

Board Governance Policy

LEGAL SERVICES SOCIETY

APPROVED BY THE LSS BOARD ON NOVEMBER 7, 2014



**Legal
Services
Society**

British Columbia
www.lss.bc.ca

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On independence and good governance

“At the most abstract level, the goal of institutional governance is to exercise control over an institution in order to achieve institutional objectives.”

— Report of the Ontario Legal Aid Review

Total control over an institution’s pursuit of its objectives is not possible. All institutions are affected by external factors beyond their control. This is certainly true of the Legal Services Society (the “society” or “LSS”). The society’s independence, however, can be measured by the degree to which it makes choices about how it will pursue its statutory objects, the primary one being “to assist low-income individuals resolve their legal problems and to facilitate their access to justice.”

Section 10(4) of the *Legal Services Society Act* (the Act) sets out that the society is not an agent of the government or of the Law Society.

The need for independence in the administration of legal aid has traditionally been linked to the need for government not to control — or not be seen to control — the funding of legal aid representation, given that the Crown is adverse in interest to the accused. While this is an important rationale, it is not a sufficient justification for an independent society to administer legal aid. Systems can, and have been, set up within governments to protect decision-making on government funding of defence lawyers from undue pressure by Crown prosecutors.

Another important rationale for the society’s independence is that it is good public policy. An organization dedicated to the goal of serving the legal needs of low-income individuals is more likely to achieve that object efficiently and effectively than a large bureaucracy that has to balance various other interests and objectives.

How can the society be independent from government, given that such a high proportion of its budget is government funded?

- **Clarity of purpose:** If the society has thought through its objectives and strategies, and roots its “independent” positions in its statutory objects, the society’s assertion of independence has a legitimacy that is difficult for government to undermine.

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- **Accountability:** The government funds the society because the society is undertaking core responsibilities of government. The society must be able to show government that the funds it provides are being used for the purposes that the legislature and government intended. Lack of accountability to government is likely to lead government to infringe on the society's independence. Conversely, if the government perceives that the society is meeting its objects, it will be more comfortable allowing the society wider discretion in how it pursues these objects. Accountability does not preclude independence; it supports it.
- **Clarity of expectations and mutual understanding of interests:** The society will be better able to function independently within its sphere of influence if the government's expectations are clearly defined and understood. The Memorandum of Understanding is an instrument for clarifying government's expectations. The society will likely accommodate its independent interests in the Memorandum of Understanding with government if it understands government's interests, clearly conveys its own interests to government, tying them to its statutory mandate, and identifies common interests with government.
- **Public support:** The government seeks accountability from the society because it, in turn, must be accountable to the public for the use of public funds. Public support for the society will increase government's willingness to permit the society to function independently.
- **Legal profession engagement:** The provision of legal aid was seen historically as an obligation of the legal profession — an obligation related to the privilege of self-governance. Independence in administering legal aid was, therefore, connected to the accepted independence of the legal profession. Engagement of the legal profession in the business of the society and advocacy by the profession's governing bodies with government on behalf of the society are important counterbalances for the power that government exerts as a result of being the primary funder of legal aid.

While the legal profession's support of legal aid is an important tool for LSS's independence from government, LSS must also be independent from the legal profession. Lack of independence from the Law Society is not only inconsistent with the act, but also risks loss of public (and therefore government) support. The society must avoid being perceived as "for lawyers." It must be keenly aware of its statutory mandate to serve the interests of low-income individuals.

- **Demonstration of effectiveness:** Government (and the public and the legal profession) will more likely respect the society's control over the means of pursuing its objectives if the society is, and is demonstrated to be, effective in fulfilling its objectives.

These prescriptions for enhancing independence from government are also prescriptions for good governance. Independence will more likely be achieved if the society has:

- Directors who understand that their fiduciary obligation is to pursue the interests of the society, not the interests of their appointing bodies; and
- A board that:
 - sets clear direction for the society;

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- ensures that a Chief Executive Officer (CEO), (referred to in the *LSS Act* as the Executive Director), is in place who will implement its strategic plan and effectively administer the society;
- monitors the society's performance;
- manages the risks of the society; and
- communicates effectively with government, the legal profession, the public, and other stakeholders.

Good governance requires the society to be independent; independence is achieved by good governance.

Article 2.2 of the *Board Governance By-Laws* lists seven key responsibilities of the society's board of directors. What follows is some expansion on each of these identified board functions, and an explanation of why they are important and how they are performed. If policies and procedures are in place to supplement the *Board Governance By-Laws*, they are included here.

Taxpayer Accountability Principles

The Legal Services Society Board of Directors has, by resolution dated November 7, 2014, adopted the Taxpayer Accountability Principles issued by the government in June 2014 and endorses the principles of cost consciousness (efficiency), accountability, appropriate compensation, service, respect and integrity.

Conflict of Interest and Code of Ethics (Article 8 of the *Board Governance By-Laws*)

The Legal Services Society has a policy for avoiding a conflict of interest or the appearance of a conflict of interest on the part of the society's directors in the fulfillment of their duties.

A director owes a fundamental duty of loyalty to the society. This duty requires directors at all times to act honestly, in good faith, and in the society's best interests. Directors must uphold the highest ethical standards to maintain and enhance public confidence and trust in the society's integrity, objectivity, and impartiality.

The society also recognizes that it is to the great benefit of the society and the low-income individuals it is mandated to serve to have as directors, lawyers who make legal aid a part of their practice, and who consequently have particular knowledge and experience in the provision of legal aid. For this reason, the society does not want to preclude lawyers from being directors just because they, or their firms, do a significant amount of legal aid work. At the same time, the society recognizes that if too many directors are receiving remuneration from the society, the board may not have, or may be perceived not to have, the necessary focus on the clients' interests.

Balancing these concerns, the society has a policy that tolerates a conflict of interest in restricted circumstances, to the extent of allowing participation in board decision-making of up to three directors who, as individual lawyers, or through their firms, receive significant financial

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remuneration from the society. Any question as to the meaning of “significant financial remuneration” will be decided by the society’s board.

Section 8 of the board’s by-laws provides a detailed process for reporting a conflict of interest and for the board’s involvement in determining what should happen. To support this policy, board members are required to provide an annual Conflict of Interest Disclosure, attached as *Appendix 2*.

To further ensure the good governance of LSS, the members of the board of directors subscribe to a code of ethics that is consistent with codes in general use for public sector boards. Board members agree to this code when they start as directors and hold each other accountable for compliance. The current code of ethics is attached as *Appendix 1*.

Strategic direction function

“If you don’t know where you are going, you won’t get there.”

— Anonymous

a. Board responsibility

“Articulating the society’s vision and mission; developing strategic objectives to implement the vision and mission; and monitoring the performance of those objectives.” *Board Governance By-Laws*, s. 2.2 (a)

b. The cycle of strategic direction

The board’s strategic direction function covers:

- Setting expectations for the society (strategic planning: mission, vision, values, and strategic objectives);
- Approving key strategies (the service plan) developed by staff to put the strategic plan into operation;
- Approving performance measures devised by the staff to assess the society’s success in achieving strategic objectives;
- Evaluating the society’s performance (monitoring); and
- Revising expectations in response to unforeseen circumstances.

c. Strategic planning

In the strategic planning process, the board, together with the CEO and senior management, set the direction of the society by developing or affirming the society’s mission, vision, strategic objectives, and values.

2 – Strategic direction function

Board's role

The board has the ultimate authority to decide the society's strategic plan. A key reason for giving the board this authority is the assumption that directors will individually bring a wide range of external perspectives to the task and collectively adopt a long-term vision for the society.

Chief Executive Officer's role

The strategic plan sets expectations for both the organization and the CEO. The CEO needs to share the vision of the board to effectively implement it. For this reason, the CEO has a key role to play in the strategic planning process by:

- Leading the board process, with the chair;
- Leading the internal process, with the senior management of the society or Executive Management Committee (“EMC”); and
- Participating fully in the ultimate determination of the strategic plan.

Internal process

Staff who work full-time for LSS have a particular insight into the society's strengths and limitations in delivering legal services, and expert knowledge about the needs of the low-income individuals the society serves. Staff, therefore, have an important perspective that needs to be heard by the board in setting the strategic direction. Furthermore, a strategic plan that staff do not buy into will not likely be effectively implemented by them. To ensure both input and buy-in, the CEO will conduct an internal process running parallel to and feeding into the board's process.

External input

Although the board brings external perspectives to the society, the board itself risks getting caught up in the day-to-day business of the organization and losing the broader vision of its key contribution to the society. The strategic planning process is a time for the board to go outside itself to seek other external perspectives and challenge its own assumptions. This important work is done through the Board Stakeholder Engagement Committee, CEO and senior staff.

Environmental scan

An environmental scan is another aid to long-term thinking. An environmental scan is a process of collecting data from various sources about factors and trends that affect the society and its ability to achieve its objects. Sources to consider in the scan include recent census data, polling data, and literature review. One key outcome of environmental scanning is that it places the board's policy and planning priorities in a broader context.

2 – Strategic direction function

Living document

The strategic plan is a living document. The board will root its own policy-making and priority determination in the strategic plan, and will expect the CEO and staff to determine priorities and make operational decisions that are consistent with it.

Steps in strategic planning process

1. The CEO, chair, EMC, and the board Executive Committee design the process (in January).
2. EMC conducts an internal process to get input from staff and prepares summaries for the board.
3. An environmental scan is conducted to determine the current trends and factors that set the context for LSS planning. A summary of key relevant trends is prepared for the board.
4. The Board Stakeholder Engagement Committee seeks input on these key questions from the organizations for which they are responsible.
5. Board meets in its planning session to determine the society's strategic priorities for the next three years (in the spring).

d. Approving key strategies, budget, and service plan

Once the strategic direction has been set and the strategic objectives articulated, the CEO and senior management develop key strategies for each strategic priority that are designed to advance the priority. These key strategies become the basis for the society's budget and service plan. The board approves the budget, and the service plan.

e. Monitoring performance

Along with developing key strategies, the CEO and senior management develop performance measures for each goal. These performance measures are tools for the board to monitor the society's performance and must, therefore, be approved by the board.

The board monitors whether the society is achieving its strategic objectives by keeping track of the performance measures. In addition, the board receives reports from the CEO about what the society is doing, asks questions with the strategic objectives in mind, and makes its own observations as to whether the strategic objectives are being met.

f. Strategic direction policies

Policies made by the board that relate to how the society works towards its goals and objectives will be reflected in the service plan.

g. Strategic direction timelines

Strategic planning is not an annual event. Its timing is driven by the prescribed timelines or the Memorandum of Understanding (MOU) with the Ministry of Justice and Attorney General (the “Ministry”) and the budget and service planning cycles of government.

As more than 90% of the society’s funding comes from the provincial government, the MOU, which establishes the funding envelope and the conditions for use of the funding, is central to the board’s strategic direction function. As the society enters into negotiations with the Ministry on the MOU, it needs to be very clear about its own direction. Effective negotiation of the MOU is an important strategy of the society. During the MOU negotiation year, therefore, the board’s focus will be on developing and supporting the society’s negotiation strategy.

