Executive Limitations or Ends policies are binding on the CEO.
2. Decisions or instructions of individual board members, officers, or committees are not binding on the CEO except in rare instances when the board has specifically authorized such exercise of authority.
3. In the case of board members or committees requesting information or assistance without board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds or is disruptive.

4.1. Accountability of the CEO

All authority and accountability of staff, as far as the board is concerned, is considered the authority and accountability of the CEO.

4.1.1. The board will never give instructions to persons who report directly or indirectly to the CEO.

4.1.2. The board will not evaluate, either formally or informally, any staff other than the CEO.

4.1.3. The board will view the performance of the CEO as identical to organizational performance, so that the accomplishment of board stated Ends and compliance with board stated Executive Limitations will be viewed as successful CEO performance.

4.2. Delegation to the CEO

The board will instruct the CEO through written policies which prescribe the organizational Ends to be achieved, and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly:

4.2.1. The board will develop policies that instruct the CEO to achieve specified results, for specified recipients at a specified relationship between cost and results. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Ends policies. All issues that are not Ends issues as defined above will be treated as means issues.

4.2.2 The board will develop policies that limit the CEO's latitude in choosing the organisational means. These limiting policies will describe those practices, activities, decisions and circumstances that would be unacceptable to the board, even if they were to be effective. These policies will be developed systematically from the broadest, most general level to more defined levels; they will be called Executive Limitations policies. The board will never prescribe organisational means of the CEO.

4.2.3. Single Ends or Executive Limitations policies below the overall level, do not necessarily limit the scope of any foregoing level. However the combination of all policies at any given level may encompass the full scope of the foregoing level, but only if specified by the board or justified by the CEO to the board's satisfaction.

4.2.4. As long as the CEO uses any reasonable interpretation of the board's Ends and Executive Limitations policies, the CEO is authorised to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities. Such decisions of the CEO shall have full force and authority as if decided by the board.

4.2.5. The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and CEO domains. By doing so, the board changes the latitude of choice given to the CEO. But as long as any particular delegation is in place, the board will respect and support the CEO's choices.

4.3. Monitoring CEO Performance

Systematic and rigorous monitoring of CEO performance will be solely to determine whether or not a reasonable interpretation of the expectations expressed in board policies have been met.

4.3.1. Information that does not disclose this will not be considered by the board to be a part of the monitoring report.

4.3.2. The board will obtain disclosure about the CEO's interpretations of the board policy being monitored from the CEO, including as part of the interpretation a) an operational definition of the relevant policy and b) a rationale or justification for the operational definition. Where relevant, operational definitions may include a timed sequence of ascending levels of accomplishment/compliance.

4.3.3. The board will obtain data disclosing whether or not the CEO's interpretations have been accomplished using one or more of three methods: (a) by internal report, in which the CEO discloses the data to the board; (b) by external report, in which an external, disinterested third party selected by the board collects the data; and (c) by direct inspection, in which data are collected by the board, a designated board member or by designated board members.

4.3.4. In every case, the board will determine:

- (a) The reasonableness of the CEO's interpretations, using a "reasonable person test" rather than with interpretations favoured by board members. The board is the final arbiter of reasonableness.
- (b) Whether the data demonstrates the accomplishment of the interpretation.

4.3.5. If the interpretation is judged to be unreasonable (due to inadequate definition of accomplishment/compliance or inadequate justification) or if the interpretation is judged to be inadequate, the board will specify a date by which it requires a new report. Where the interpretation is judged to be reasonable but the data shows non-accomplishment/non-compliance, the board will specify a date by which it requires the non-accomplishment/non-compliance to be remediated.

4.3.6. All policies that instruct the CEO will be monitored at a frequency and by a method chosen by the board. The board can monitor any policy at any time by any method, but will normally use a routine schedule. See Annual Board Planning Calendar.

4.3.7. The board will conduct an annual summation and assessment of the results of ED monitoring reports at its November meeting.

4.4. CEO Compensation

The board will determine the compensation of the CEO in relation to the best available tool for establishing compensation for equivalent positions..

4.5 Duty of Care to CEO as Board Employee

The board will ensure that, at any board meeting, the CEO has the opportunity, in a supportive and safe environment, to raise any issues of concern with regard to his/her terms of employment, development and well-being.