Once the MOU has been negotiated, the society’s budget envelope will essentially be set for the next three years. The outcome of the MOU negotiations may well create some strategic policy issues for the board to consider. For example, if funding turns out to be substantially different than the funding assumed in the service plan, spending priorities will become an issue. If, on the other hand, the budget envelope is essentially as expected, the board will be in a position to consider other policy issues

h. The budget cycle

The timing of the board’s planning session is in part driven by the budget cycle. This changes from year to year. A final budget is typically provided later in the year, usually December. The Ministry then has 30 days in which it can reject the proposed budget and require the society to prepare a revised one. The society’s budget is rolled up in the Ministry’s budget. The government passes its budget in February.

To prepare the budget, staff need to have some planning and priority directions from the board. By getting that direction in the spring, staff can work on the budget over the summer and get input from the board on any significant policy or strategic issues. The budget proposal is finalized for approval by the board in December.

i. The budget as a planning document

The budget is a planning document and the board’s approval of it should be seen in that light.

The budget flows from the strategic plan and resulting service plan. It has a special function in the MOU negotiating year as a statement of what the society would like to see in the MOU.

Once the MOU sets the budget envelope for three years, budget issues will still arise if there are significant variations from the assumptions underlying the MOU. The MOU has a protocol to deal with these variations, involving further negotiations between the society and the Ministry. The board may well be involved in strategizing about how to respond to those variations.

2 – Strategic direction function

j. Board business calendar

The timelines referred to above are mapped out in the annual board business calendar.

Risk management function

“The important thing is not to stop questioning. Curiosity has its own reason for existing.”

— Albert Einstein

a. Board responsibility

“Ensuring that effective risk management is in place and monitoring the society’s fiscal performance, consistent with its fiduciary duties.” *Board Governance By-Laws*, section 2.2 (b).

In Canada, both the public and private guidelines for boards of directors stress that, in addition to approving the strategic direction of the organization, the board must ensure that the principal risks of the society’s business have been identified and appropriate systems to manage these risks have been implemented. The narrow view of the risk management function is that the role is fulfilled when a board ensures that appropriate controls are in place to address identified risks. More recently, the definition of a board’s risk management role has expanded to include not only awareness of challenges to the operational health or strategic direction of the organization, but also responsibility for ensuring that the organization is aware of, and capable of responding to, opportunities that will serve its mission.

Risk management is part of the board’s overall stewardship function. The process of risk analysis is one of the key means the board uses to exercise internal control. The objective is to ensure that LSS is following sound business and financial practices. These include the board’s own governance practices.

The LSS board agenda has been set with risk management as a routine agenda item. The intent is that each board meeting will include discussion of a key risk management system and the processes and policies that support it. Board members will have an opportunity to inquire about each area in detail and set the agenda for these discussions. Board risk management topics will include:

- fiscal controls and investment policies;
- information security;
- protection of solicitor-client privilege; and
- variations in budgets.

b. Board Finance Committee – roles and responsibilities

These are the Terms of Reference of the Finance Committee (also referred to as the Audit Committee).

Purpose

The purpose of the Finance Committee is to provide financial oversight to the board in fulfilling its responsibilities of ensuring the effective governance of the society.

The committee's fundamental responsibilities are to oversee and make recommendations to the board regarding the processes related to the society's fiscal allocations, financial risks and internal controls, financial reporting, internal and external audit processes, and the society's investments.

Composition

- The committee is composed of three or more independent directors who are independent of management and the society.
- In performing the audit function, members of the Finance Committee should be financially literate, the definition of which is determined by the board, and at least one member should have accounting or related financial expertise.
- There should be sufficient time for committee members to meet separately from staff at each meeting.
- Committee members should meet with external auditors at least twice a year.
- New members should receive a complete orientation.

Duties and responsibilities

Financial risks and internal controls

- Objectively examine:
 - the appropriateness of the risk management strategy; and
 - the adequacy and effectiveness of systems to support the process.
- Discuss significant financial risk exposures and ensure systems are in place to monitor, manage and report principal risks.
- Determine that management has implemented policies that ensure risks around financial reporting are identified and that controls are adequate, in place, and functioning properly.
- Provides general oversight of LSS internal and external audit processes, retains and liaises with external auditors; makes recommendations to the board regarding LSS audit process and procedure, remedial steps relating to internal controls, and other risk management issues.
- Oversees the application of the board's investment policy and makes recommendations to the board for investment policy amendments as needed.

3 – Risk management function

Fraud and illegal acts

- Ensure these four basic principles are in place:
 - Setting tone at the top through conduct and communication.
 - Director commitment and independence.
 - Explicit focus on fraud risk.
 - Effective communication process.
- Review management and auditors identification of the risk of losses from fraud.

Financial reporting

- Review annual financial statements prior to their release.
- Inquire of management and/or auditors regarding recommended audit adjustments and disclosure changes, accounting principles and critical accounting policies adopted by management, unusual transactions, accounting provisions, and estimates included in the financial statements.
- Understand risk assessment used for determining the auditing approach and plan.
- Be actively involved in reviewing policies as they relate to communication of financial information.

External audit processes

The committee will oversee the external audit process, including:

- Reviewing the terms of the external auditor's engagement, proposed audit fees and determine that the external auditor's effectiveness meets the requirements of the society.
- Conducting a pre-audit meeting with the external auditor to review the audit plan to understand the audit engagement's scope, how it is to be approached, and review the audit plan.
- Reviewing all auditor letters (i.e., management letters) including any significant accounting issues on which there was a disagreement with management.
- Ultimately, responsible for selecting, evaluating, and if needed, replacing the external auditors.
- Considering auditor's independence in evaluation.

Internal audit and legal compliance

- Review management recommendations related to the need for internal auditing.
- Review mandate, budget plan, changes in plan, activities, organizational structure, and qualifications for the internal audit department as needed.
- Review the appointment, performance and replacement of the senior internal audit executive.

3 – Risk management function

- Review significant reports prepared by the internal audit department together with management's response and follow-up to these reports.
- Annually review with society's counsel any legal matters that could have a significant impact on financial statements, compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies. An annual report is prepared for the external auditors that could be used for the Finance Committee review as well.

General risk management

- Ensure that the Finance Committee is updated annually on compliance with ethical policies and any breaches and other relevant company procedures.
- Annually review the society's code of conduct/ethics and ensure that the policies are adequate and up to date.
- Any matters of a financial nature arising from the staff and Board Disclosure of Wrongdoing Policy should be reviewed by the Finance Committee in a timely manner.
- Ensure that appropriate training on fraud awareness is in place for staff.

Assessing effectiveness

- Three annual assessments are performed on a formal basis on the effectiveness of the:
 - chair;
 - committee; and
 - members.
- Feedback on effectiveness from top management, internal and external auditors.
- Annually review and assess the committee's terms of reference and mandate and recommend any proposed changes to the board of directors for approval.

c. Board Executive Committee – roles and responsibilities

Between board meetings, the board Executive Committee fulfills all risk management functions not assigned to the Finance Committee including overseeing the LSS executive management compensation governance framework.

Advising Chief Executive Officer function

“What a good board brings to strategy is a long-term perspective, breadth of judgment, specialized knowledge, the ability to challenge ‘sacred cows’, and an understanding of stakeholders.”

— Paraphrase of Leighton and Thain, p.118

a. Board responsibility

“Advising the Chief Executive Officer, when requested, on issues related to supervision, management and administration of the business of the society.” *Board Governance By-Laws*, s. 2.2 (c)

The prevailing view in Canadian governance, reflected in the *Legal Services Society Act*, is that the board and staff have separate roles. The CEO functions as the head of the operation and is the main support to the board. In fulfilling these functions, the CEO is the principal agent of the board and the board’s gateway into the organization. At the same time, the board has the ultimate responsibility for LSS. Fulfilling this responsibility requires the board to retain strategic oversight while fully empowering management.

One of the principal means of achieving this balance is by the board providing advice, as distinct from direction, to the CEO. The advice function recognizes the value of board input into strategy, while at the same time acknowledging the CEO’s authority/responsibility for implementing the direction and policies set by the board. The advice role is one of the board’s most effective tools in influencing the achievement of the strategic objectives while respecting the important differences between the roles of board and management.

The focus on “advice” makes it clear that the CEO has the delegated authority in the area without excluding the potentially useful input of the board.

External communications function

“Boards of directors should pay increased attention to communications policies.”

— Roy Heenan, Chairman, Heenan Blaikie, LLP

a. Board responsibility

“Supporting effective communication between the society and the public, funders, appointing bodies, service providers, and others concerned with legal aid service delivery.” *Board Governance By-Laws*, s. 2.2 (d)

b. Purpose

External communications is the key to implementing the society’s strategic direction. As implementing the strategic plan is part of the CEO’s role, it follows that developing and implementing plans for effective communication with key stakeholders is primarily the CEO’s responsibility. The board’s role is to support effective communications and to ensure that messages are consistent with the strategic direction set by the board.

Because external communications are so important to the organization, the board must approve the goals of communication plans. The Stakeholder Engagement Committee exercises this responsibility on behalf of the board. The messages communicated must be consistent with the society’s strategic direction, and the board checks for that consistency when approving the messages. The directors’ external perspectives mean that they are helpful as advisers to the CEO on significant communication issues. For this reason, they review communication plans.

One way to monitor the effectiveness of the society’s communications is to get feedback. Directors, in their roles outside the society, interact with other individuals and groups and are therefore well placed to obtain feedback about the society in general, and about the society’s communications in particular.

The CEO has to develop more than one plan because of the very different nature of stakeholders. The what, who, how, when, and where of communications will vary. The specific goals of each communication plan must relate to the strategic objectives of the society.

c. External communications role for individual directors

Speaking with one voice

Organizations must speak with one voice, which is why *Board Governance By-Laws*, s.4.2 sets out that the chair and the CEO are the only ones with authority to speak for the board, unless someone else is directly authorized to do so by the board, the chair, or the CEO.

This does not mean that the individual directors have no role in external communications; it just means that directors should be cautious about representing their individual views as the collective view of the board.

Directors also have the responsibility to uphold the collective decisions of the board, however much they may have expressed dissent at the board table.

Directors networking for the society

One of the values that boards add to organizations is the opportunity for that organization to build on the relationships of individual directors with stakeholders. Individual directors have an important role to play in increasing the society's networks.

d. Stakeholder engagement

Stakeholder relations are essential to the health of LSS. Building and maintaining positive stakeholder relations can serve to create and maintain value for clients and the public. Effective stakeholder engagement maximizes LSS's ability to achieve its strategic objectives. The board of directors will be able to fulfill its governance role more effectively by understanding key stakeholder perspectives including any potential opposition or conflicts they may have with the direction of legal aid services in British Columbia.

A formal stakeholder engagement process assists the board to assess the environment, which will better inform its governance practices. The objectives of stakeholder engagement for the board include:

- improves governance, thus the effectiveness and sustainability of legal aid services;
- builds social capital and high trust relationships amongst stakeholders with individual directors;
- draws out the interests of stakeholders in relation to the goals and objectives of the society;
- identifies conflicts of interests between stakeholders that will influence the society's risk assessment;
- generates new ideas by bridging tensions and natural oppositions; and
- keeps stakeholders informed of the society's direction.

Board roles and responsibilities

The role of the board of directors in stakeholder engagement is as follows:

- to identify the stakeholders with which the board will liaise and consult;
- to define, update, and approve the stakeholder engagement process;
- to gather information relevant to LSS’s strategic direction from primary stakeholders during regular annual stakeholder engagement events;
- to give due consideration to stakeholder input and concerns during the governing function of LSS as a director; and
- to provide a neutral, objective, and well respected advisory body to which concerns and issues can be directed.

Guiding principles

The guiding principles for the board of directors’ stakeholder engagement process include:

- **Inclusive** – The LSS board will endeavour to ensure that diverse perspectives either within or between stakeholder groups will be included, considered, and respected in the stakeholder engagement process and in the governance of LSS.
- **Transparent** – The LSS board will be open and forthright when dealing with stakeholders while discussing LSS’s direction and strategic objectives. In addition, directors will exercise honesty and fairness in the process.
- **Recurring** – The LSS board will engage with stakeholders on a regular basis to identify environmental shifts affecting each stakeholder group and to maintain strong relationships with the same.
- **Multimodal** – The LSS board will utilize a variety of tactics or interventions to interface with stakeholders including telecommunications, written documentation, one-on-one or small group meetings and the like. In addition, it will consider the primary purpose related to meeting with each stakeholder and tailor the focus of the stakeholder consultation sessions (through methodology and documentation or presentation material) to achieve those objectives.

The LSS board will only interface with primary stakeholders. These stakeholders include organizations, groups, or individuals who are strong political allies or funding agents. The focus for the board will be on stakeholders in which LSS has a larger dependency.

Recognizing the importance of stakeholders to LSS’s success, the board has established a standing committee to address these responsibilities.

Stakeholder Engagement Committee – terms of reference

Purpose

The purpose of the Stakeholder Engagement Committee is to provide oversight to the board in fulfilling its responsibilities related to stakeholder relations. The committee is responsible for recommending plans and processes related to stakeholder consultation, management, and engagement for the board of directors.

Composition and operations

- The committee shall be composed of not fewer than two directors and not more than four directors.
- The committee shall meet a minimum of twice per year.
- From time to time, as deemed required by the committee and approved by the chair of the board, the committee may retain independent assistance regarding stakeholder engagement related matters.

Duties and responsibilities

Subject to the powers and duties of the board, the committee will:

- Develop and recommend to the board for approval, a stakeholder engagement policy.
- Develop, and annually update and recommend to the board for approval, a stakeholder engagement strategy that will include identification of the following:
 - the stakeholders with whom the board will liaise and consult;
 - specific objectives for each stakeholder group, tied to the society’s strategic objectives;
 - tactics and interventions congruent with the objectives;
 - frequency of contact with each stakeholder group; and
 - implementation or infrastructure requirements necessary to carry out the interventions with each stakeholder group.
- Identify tools and methods of capturing the necessary data related to stakeholder input and feedback.
- Review and analyze output from stakeholder engagement activities (e.g., surveys) and make recommendations to the board based on the analysis.
- Support directors in their efforts related to stakeholder engagement interventions.
- Ensure that the board gives due consideration to stakeholder input and concerns during LSS board meetings.
- Monitor the society’s needs and make strategic recommendations to the board for approval related to stakeholder consultation, management and engagement activities.

5 – External communications function

- Annually assess the committee’s purpose and work to determine efficacy and utility of stakeholder engagement activities. Periodically review and recommend changes to the Stakeholder Engagement Committee’s terms of reference.
- Consider other stakeholder engagement/communications related issues as delegated to the committee by the board or chair.

Accountability

- The committee chair has the responsibility to make periodic reports to the board as requested, on stakeholder engagement related matters relative to LSS.
- The committee shall report its discussion to the board by maintaining minutes of its meetings and providing an oral or written report at the next board meeting.

Board independence and board performance function

“No one is to disturb another in his speech by hissing, coughing, spitting, speaking or whispering to another.”

— Thomas Jefferson

a. Board independence

In exceptional circumstances it may be necessary for the board to retain outside advisors to assist in fulfilling board functions, e.g., to assess the performance of the CEO. Where the board determines it is desirable to do so, it has the authority to retain outside assistance independent of LSS management.

b. Board responsibility

“Appraising its own effectiveness and implementing strategies to enhance its governance capacity.” *General By-Laws*, section 2.2(e)

The board has authority to retain outside assistance independent of staff.

c. Generating a constructive board culture

Organizational culture is defined as the shared beliefs, values, norms, expectations, and assumptions that bind people and systems. Organizational culture gives people a sense of identity; facilitates commitment, initiative, and communication; and provides a basis for stability, control, and direction (Weiss, 2001). Every board of directors has a culture. At LSS, the board culture expects and encourages:

- Active engagement in the governance of the organization;
- Openness to fully explore issues and solve problems;
- Constructive dissent;

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- A common voice once a decision is reached; and
- Collegiality.

d. Meeting effectiveness

When the board of directors meet, protocols are helpful to ensure that the group will work together most effectively. There are different ways to organize meetings so the time spent together is useful and productive. An effective meeting is one where the participants willingly and openly share their ideas and concerns, work together constructively and positively, and leave the meeting feeling accomplished and pleased to be part of the group.

Board meetings at LSS will be conducted in such a way as to encourage full participation and rigorous debate. The chair is responsible for conducting an orderly and focused meeting based on operating principles established by the group. Directors have a responsibility to participate fully, while at the same time refrain from dominating the debate.

At each meeting, the chair will ensure that the board has an opportunity to meet without staff present.

e. Evaluating board performance

Purpose

To promote good corporate governance and improve accountability to a range of stakeholders, boards are responsible for implementing monitoring and evaluating systems to assess their own performance. At LSS the annual evaluation is focused on how to improve the board's inputs and processes so that its contribution to organizational performance can be increased.

Performance evaluation is one of the board's key responsibilities. The primary purpose of measuring performance is to provide a snapshot of what is going well and what is not going well at the board level. In addition, measuring the performance of the board and its directors has several other key functions, including:

- clarifying individual and collective roles and responsibilities of the board and its members;
- improving working relationships between board members, and between board members and LSS management; and
- ensuring a balance of power between the board and the CEO.

Areas of assessment

The board will measure three areas of its overall performance: effectiveness in its areas of responsibility; accessibility and utilization of the resources and tools needed to perform its job well; and meeting effectiveness. Each of these is briefly outlined below.

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Effectiveness in areas of responsibility

How well are responsibilities being carried out in the following functions?

- Strategic direction
- Risk management
- Advising the CEO
- External communications
- Governance
- Employer of the CEO

Accessibility and utilization of resources and tools

How accessible and well utilized are the following resources and tools that are required for the board to be effective?

- **Knowledge and information**

This performance area is characterized by questioning whether or not the board has timely and accurate information and knowledge to make decisions and hold discussions about the governance of LSS. Key areas to probe include the directors' level of knowledge of the organization and industry, skills and knowledge missing from the board, and the appropriateness and timeliness of information delivered to the board.

- **Balance of power**

This performance area is characterized by assessing the shared leadership role of the board and the CEO, including decision-making authority, implementation of decisions, independence of the board, and the presence of checks and balances for both the board and the CEO.

- **Motivation**

This performance area examines the individual director's role on the board in areas such as level of commitment, record of attendance, preparation, participation, contribution, and co-operation.

- **Relationships**

This performance area measures the relationships of board members to each other as well as to other internal and external stakeholders, such as EMC, the legal profession, government, other funders and potential funders, and community groups.

Meeting effectiveness

How efficient and effective is board performance in both board and committee meetings? Areas to consider assessing include:

- Productive use of time together;

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- Strong interaction and debate; and
- Authentic communication.

Board evaluation process

The assessment process will begin with the end in mind. The board will establish key objectives and standards of performance for the upcoming year. A key question for the board to consider is: “At the end of this year, how do we want to have contributed to the success of LSS?” LSS utilizes an online standardized evaluation tool to assess the board’s performance based on the key objectives and standards of performance.

The Executive Committee reviews and confirms the chair’s recommendations on the board evaluation process and tool.

The chair presents the proposed process and method to the board for adoption.

The CEO’s office administers the assessment tool, compiles the results and delivers them to the chair.

The chair uses the results to provide feedback to the board at a board meeting and also to individual board members on areas of development through one-on-one meetings.

The evaluation results and the proposed development plan are presented to the board for discussion and confirmation, and the board’s objectives for its own performance for the next year are set.

Board evaluation roles

The primary roles and responsibilities related to the board evaluation function are summarized as follows:

Chair

The chair is responsible for organizing and driving the board performance evaluation process and, with the CEO, for ensuring that the development plan is carried out. The chair will:

- co-ordinate and lead performance evaluation activities;
- conduct one-on-one interviews;
- with the vice-chair develop a proposed development plan based on evaluation results; and
- lead implementation of the development plan.

Chief Executive Officer

The CEO will participate as a full board member and carry out the responsibilities outlined in the director’s role below.

The CEO will also be responsible, with the chair, for ensuring that the development plan is carried out.

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Directors

Each director is expected to provide honest, direct feedback about their personal observations and assessments of the board's performance. In addition, each director will be expected to provide input to the development plan to strengthen the board's governance capabilities. Finally, individual directors will participate fully in the development activities defined in the plan.

Board evaluation tools

Each year, the board adopts its objectives for the year. These are designed to enhance the board's ability to provide leadership and direction to the organization. In addition, board members assess their own performance and that of each other. The board chair uses this information in annual one-on-one meetings with each member of the board. (Samples of the current performance objectives and assessment tools are contained in the Appendices of this document).

The evaluation process consists of specific indicators for each objective and a self-assessment questionnaire. The board has embraced the idea that the main purpose of evaluating its performance is to provide a snapshot of what is and what is not going well at the board level. In addition, the process is intended to:

- clarify individual and collective roles and responsibilities;
- improve working relationships among board members and between the board and management;
- identify strengths in board practices; and
- determine areas for board improvement.

LSS uses both qualitative and quantitative questions to assess its performance. This approach allows the board to focus on key areas of governance for a specific period and to shift its focus as the governance role evolves during subsequent years.

Board members complete the questionnaire electronically once a year. The summary of results and comments are distributed as a reference point for discussion at the board's spring meeting.

f. Evaluating board member performance

If a director has a concern about the individual performance of one board member, it is the responsibility of this director to take action in one of two ways (based on his or her judgment of the most appropriate action):

- Speak directly with that director in a respectful yet honest manner about his or her concern.

or

- Identify the issue(s) in neutral terms at a board meeting (i.e., not associating the person in question with the concern). At this time, seek a specific development plan to shift the behaviour of the board in general.

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If performance issues remain a critical concern after one of the actions listed above, speak with the chair to identify concerns more directly.

During the annual board performance evaluation process, the chair will conduct informal, one-on-one peer review meetings with each director. At this time, the chair will share issues and concerns regarding the director's performance.

g. Recommended reading

Conger, Finegold, and Lawler III. "Appraising Boardroom Performance." *Harvard Business Review*, Jan/Feb 1998.

Bradford and Scissions. "All numbers are not created equal: Measurement issues in assessing board governance." *Corporate Governance*, 2002.

Nadler, Behan and Nadler. "Building Better Boards – Board Assessment, Chapter 11". Mercer Delta Consulting.

h. Sample objectives and assessment tools

LSS board performance objectives are set annually and performance is assessed annually. The objectives established for 2012-2013 are attached as *Appendix 3*.

The board performance evaluation for 2013 is attached as *Appendix 4*.

The board individual and peer performance evaluation for 2013 is attached as *Appendix 5*.

i. Board and board member training and development

One of the responsibilities of the LSS board is to appraise its own effectiveness and to implement strategies to enhance its governance capacity. The board has also committed to creating and carrying out a development plan based on the results of the board's own evaluation. This policy is designed to support that development by providing a fund to support individual board member development and improvement of the board as a whole to improve the governance of LSS.

The board has a budget to support board development. This is designed to provide a pool of funding to support individual board member training and development and development training for the board as a whole. Access to funding is controlled by the Executive Committee. Requests for funding are made to the Executive Committee through the office of the Chief Executive Officer.

Development requests can be either for board development or for individual director development. In either case the request must be in writing and should specify how the proposed development will enhance the board's or director's capacity to fulfill its key responsibilities:

- Providing strategic direction
- Assessing risk management

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- Advising the CEO
- External communications
- Assessing its own performance
- Employer of the CEO

Such requests will be considered by the Executive Committee from time to time as the demand requires. Where the full executive is not available, these requests may be considered by any two members of the Executive Committee at any time and may be addressed informally. When this occurs, however, the matter must be reported at the next meeting of the Executive Committee. A board member who makes a request shall not participate in the Executive Committee's consideration of that request.

In considering a request, the Executive Committee must consider the available resources, the benefit and cost of the development proposal, alternative means of addressing the developmental issue, and the importance of addressing this need relative to other requests that have been made or may be made.

Decisions of the Executive Committee regarding allocation of development resources are final and are not subject to review by the board as a whole.

j. Corporate secretariat

Like most board-governed agencies, LSS maintains a corporate secretariat to support the work of the board. The LSS by-laws provide that the Chief Executive Officer is the board secretary and that some or all of those responsibilities may be delegated. In practice, the function is divided between the Chief Executive Officer and Assistant Corporate Secretary.

The Assistant Corporate Secretary provides corporate secretariat support to the board of directors by:

- organizing meetings of the board of directors in accordance with LSS Board Governance Policy, convention, or as otherwise stipulated by the board or by legislation.
- in accordance with the LSS board business calendar, preparing draft agendas for the board and board committee meetings for discussion with the chair, the CEO, or board committee chair as appropriate;
- coordinating and assembling briefing materials with the appropriate breadth and clarity to assist board members to fulfill their oversight role in meetings;
- attending and acting as recording secretary to the board and board committees;
- preparing minutes of board and committee proceedings, reviewing all minute taking that has been delegated to ensure consistency and appropriateness of detail;
- assisting the Chief Executive Officer to ensure that decisions taken by the board are communicated to management in a timely manner;

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- at the direction of the chair, the Chief Executive Officer, or as circumstances require, providing board members with timely information between board meetings;
- keeping up to date on current LSS initiatives and stakeholder relations;
- providing service and advice to both board members and management to promote strong working relationships by ensuring that board members understand managers' particular responsibilities and where appropriate managers are informed of board members' views and preferences;
- facilitating new board member and chair orientation and supporting the on-going orientation and training of board members;
- administering board member remuneration consistent with LSS guidelines;
- acting as custodian for LSS corporate records, meeting minutes, and related board information;
- maintaining custody of the corporate seal;
- coordinating and administering the board's assessment surveys and support its annual review of the board competency matrix (*Appendix 6*);
- monitoring board succession issues and prepare appropriate documentation for renewal of board appointments;
- maintaining the by-laws of the society, and the policies, rules and guidelines pertaining to the board of directors;
- assisting the Chief Executive Officer and vice-chair (or designated governance lead) of the board in the review of the board governance policies and assist in implementing changes resulting from the review; and
- carrying out any other appropriate duties and responsibilities as may be assigned by the board, the board chair or the Chief Executive Officer.

In providing corporate secretariat support to the board, the Chief Executive Officer's role is to:

- keep up to date on evolving corporate governance practices and trends, advising the vice-chair, chair, and board as part of the annual governance review;
- promote strong corporate governance practices within LSS and act as a resource and advisor on all matters related to governance for board members;
- with the chair, oversee the services provided to the board by the Assistant Corporate Secretary;
- identify items that require approval by the board, drafting resolutions as required;
- refer issues for a legal opinion as required;
- ensure that decisions taken by the board are communicated internally and externally in a timely way;
- ensure that all necessary actions to realize a board decision are taken by LSS;

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- as an authorized signatory, apply the corporate seal of LSS in compliance with the policies of the board and the *Legal Services Society Act*;
- ensure that information provided to one board member is available to all board members;
- ensure that all legal and filing requirements relating to LSS are met; and
- coach and assist those who present to the board to ensure that board requirements are clearly understood and appropriately communicated.

k. Director competencies and board succession

The Executive Committee of the board also serves as the Board Governance Committee. One of the responsibilities of this committee is to work to ensure that the LSS board has the appropriate combination of competencies (skills and experience) and personal attributes (behaviour and attitude) to support the LSS mission and work as an effective team.

While the ultimate selection of directors to the LSS board is the prerogative of the Law Society and Government of BC, LSS has a central role to play in the process of appointments to the board that includes:

- developing director selection criteria for board membership as a whole and for specific vacancies; and
- developing a plan and a process for the orderly long-term renewal of board membership.

To meet this role, the Executive Committee develops and maintains a competency matrix (*see Appendix 6*), listing the particular competencies desired for board membership as a whole. This information is used as a guide to determine which competencies might be missing from the board and should be sought when looking for new candidates. The Executive Committee reviews the competencies and the competency matrix annually to ensure that it is current and to maintain a plan for the long-term renewal of the board.

Employer of Chief Executive Officer function

“It is often said that the most important task of a board is the choice of CEO.”

— John Carver

a. Board responsibility

“Hiring, supporting, evaluating, compensating, planning for the succession of and, if necessary, firing the Chief Executive Officer.” *General By-laws*, s. 2.2 (f).

The board has authority to retain outside assistance independent of staff.

b. Purpose

The Chief Executive Officer is the society’s lead employee, with overall responsibility for implementing the board’s strategic plan and administering the society.

For the board to fulfill its responsibility to ensure the effective governance of the society, it must make sure that the right person fills the CEO position and that that person is fully supported to do an effective job.

This means that the board must hire and retain the right person, and, if necessary, terminate the employment of a CEO who is not right for the job. It also means that the board needs to have a plan for the orderly succession to a new CEO, so that the organization does not lack an effective administrator for any length of time.

Once the right person has been chosen for the CEO’s position, the board enters into a contract of employment with him or her, and makes certain that appropriate compensation processes are in place to ensure the retention of a qualified and successful CEO. The board also has a responsibility to support the CEO in other ways, such as providing opportunities for him or her to develop the necessary skills to do the job well.

The board needs to monitor and evaluate the CEO’s performance for two reasons:

7 – Employer of Chief Executive Officer function

- to support the CEO in doing the job well by setting clear expectations and providing feedback, recognition, and development opportunities; and
- to be aware of serious problems that could lead to replacing the CEO.

c. Role of the chair

There are limits to the ability of a group of directors to collectively fulfill the role of employer. The board, therefore, delegates to the chair of the board certain of the employer responsibilities; in particular, negotiating contract issues and conducting the CEO's performance evaluation on behalf of the board. The chair is also responsible for ensuring that a process exists within the organization to allow staff to inform the board of fundamental breaches of his or her employment obligations by the CEO, and for being the conduit for conveying that information to the board.

d. Role of the senior manager responsible for human resources

The senior manager responsible for human resources will support the chair and the board in fulfilling its employer responsibilities, and, in this respect, reports directly to the board.

In particular, the senior manager responsible for human resources will:

- Advise the chair and the board on contract, compensation and benefits issues, and employment regulation and guidelines that may affect the CEO contract and/or compensation and benefits;
- Advise the chair on effective performance evaluation methods;
- Advise the chair on CEO hiring and succession planning; and
- Ensure that the society has in place an adequate mechanism for staff members to report serious problems with the CEO's performance that could undermine the organization, such as unethical or unprofessional conduct. That policy, known as the Board Disclosure of Wrongdoing Policy, is currently in place and is attached as *Appendix 7*.

e. Compensating and supporting the Chief Executive Officer

Currently, a written contract of employment is in place for the CEO, for an indefinite term. Compensation and benefits are based on the LSS terms and conditions of employment for excluded staff.

The society is a member of the Public Sector Employers' Council (PSEC) and the Crown Society Employers' Association (CCEA), and must fulfill its employer function following the provisions of the *Public Sector Employers Act*, which sets standards with respect to such issues as compensation, including benefits, and severance packages.

The board has the responsibility to support the CEO in other ways, such as providing opportunities for professional development and offering thoughtful advice to the CEO.

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Vacation and leaves

The CEO completes the standard leave forms and has them approved by the Director of Human Resources. Approvals will be made as per the conditions of employment in the contract. Any requests outside of the contract and the terms and conditions for excluded managers require approval from the chair and/or his or her designate. Copies of leave sheet forms will be kept by the Director of Human Resources and reviewed with the chair as requested.

Expenses approvals

The CEO completes the standard expense/travel claim form and has it approved by the Director of Finance and Corporate Services. Approvals will be made as per the conditions of employment in the contract and LSS expense/travel claim policy. Any requests outside of the contract and the expense/travel claim policy require approval from the chair and/or his or her designate. Copies of completed expense/travel claim forms will be kept by the Director of Finance and Corporate Services and reviewed with the chair as requested.

f. Monitoring and evaluating the Chief Executive Officer

Monitoring and evaluation must be done against clearly set out expectations (the CEO goals for the coming year are set annually by the board and monitored by the chair and board executive), and in turn, informs those expectations.

Chief Executive Officer performance linked to organizational performance

The board's fundamental expectation is that the CEO will implement the service plan and the board's strategic direction. The board, by setting the strategic direction and the service plan for the organization, is simultaneously setting their expectations of the CEO.

If the society is functioning well and in accordance with the strategic direction and the Service Plan, it follows that the CEO is performing well. The board, therefore, monitors the CEO by having in place monitoring mechanisms to answer the questions: "Are the strategic priorities set by the board being advanced?" and "Is the Service Plan being followed?" The mechanisms for doing this kind of monitoring are discussed above, in section 2: Strategic direction function.

Chief Executive Officer performance linked to risk management

Another expectation is that the CEO will prepare the organization for future challenges and opportunities; in other words, manage risk. The board, in fulfilling its risk management function, is simultaneously monitoring the CEO's performance on this front.

Chief Executive Officer performance evaluation

It is not for the board to tell the CEO how to do the job. The performance evaluation process is, therefore, primarily a mechanism of support to the CEO in maximizing his or her capacity to do the job well.

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In addition to evaluating the organization's performance and monitoring for unethical or unprofessional conduct by the CEO, the board, through the chair, will engage in a regular performance evaluation of the CEO. A regular performance evaluation is important for the CEO as a means of obtaining internal and external feedback on job performance. It allows the CEO to receive acknowledgement for accomplishments, to clarify or redefine the board's expectations, and to consider ways of improving performance.

Limits of Chief Executive Officer performance evaluation

The performance evaluation process is not used as a mechanism for terminating the employment of the CEO. If the board has fundamental concerns about the CEO's performance to the point that they are considering terminating the CEO's employment, the board will develop an alternative process to answer the question: does the society have the right person in the position of CEO?

g. Chief Executive Officer performance evaluation process

1. The CEO's performance is evaluated annually, and every third year outside stakeholders are involved. The tool used to gather information is attached as *Appendix 8*.
2. The objectives of the CEO performance evaluation process are:
 - to measure if the board's expectations of the CEO for the previous year have been met;
 - to set expectations of the CEO for the following year;
 - to identify areas for CEO development; and
 - to provide feedback and recognition to the CEO.
3. The performance evaluation document:
 - has sections setting out performance in relation to the past year's expectations, a training and development plan, and expectations for the year ahead;
 - divides expectations into four categories: implementing key strategies, board relations, external relations, and relations with service deliverers (employees and contractors); and
 - relates the training and development plan to organizational expectations set by the board, internal feedback (see below), and the CEO's assessment of his or her own needs.
4. The performance evaluation steps are:
 - i. The board confirms the expectations of the CEO's performance for the following year.
 - ii. The CEO and the chair meet quarterly to review progress on the performance expectations, and, if necessary, to clarify or refocus expectations. At these quarterly meetings, the chair provides feedback and recognition to the CEO and agrees to training and development opportunities. In addition, the chair will schedule bi-annual meetings of the Executive Committee with the CEO to monitor progress on the CEO goals.
 - iii. The CEO affirms the performance evaluation process with the chair before beginning the process.

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- iv. The chair gets feedback from the board at an in-camera session not including the CEO or any staff.
- v. The CEO fills out a draft of the performance evaluation document.
- vi. The chair reviews the draft performance evaluation document and modifies it to include the chair's own observations and assessment and feedback from the board.
- vii. The chair meets with the CEO to discuss and finalize the CEO performance evaluation document.
- viii. The CEO, after consulting internally and with the chair, develops his performance expectations and target completion dates for the following year.
- ix. The chair provides copies of the CEO's evaluation to the directors for their information at the board's May meeting. The CEO evaluation is a confidential document and copies of it are collected after discussion. The signed copy is stored in the CEO's personnel file, to which only the chair has access.
- x. The CEO goals for the coming year are discussed and agreed with the chair and presented to the board for approval.

h. Terminating the employment of the Chief Executive Officer

Becoming aware of serious problems

The board is expected to keep informed of any problems with the CEO's performance serious enough to warrant termination of his or her employment contract.

Monitoring the organization's strategic objectives is one way to determine if there are potential problems with the CEO's performance. Significant failure to implement the strategic directions set by the board may be an indicator that the right person may not be in the CEO position. However, it could also mean that the strategic directions need to be modified, or the CEO provided with more resources to implement the strategic plan.

The performance evaluation process will be another important source of information for the board, but it cannot be relied upon as the sole mechanism for generating fundamental concerns about the CEO that could justify replacement. Sometimes unethical or unprofessional conduct is only apparent to other employees of LSS, and the performance evaluation process is unlikely to provide an opportunity for an employee to express such fundamental concerns.

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Employee reporting of fundamental breach of policy

- (a) The Director of Human Resources has a mechanism in place for employees of the organization to make the Director of Human Resources or the board chair aware of fundamental concerns they have about the CEO's conduct or performance that may undermine the organization.
- (b) The Director of Human Resources will ensure that employees are aware of and comfortable with using this mechanism.
- (c) The Director of Human Resources will report annually to the chair of the board to confirm that an adequate reporting mechanism is in place and is sufficiently publicized to employees.

A process to determine if termination of employment is appropriate

If such serious problems arise with the CEO's performance or conduct that termination of employment becomes a possible alternative, the board must put in place a special assessment process designed to evaluate whether this step should be taken.

The assessment process will set out when and how the board will meet to discuss the issue of the CEO's continued employment.

The process that the board designs must be administratively fair to the CEO, allowing the CEO to be aware of the case for termination of employment and to be heard by the board.

At the same time, the process must be designed to ensure that the board has accurate and complete information that is relevant to its assessment.

i. Chief Executive Officer succession

Protocols and process for appointment of an interim and permanent Chief Executive Officer

The CEO plays a pivotal role in the success of any organization. Planning for CEO succession, either on a planned or emergency basis, is a key responsibility of the board of directors. The purpose of this policy is to articulate the Legal Services Society's approach to CEO succession planning and assign responsibilities.

1. Roles and responsibilities

A description of the specific roles that the board and CEO provide to the succession process and other key areas of responsibility are described below.

7 – Employer of Chief Executive Officer function

1.1. The board

The board is responsible for ensuring that it is prepared to appoint a replacement CEO in the event of a planned or unplanned departure of the current CEO. To that end, the board:

- a) recruits and hires the CEO;
- b) approves the succession policy;
- c) receives appropriate briefings and acquires sufficient knowledge of potential CEO successor candidates to make an informed decision on future appointments; and
- d) ensures that LSS has appropriate plans in place to identify and develop potential internal CEO successor candidates.

1.2 The board chair

- a) The chair is responsible for all communications to staff, government and key stakeholders regarding the CEO succession process.
- b) After receiving notice, the chair shall notify the board members and call a special meeting of the board.
- c) The chair will appoint a Search Committee should that be required. The Search Committee shall consist of up to three board members who will be supported by the Assistant Corporate Secretary.

1.3 The CEO

The CEO is responsible for identifying and developing potential internal CEO successor candidates and supporting the board in the CEO succession planning process. To that end, the CEO:

- a) works with the board to develop a CEO Succession Plan;
- b) provides advice to the on key skills and experience required for both interim and permanent CEO successor positions;
- c) identifies, evaluates, and develops leading CEO successor candidates in accordance with the criteria set out in the CEO Succession Plan; and
- d) provides periodic updates to the board on potential CEO successor candidates and the CEO Succession Plan.

2. Annual review of CEO Succession Plan

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On at least an annual basis, the board reviews the CEO Succession Plan with a view to:

- a) identifying the key skills and experience required for the future CEO position based on LSS's business strategy - *See Appendix 9* for a sample set of CEO Candidate Assessment Criteria from "Building Better Boards" by David Nadler, Beverly Behan and Mark Nadler;
- b) reviewing the readiness of potential internal CEO successor candidates;
- c) reviewing the nature and scope of the development plans for each potential internal CEO candidate; and
- d) identifying the skills and experience required for an interim CEO should the need arise within the following year to replace the CEO on an emergency, unplanned basis.

3. Future CEO

The following key attributes have been identified as priority in the future CEO of LSS:

- a) Strategic thinker
- b) Collaborative approach to leadership
- c) Political astuteness
- d) Strong interpersonal and communication skills
- e) Well respected within legal community and government
- f) Innovative and able to think outside the box
- g) Courage to have open and honest dialogue
- h) Financial acumen
- i) Results driven

4. Emergency CEO transition

In the event that the CEO becomes unable to perform his or her duties and the board is not in a position to appoint a permanent replacement for the CEO, the board will appoint an interim CEO.

The key skills and attributes required for an interim CEO will depend on the situation at the time; however, the following are considered important and will guide the board in its decision-making:

- a) a solid understanding of LSS's business;
- b) professional support from the executive team;
- c) credibility with LSS's key stakeholders; and
- d) ability and interest to support the CEO transition process.

5. Process and protocols

In the event there is an unplanned, emergency event whereby the CEO is unable to perform his duties:

- a) LSS management has a responsibility to notify the board and each other of the event.
- b) The chair is responsible for all communications to staff, government and key stakeholders regarding the CEO succession process.
- c) After receiving notice, the board chair shall notify the board members and call a special meeting of the board. At the special meeting of the board, the board shall consider the following matters:
 - i. a report on the circumstances giving rise to the CEO's absence;
 - ii. a report from the management team on the status of key issues;
 - iii. whether the CEO's absence is expected to be short term or permanent;
 - iv. the key attributes required for an interim CEO and, based on those attributes, the preferred interim CEO candidate; and
 - v. whether the board is prepared to appoint a permanent CEO successor candidate at that time.
- d) The board shall appoint an interim CEO and initiate a process to recruit a new CEO if a permanent successor is not approved.
- e) The chair will appoint a search committee should that be required. The search committee shall consist of up to three board members, who will be supported by the Assistant Corporate Secretary. The board chair will designate the chair of the search committee. The role of the search committee is to recommend to the board a candidate or candidates for consideration.
- f) As part of the decision to appoint either a permanent CEO or an interim CEO, the board shall make such collateral decisions as appropriate:
 - i. Compensation: Chair to be responsible for negotiating terms and conditions of any CEO contract, subject to board approval.
 - ii. Passing any motions necessary to deal with necessary and incidental changes such as signing authorizations.

6. Board chair and board roles and responsibilities during recruitment process

- a) The chair is responsible for speaking on behalf of the board and its committees.
- b) When the board is initiating a CEO recruitment process, the board should consider the following issues:
 - i. Confirmation of the key attributes sought in the CEO candidate
 - ii. Advise the chair of the key issues to be communicated to employees and stakeholders regarding the CEO recruitment process.
 - iii. What is the chair's mandate for the negotiation of the CEO terms and conditions of the employment (the board is the ultimate authority on approving the terms and conditions).
 - iv. What role, if any, the outgoing CEO will play in the recruitment process. While the CEO does not lead the process, the CEO may be able to provide valuable input on key attributes required and to provide perspectives on potential candidates.

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- v. How the board will advise the search committee on all matters relating to the recruitment.
- vi. Whether the board wants to see the search committee's preferred candidate or more than one candidate for review, assessment and decision by the full board.
- vii. What should be included in the communication plan regarding the appointment of the new CEO? Responsibility for crafting the details of the communication is typically delegated to the board chair who is supported by the Manager, Communications.

All deliberations relating to CEO recruitment shall be conducted **in-camera** and details kept strictly confidential, unless candidates agree otherwise.

7. LSS search committee

The search committee should consider the following issues:

- a) Determine whether they will use a search firm; and if so:
 - i. Select a search firm to assist with the recruitment.
 - ii. Work with the search firm to finalize a job specification and executive briefing about LSS and position. This is a key marketing tool to assist in the search process.
- b) Determine whether to advertise the position and, if so, where.
- c) Once the search firm has identified potential candidates, the committee will be asked to indicate preferred candidates and eventually interview short-listed candidates. The committee will have to consider what methods of evaluation will be used to assess candidates. In addition to an interview with the committee members, assessment may include meeting with the former CEO, meeting with current executives, professional profiling, and assessment.
- d) Determine early on what strategy will be used to keep the board informed throughout the search process.
- c) The search committee chair will typically play a key role in liaising with candidates and recommending terms of employment to the board chair.
- d) The committee should make recommendations for an orientation program for the new CEO to ensure the CEO is fully integrated into LSS and the new role.

8. Communication messages:

- a) The chair is responsible for speaking on behalf of the board and its committees.
- b) Typically, early messages will include:
 - i. The board has a CEO Succession Plan;
 - ii. The board is confident in the senior management of the organization and in LSS ability to maintain its strategic direction;
 - iii. The board has confidence in the reputation and proven record of LSS to attract strong candidates to the CEO role; and
 - iv. The board confirms its commitment to the society's strategic direction.

9. Review

7 – Employer of Chief Executive Officer function

The CEO Succession Plan shall be reviewed annually by the board.

j. Protection of privacy

The CEO's privacy should be respected and supported to the extent that is consistent with the society's obligations to be publicly accountable.

Only the chair and the director of human resources have access to the CEO's personnel file.

Appendix 1:

The standards of ethical conduct for directors of the Legal Services Society

The fundamental relationship between a director and the public sector organization on which the director serves should be one of trust; essential to trust is a commitment to honesty and integrity. Ethical conduct within this relationship imposes certain obligations.

The Legal Services Society Board of Directors has, by resolution dated November 7, 2014 endorsed the Standards of Conduct Guidelines for the BC Public Sector issued by the government in July 2014 and has included each of the principles in this document which sets out minimum standards of ethical conduct expected of all directors appointed to the board of the Legal Services Society.

The purpose of this document is to set out minimum standards of ethical conduct expected of all directors appointed to the board of the Legal Services Society.

1. Compliance with the law

- 1.1 Directors should act at all times in full compliance with both the letter and the spirit of all applicable laws.
- 1.2 In his/her relationship with the organization, no director should commit or condone an unethical or illegal act or instruct another director, employee, or supplier to do so.
- 1.3 Directors are expected to be sufficiently familiar with any legislation that applies to their work to recognize potential liabilities and to know when to seek legal advice. If in doubt, directors are expected to ask for clarification.
- 1.4 Falsifying any record of transactions is unacceptable.
- 1.5 Directors should not only comply fully with the law, but should also avoid any situation which could be perceived as improper or indicate a casual attitude towards compliance.

2. Conflicts of interest

- 2.1 In general, a conflict of interest exists for directors who use their position at the organization to benefit themselves, friends, or families.
- 2.2 A director should not use his or her position with the organization to pursue or advance the director's personal interest, the interests of a related person,¹ the director's business

¹ "related" person means a spouse, child, parent or sibling of a director who resides with that director

associate, corporation, union or partnership, or the interests of a person to whom the director owes an obligation.

- 2.3 A director should not directly or indirectly benefit from a transaction with the organization over which a director can influence decisions made by the organization.
- 2.4 A director should not take personal advantage of an opportunity available to the organization unless the organization has clearly and irrevocably decided against pursuing the opportunity and the opportunity is also available to the public.
- 2.5 A director should not use his or her position with the organization to solicit clients for the director's business, or a business operated by a close friend, family director, business associate, corporation, union or partnership of the director, or a person to whom the director owes an obligation.
- 2.6 Every director should avoid any situation in which there is, or may appear to be, potential conflict² which could appear³ to interfere with the director's judgment in making decisions in the organization's best interest.
- 2.7 There are several situations that could give rise to a conflict of interest. The most common are accepting gifts, favours or kickbacks from suppliers, close or family relationships with outside suppliers, passing confidential information to competitors or other interested parties or using privileged information inappropriately. The following are examples of the types of conduct and situations that can lead to a conflict of interest:
 - (i) Influencing the organization to lease equipment from a business owned by the director's spouse;
 - (ii) Influencing the organization to allocate funds to an institution where the director or his or her relative works or is involved;
 - (iii) Participating in a decision by the organization to hire or promote a relative of the director;
 - (iv) Influencing the organization to make all its travel arrangements through a travel agency owned by a relative of the director;
 - (v) Influencing or participating in a decision of the organization that will directly or indirectly result in the director's own financial gain.
- 2.8 A director should fully disclose all circumstances that could conceivably be construed as conflict of interest.
- 2.9 The Legal Services Society has a Conflict of Interest By-Law; where that by-law conflicts with this Code of Ethics, the by-law will prevail.

² "*conflict*" means a conflict of interest or apparent conflict of interest

³ "*apparent*" conflict of interest means any situation where it would appear to a reasonable person that the director is in a conflict of interest situation.

3. Disclosure

- 3.1 Full disclosure enables directors to resolve unclear situations and gives an opportunity to dispose of conflicting interests before any difficulty can arise.
- 3.2 The director should, immediately upon becoming aware of a potential conflict of interest situation, disclose the conflict (preferably in writing) to the board chair. This requirement exists even if the director does not become aware of the conflict until after a transaction is complete.
- 3.3 If a director is in doubt whether a situation involves a conflict, the director should immediately seek the advice of the board chair. If appropriate, the board may wish to seek advice from an ethics advisor or legal advice.
- 3.4 Unless a director is otherwise directed, a director should immediately take steps to resolve the conflict or remove the suspicion that it exists.
- 3.5 If a director is concerned that another director is in a conflict of interest situation, the director should immediately bring his or her concern to the other director's attention and request that the conflict be declared. If the other director refuses to declare the conflict, the director should immediately bring his or her concern to the attention of the board chair. If there is a concern with the board chair, the issue should be referred to the governance committee or equivalent committee of the board that deals with board governance issues.
- 3.6 A director should disclose the nature and extent of any conflict at the first meeting of the board after which the facts leading to the conflict have come to that director's attention. After disclosing the conflict, the director:
 - (i) Should not take part in the discussion of the matter or vote on any questions in respect of the matter (although the director may be counted in the quorum present at the board meeting);
 - (ii) If the meeting is open to the public, may remain in the room but shall not take part in that portion of the meeting during which the matter giving rise to the conflict is under discussion, and shall leave the room prior to any vote on the matter giving rise to the conflict;
 - (iii) Should, if the meeting is not open to the public, immediately leave the meeting and not return until all discussion and voting with respect to the matter giving rise to the conflict is complete; and
 - (iv) Should not attempt, in any way or at any time, to influence the discussion or the voting of the board on any question relating to the matter giving rise to the conflict.

4. Outside business interests

- 4.1 Directors should declare possible conflicts outside business activities at the time of appointment. Notwithstanding any outside activities, directors are required to act in the best interest of the organization.

- 4.2 No director should hold a significant financial interest, either directly or through a relative or associate, or hold or accept a position as an officer or director in an organization in a material relationship with the organization, where by virtue of his or her position in the organization, the director could in any way benefit the other organization by influencing the purchasing, selling or other decisions of the organization, unless that interest has been fully disclosed in writing to the organization.
- 4.3 A “significant financial interest” in this context is any interest substantial enough that decisions of the organization could result in a personal gain for the director.
- 4.4 These restrictions apply equally to interests in companies that may compete with the organization in all of its areas of activity.
- 4.5 Directors who have been selected to the board as a representative of a stakeholder group or region owe the same duties and loyalty to the organization and when their duties conflict with the wishes of the stakeholder or constituent, their primary duty remains to act in the best interests of the organization.

5. Privacy, Confidentiality and Freedom of Information

- 5.1 Confidential information includes proprietary, technical, business, financial, legal or any other information which the organization treats as confidential.
- 5.2 Directors should not, either during or following the termination of an appointment, disclose such information to any outside person unless authorized.
- 5.3 Similarly, directors should never disclose or use confidential information gained by virtue of their association with the organization for personal gain, or to benefit friends, relatives or associates.
- 5.4 The Legal Services Society is subject to the Freedom of Information and Protection of Privacy Act (“FOIPPA”). Records created by directors may be subject to an information request and directors may be required to provide those records to LSS’s information and privacy officer who will ensure compliance with the FOIPPA.
- 5.5 If in doubt about what is considered confidential, a director should seek guidance from the board chair or the CEO.
- 5.6 Notwithstanding anything in this section, all information about individual clients is confidential and in some instances subject to solicitor-client privilege.

6. Investment activity

- 6.1 Directors should not, either directly or through relatives or associates, acquire or dispose of any interest, including publicly traded shares, in any company while having undisclosed confidential information obtained in the course of work at the organization which could reasonably affect the value of such securities.

7. Outside employment or association

- 7.1 A director who accepts a position with any organization that could lead to a conflict of interest or situation prejudicial to the organization's interests should discuss the implications of accepting such a position with the board chair recognizing that acceptance of such a position might require the director's resignation from the organization's board.

8. Entertainment, gifts and favours

- 8.1 It is essential to fair business practices that all those who associate with the organization, as suppliers, contractors or directors, have access to the organization on equal terms.
- 8.2 Directors and members of their immediate families should not accept entertainment, gifts or favours that create or appear to create a favoured position for doing business with the organization. Any firm offering such inducement should be asked to cease.
- 8.3 Similarly, no director should offer or solicit gifts or favours in order to secure preferential treatment for themselves or the organization.
- 8.4 Under no circumstances should directors offer or receive cash, preferred loans, securities, or secret commissions in exchange for preferential treatment. Any director experiencing or witnessing such an offer should report the incident to the board chair immediately.
- 8.5 Gifts and entertainment should only be accepted or offered by a director in the normal exchanges common to established business relationships for the organization. An exchange of such gifts should create no sense of obligation on the part of the director.
- 8.6 Inappropriate gifts received by a director should be returned to the donor.
- 8.7 Full and immediate disclosure to the board chair of borderline cases will always be taken as good-faith compliance with these standards.

9. Use of the organization's property

- 9.1 A director should require the organization's approval to use property owned by the organization for personal purposes, or to purchase property from the organization unless the purchase is made through the usual channels also available to the public.
- 9.2 Even then, a director should not purchase property owned by the organization if that director is involved in an official capacity in some aspect or the sale of the property.

10. Responsibility

- 10.1 The organization should behave, and be perceived, as an ethical organization.
- 10.2 Each director should adhere to the minimum standards described herein and in the organization's code of conduct, and to the standards set out in applicable policies, guidelines or legislation.

- 10.3 Integrity, honesty, and trust are essential elements of the organization's success. Any director who knows or suspects a breach of the organization's code of conduct and ethics has a responsibility to report it to the board chair.
- 10.4 To demonstrate determination and commitment, each director should review and declare compliance with the organization's code of conduct and ethics annually.

11. Breach

- 11.1 A director found to have breached his/her duty by violating the minimum standards set out in this document may be liable to censure or a recommendation for dismissal.

12. Where to seek clarification

- 12.1 Normally, the board chair or the governance committee chair should be responsible to provide guidance on any item concerning standards of ethical behaviour.

Appendix 2: Annual Conflict of Interest Disclosure

A director of Legal Services Society (the “society”) owes a fundamental duty of loyalty to the society. This duty requires directors at all times to act honestly, in good faith, and in the society’s best interest. Directors must uphold the highest ethical standards in order to maintain and enhance public confidence and trust in the society’s integrity, objectivity, and impartiality. In keeping with this duty, the directors and the society must consider when a director is in a conflict of interest or perceived to have a conflict of interest.

The society recognizes it is to the benefit of the society and to the low-income individuals it is mandated to serve, to have, as directors, lawyers who make legal aid a part of their practice. Accordingly, the society does not want to preclude lawyers from being directors just because they, or their firms, do a significant amount of legal aid work. However, the society recognizes that if too many directors are receiving remuneration from the society, or are indirectly financially benefiting from the society, this may reduce the board’s focus on clients’ interests.

The society has a conflict of interest policy (attached) which attempts to balance these interests. The policy defines a conflict of interest and outlines the process a director is to follow when they have a conflict or a perceived conflict. The policy also allows for up to two directors who, individually as lawyers or through their firms, receive significant financial remuneration from the society to discuss and vote on all issues before the board, except those that directly or materially affect their remuneration.

Non-lawyer directors may also have a conflict of interest or a perceived conflict of interest if they have a family member who receives remuneration from the society.

Disclosure

Upon appointment to the board, and thereafter annually, each director must disclose to the chair of the Finance Committee (the “finance chair”) the names of those in the following relationships with the director who the director knows receives remuneration from the society:

- family member including: a director’s spouse (married, common-law, and same sex spouses), parent, grandparent, child, sibling, or spouse of any of these relatives;
- law partner;
- associate;
- employee;

- employer;
- lawyer who is not a partner of the director but with whom the director is being held out to be practicing in partnership or association; and
- lawyer who is sharing office space.

Each director is expected to make reasonable efforts to determine if anyone in the above-mentioned relationships with the director is receiving remuneration from the society.

Those receiving remuneration from the society include LSS employees, local agents, referral bar lawyers, contractors, and other service providers such as interpreters and court reporters.

A director has an ongoing duty during their board term to advise the finance chair of any names which should be added to or removed from the list initially provided to the finance chair for disclosure purposes.

In addition to disclosing to the finance chair the names as set out above, if a director becomes aware that he or she has or might be perceived to have a conflict of interest with respect to a matter to be considered by the board, the director must provide notice to the board chair of the conflict or possible conflict and must announce it to the board whenever the matter giving rise to the conflict is to be considered.

Annual Acknowledgement

I, _____, have either disclosed to the finance chair the names of all people in a relationship with me who I know to be receiving remuneration from the society or advised the finance chair that, to my knowledge, there is no one in such a relationship with me who is receiving remuneration from the society. During my term as a director, if I learn of anyone who should be added to or removed from the list of names I have provided, I will promptly notify the finance chair.

I further acknowledge that I have read the board's Conflict of Interest By-law.

SIGNED at _____, British Columbia, this ____ day of _____, 20__.

Director's signature

Witness' signature

Name of Witness

Appendix 3: Sample board performance objectives, 2013-2014

Board Performance Objectives

The board of directors has identified the following performance objectives for the fiscal year 2013-2014. The evaluation of these objectives will be completed in spring of 2014.

Function	Objective	Performance Indicators
<i>Strategic Direction</i>	1. Set clear organizational priorities (and strategies) for 2013-2014	➤ Published the organizational priorities through the Service Plan
	2. Evaluate the Society's progress on the implementation of its 2013 - 2014 strategic priorities	➤ Reviewed progress on service plan initiatives by Spring 2014
	3. Advance the board's strategic priority to support justice innovation	<ul style="list-style-type: none"> ➤ Service Plan 2014 -2015 features justice innovation as a strategic goal ➤ Board has reviewed and discussed CEO proposal for alternate organizational structures to support justice innovation
	4. Advance the board's strategic priority of addressing large case costs	➤ LSS engages with the JAG Ministry to address large case issues
<i>Risk Management</i>	5. Effectively address variations in budget for 2013 - 2014	➤ Completed quarterly reviews of LSS's budget and addressed variances as required

Function	Objective	Performance Indicators
	6. Effectively address unplanned risks and opportunities that arise during the year	➤ Average rating is “agree” to “strongly agree” on the related sections of the Board performance evaluation
<i>External Relations</i>	7. Ensure that the LSS Board liaison policies activities advance the board’s strategic priorities providing leadership where appropriate and stressing the value of LSS services	➤ Conducted meetings with each major stakeholder
	8. Continue to build public support for legal aid to enhance the prospect of LSS receiving increased funding	➤ Board members will continue to be engaged in stakeholder relations with at least 6 contacts completed
<i>Advising</i>	9. Serve as an effective sounding board to the Chief Executive Officer of LSS by providing advice and comment on strategic and operational issues as requested	➤ Average rating is “agree” to ‘strongly agree” on the related sections of the board performance evaluation
<i>Board Performance</i>	10. Maintain familiarity with LSS operations and key business issues	➤ Board briefing completed on three significant aspects of LSS business/operations during the year
	11. Complete a comprehensive board evaluation process which includes evaluation at 3 levels: ➤ Board performance evaluation ➤ Individual Director Performance evaluation (through peer review) ➤ Chair performance evaluation.	➤ Reviewed and discussed results of the Board performance evaluation at the May meeting ➤ LSS Chair privately reviewed individual Director results with each Director ➤ Vice-Chair privately reviewed Chair evaluation results with the LSS Chair
	12. Maintain the Board commitment to providing opportunities for training and mentorship of board members	➤ Identified and completed a minimum of one training opportunity for one or more Directors

Function	Objective	Performance Indicators
<i>Employer of Chief Executive Officer</i>	13. Complete an independent and comprehensive written evaluation of the LSS Chief Executive Officer that articulates both his strengths and a plan for development and follow-up on that development plan over the course of the year	<ul style="list-style-type: none"> ➤ Completed CEO performance evaluation for 2013-2014 and reviewed evaluation results at May meeting ➤ Chair conducted periodic reviews to measure progress on CEO development plan ➤ The board sets the CEO Performance Goals for 2014-2015
	14. Complete plan to address CEO succession	<ul style="list-style-type: none"> ➤ Provide progress reports on individual development
Governance	15. Board recruitment and succession. Develop and adopt a strategy to have a successful board recruitment drive and present the strategy in meetings with stakeholders and public elected officials	<ul style="list-style-type: none"> ➤ Draft strategy developed for consideration by the Board by the end of the year

Appendix 4: Sample LSS Board Performance Evaluation Survey 2013

Board Performance 2013

Welcome to the LSS Board Performance Evaluation Survey 2013. The questionnaire is designed to help you consider the performance of the LSS Board of Directors as a group. It is part of a process intended to enhance the board's overall effectiveness. The results will be summarized and presented at the board meeting on May 16, 2013, for discussion and action.

Directions: Please indicate the extent to which you agree with the following statements concerning the functioning of the board of directors as a whole. Select one response for each item. For the descriptive questions, please provide a clear, concise response with adequate explanation of your perspective.

Please Enter Your Name:

Q1. Within the past year, the board has reviewed and identified the organization's strategic direction and related priorities for attaining its long term objectives

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q2. A sufficient amount of the board's time was spent in discussion on issues of importance to the organization's long-range future

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q3. The board has a clear process for setting strategic direction that involves the board and management jointly designing the future of the organization

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q4. The board addressed at least one strategic issue at each meeting

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q5. The board discusses strategic issues in the context of the larger environment

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q6. What steps should the board take to improve its ability to sustain focus on and achieve strategic priorities for LSS?

Q7. Budget variances are reviewed and discussed each quarter; sound inquiries are made regarding these variations; and action is taken as warranted

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q8. A sufficient amount of the board's time is spent identifying risks to the organization

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q9. When unplanned issues come before our board, they are framed in a way that enables all board members to see the connection between each issue and the society's overall strategic priorities

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q10. The board is well aware of the impacts its decisions will have on clients and stakeholders, and within the justice system

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q11. How do we monitor the impacts of our decisions on clients and stakeholders and keep current regarding their concerns? Which of these work well and which may warrant further attention?

Q12. When unplanned issues come before our board, we draw upon multiple perspectives to understand the problem and to synthesize creative strategies to the same

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q13. The board annually verifies the integrity of the LSS' internal financial control and management information systems

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q14. The board effectively inquires into major performance deficiencies

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q15. The board not only assesses threats to organizational well being, but also explores LSS' awareness of opportunities and capacity to respond to them

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q16. The board regularly receives information and advice from key stakeholders

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q17. The board has sound processes in place to ensure they are kept informed of important trends in the larger environment that might affect the organization

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q18. The board's business is conducted within a framework of accountability so that funders and others can confirm that LSS revenue is used appropriately

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q19. The board communicates systematically and frequently with key stakeholders to seek input on key issues related to the society

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q20. When requested to do so, the board provides advice and counsel to senior management in its areas of responsibility

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q21. The board does not involve itself in day to day management or operations

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q22. A sufficient amount of the board's time has been spent for the purpose of maintaining familiarity with LSS operations

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q23. The board has an effective process for assessing its own performance on an annual basis that results in a learning development plan for the board and its members

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q24. The board maintains a director's succession planning policy and is satisfied with the succession planning for directors

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q25. The board has an orientation program for new board members that adequately prepares them to enter the role of director

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q26. Board members actively participate in deliberations and discussions; board members are able to speak freely without fear that they will be ostracized by other members of the board

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q27. The board displays legal, ethical and moral conduct internally and externally to LSS

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q28. How well do we draw upon multiple perspectives to dissect problems and to synthesize creative approaches? How could we improve our performance in this area?

Q29. The board formally evaluates the performance of the Executive Director on an annual basis which identifies his/her strengths and results in a practical and productive development plan

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q30. The board openly and honestly communicates its expectations and concerns to the Executive Director on a regular basis

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q31. The board has adopted and maintains an executive director succession planning policy and is satisfied with succession planning for the Executive Director

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q32. The board functions independently of management, with a consistent focus on the best, long-term interests of LSS

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q33. Board members are kept abreast of issues and trends affecting LSS, and use this information to assess and guide LSS's performance

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q34. Board members receive timely and accurate minutes; advance written agendas and meeting notices, and clear concise background material in preparation for meetings

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q35. The board's secure website is used as a primary tool to communicate on board meeting agenda's and other support materials. Is the board website user-friendly and are you happy to continue accessing materials through the website?

Q36. How often do you go the board's secure website to access other materials unless prompted by Gulnar?

- Never
- Occasionally
- Regularly
- Frequently
- Do not Know

Q37. Key decisions and actions of the board are clarified, summarized, and communicated to board members and other key stakeholders

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q38. Board members receive helpful feedback on their performance as a member of the board

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q39. The board conducts an annual, explicit examination of their governance role, responsibilities, and processes/systems

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q40. The board explores alternate perspectives and solutions prior to making a decision on critical issues

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q41. When presented, issues are framed in the context of the organization's overall strategy to enable board members to see a connection between the current challenge and LSS' future direction

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q42. Board meeting frequency and duration are adequate to complete the necessary responsibilities of the board

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q43. The chair engages a variety of board members to carry out the necessary functions and responsibilities of the board

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree
- Do Not Know

Q44. The board has established the appropriate committees to undertake the board's mandate.

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Q45. Committee reports are timely, clear, and sufficiently comprehensive to provide the board with a good knowledge of the committee's' deliberations and recommendations

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Q46. Do you have any general comments about any of the current board committees on which you do not sit?

CEO Succession: Since 2006 the LSS board has identified developing a CEO Succession Plan as a high priority. From 2006 to 2011 the only substantial development has been the adoption of an emergency succession plan. At its 2011 planning session, the board renewed its commitment to develop a CEO Succession Plan. At its 2012 planning session, the board reviewed a preliminary report on CEO succession, and in February 2013 the board worked on developing an emergency succession protocol. It is anticipated that the board will work on this issue further at the May 2013 meeting and finalize the CEO Succession Plan at the September 2013 planning session.

Q47. How satisfied are you that the board is making progress on CEO succession planning?

- Very Dissatisfied
- Somewhat Dissatisfied
- Somewhat Satisfied
- Very Satisfied

Q48. How would you improve on the current progress?

Stakeholder Relations: Part of the board mandate is to address external communications. LSS board members met with key government and key opposition members in the fall and winter of 2012/13 in an effort to influence justice policy platform development. The material prepared for these meetings incorporated the key messages for the LSS advice to the AG, “Making Justice Work”.

49. How satisfied are you with the amount of information provided by the chair, vice-chair and other board members in their reports about these meetings?

- Very Dissatisfied
- Somewhat Dissatisfied
- Somewhat Satisfied
- Very Satisfied

Q50. How satisfied are you that the board’s Stakeholder Engagement initiative is meeting the LSS needs?

- Very Dissatisfied
- Somewhat Dissatisfied
- Somewhat Satisfied
- Very Satisfied

Q51. What, if anything, would you like to change about the Stakeholder Engagement initiative?

Board Development: The board’s Executive Committee has responsibility for allocating the board development budget. This year a board member sought funding for a course on Board Governance offered by Mr. Eli Mina. On reviewing the program the executive felt that the program would benefit all board members and that it would be good value to retain Mr. Mina to present a program tailored to the board members’ interests. This program was presented in February 2013.

Q52. How satisfied are you with the board Executive Committee’s decision to develop a program directed to all board members?

- Very Dissatisfied
- Somewhat Dissatisfied
- Somewhat Satisfied
- Very Satisfied

Q53. How satisfied are you with the program provided by Mr. Mina?

- Very Dissatisfied
- Somewhat Dissatisfied
- Somewhat Satisfied
- Very Satisfied

Q54. What suggestions do you have for board development in the coming year?

Q55. Please provide general comments about the board's performance

Appendix 5: Sample LSS Board Individual and Peer Evaluation Survey 2013

Board Peer and Individual 2013

Welcome to the LSS Board Individual and Peer Evaluation Survey 2013. The objective of the peer evaluation process is to enhance individual director performance which will contribute to the overall effectiveness of the board. This process provides directors with an opportunity to examine how they are operating individually as a member of the LSS Board of Directors and to explore areas for growth and learning related to governance. The results for each individual director will be summarized and privately presented for discussion between the respective director and the board chair. All feedback results will be kept strictly confidential.

Directions: The following questionnaire consists of statements related to expectations of a director at LSS. Identify the rating that best indicates your perception of yourself and each director on the performance criteria.

Please enter your name:

Q1. The director has a solid understanding of the LSS environment including its business, operations, and technology.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q2. The director has a solid understanding of LSS long-term strategic direction including the mission, vision, and strategic objectives.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q3. The director understands the management structure and responsibilities at LSS.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q4. The director focuses his/her attention on governance and strategic direction related to issues distinguishing those from management's responsibilities.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q5. The director facilitates and encourages clarification and discussion as a board member including listening to all perspectives on key matters and assisting to identify creative solutions to the same.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q6. The director constructively participates in debate and accepts the outcomes of the board's decisions.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q7. The director demonstrates respect and effective listening skills in his/her interaction with other board members.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q8. The director expresses his/her views clearly and succinctly in board discussions and deliberations.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q9. The director attends meetings well prepared – having done the necessary prior reading and seeks clarification from directors or management as required.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q10. The director appears to maintain his/her knowledge of the justice system, governance, and legal aid issues.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q11. The director makes a measured and appropriate contribution utilizing his/her knowledge, experience and skills in board discussions and decision making.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q12. The director demonstrates an appreciation of the political environment and sensitivities in which LSS operates.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q.13 The director asks probing questions focused on policy and strategy rather than tactics and details.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q14. The director facilitates and encourages change when it would improve board performance or processes.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q.15 The director fully participates as an active and engaged member of the committees on which he/she sits.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q16. The director demonstrates his/her understanding of the legal and fiduciary responsibilities of directors and of the board as a whole.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q17. The director demonstrates familiarity with LSS board policies.

	New to Area	Room for Improvement	Satisfactory	Consistently Good	Excellent
Barbara Brink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tom Christensen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
David Crossin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sheryl Lee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deanna Ludowicz	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Suzette Narbonne	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annita McPhee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Darrell Wickstrom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Puneet Sandhar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q18. What are two or three areas of knowledge or information that the directors would benefit most from learning about LSS?

Q19. What activities or resources would enhance the directors' ability to interact and communicate more effectively with the board?

Q20. What could the chair do differently to make the board more effective?

Q21. Please provide any general comments about the individual performance of any director.

Appendix 6: Sample Board of Directors' Competency Matrix

The Executive Committee is responsible for developing and maintaining a board competency matrix listing the particular competencies desired for board membership as a whole. The matrix is used by the Executive Committee annually to assess the experience and skills of the board as a whole and to maintain a plan for the long-term renewal of the board.

LSS BOARD OF DIRECTORS' COMPETENCY MATRIX

COMPETENCY CRITERIA

Board Members	B. Brink	T. Christensen	D. Crossin	S. Lee	D. Ludowicz	A. McPhee	S. Narbonne	P. Sandhar	D. Wickstrom
(end of term)	(Aug 2015)	(Sep 2013)	(Sep 2013)	(Sep 2015)	(Dec 2014)	(June 2015)	(April 2014)	(July 2015)	(Aug 2015)
Knowledge of the social and economic circumstances associated with the special legal needs of low income individuals (e.g. work/life experience that has exposed board members to the									
Organizational Leadership expertise (e.g. Work experience as CEO/Senior Manager)									
Financial expertise (e.g. hold a financial designation preferably with CFO experience)									
Respected member of the legal profession (e.g. recognized as a leader or prominent member of the legal profession)									
Knowledge of government decision-making process (e.g. significant work experience with senior government decision-makers)									
Knowledge of justice system operations (e.g. in-depth knowledge of one or more areas of the justice system; exposure to or knowledge of conflict resolution alternative)									
Leadership experience in Aboriginal communities (e.g. significant experience in leading an Aboriginal organization or agency)									
Experience with provision of legal aid (e.g. delivery of legal aid services)									
Work/Life experience involving exposure to cultural diversity of BC (e.g. knowledge of how the Aboriginal, cultural and geographic diversity of BC affects delivery of legal aid)									

Please note Tom Christensen, David Crossin, Deanna Ludowicz and Suzette Narbonne are Law Society (in consultation with the CBA) appointments

Updated - July 31, 2013

Appendix 7: Board Disclosure of Wrongdoing Policy

Policy

LSS employees are expected to disclose, in good faith, any information concerning wrongdoing at LSS. Employees who disclose wrongdoing will be treated fairly and protected from reprisals.

Intent

To provide a process whereby LSS employees who honestly believe there is or has been wrongdoing can raise the matter to the appropriate person without fear of reprisal.

Application

This policy applies to LSS employees and contractors.

Responsibility: Director, Strategic Planning, Policy and Human Resources

Questions to: Director, Strategic Planning, Policy and Human Resources

See also: *Code of Ethics*

Background

Wrongdoing is:

- A breach of the LSS Code of Ethics;
- A violation of any law or regulation;
- A misuse of LSS funds or assets; or
- Gross mismanagement.

Good faith disclosure is:

- Based on an honest belief that the information is true; and
- Not based on malicious motives or made for personal gain.

Gross mismanagement is:

- A management action or inaction that creates a substantial risk of a significant adverse impact on LSS's ability to accomplish its mission, and
- More than simple negligence or wrongdoing, i.e., there must be an element of blatancy.

Any retaliation against an employee who discloses wrongdoing will be dealt with by means of disciplinary action.

When alleged wrongdoing is reported, the Director, Strategic Planning, Policy & Human Resources (SPP&HR) (or the Chief Executive Officer where the allegation involves the Director, SPP&HR) is required to investigate the allegation. Within 30 days of the reported allegation of wrongdoing, the Director, SPP&HR will provide a progress report to the Chief Executive Officer (or the Chair of the Board of Directors – where the allegation involves the Chief Executive Officer) and the employee.

Where further action is required, the Director, SPP&HR (or the Chief Executive Officer where required) will continue the investigation and provide a subsequent report to the Chief Executive Officer (or the Chair of the Board of Directors – where required) and the employee within 30 days.

The Board of Directors will receive an annual report outlining the number of disclosures of wrongdoing received, the disclosures under investigation, investigative outcomes and the actions that were taken.

Procedure

1. An employee should report any suspected wrongdoing to the Director, Strategic Planning, Policy and Human Resources (Director, SPP&HR). If the wrongdoing involves the Director, SPP&HR, the employee should report the wrongdoing to the Chief Executive Officer.
2. Once the suspected wrongdoing has been reported, the Director, SPP&HR (or the Chief Executive Officer where required) will meet with the employee. Where the employee is a member of the BCGEU or the PEA, the employee has the option to bring a union steward to the meeting. An excluded employee may bring their direct supervisor to the meeting. The meeting will be held in the strictest confidence by the involved parties. The employee should describe the specific action(s) and date(s) of the wrongdoing including the names of possible witnesses and/or supporting documentation.
3. The Director, SPP&HR (or the Chief Executive Officer where required) will investigate the allegation of wrongdoing. Within 30 days of the initial meeting, the Director, SPP&HR (or Chief Executive Officer where required) will provide a progress report to the Chief Executive Officer (or the Chair of the Board of Directors – where the allegation involves the Chief Executive Officer) and the employee. The progress report will include any actions which have and/or will be taken in response to the allegation. Throughout this process, the Director, SPP&HR (or the Chief Executive Officer where required), will attempt to resolve the issue.
4. If further action is required, the Director, SPP&HR (or the Chief Executive Officer where required) will continue the investigation. Within 30 days of the progress report, the Director, SPP&HR (or the Chief Executive Officer where required) will provide a subsequent report to the Chief Executive Officer (or the Chair of the Board of Directors where required) and the employee, which will provide a summary of the investigation and recommendations including corrective measures to be taken where appropriate.

5. The Director, SPP&HR will report annually to the Board of Directors on the number of disclosures of wrongdoing received, the disclosures currently under investigation, investigative outcomes, and the actions that were taken. For any allegations of wrongdoing against the Director, SPP&HR, the Chief Executive Officer shall report to the board about the specifics listed above.

Appendix 8: CEO Evaluation Questionnaire

The purpose of this questionnaire is to assist in the evaluation of the CEO.

Please rate the CEO on the attributes on a scale from 1 to 4, with 4 being the highest rating. The detailed rating key is shown below. Please complete all questions and indicate your rating by marking an “X” below the number rating you give for the questions. If you feel you don’t have enough information to rate the CEO on a particular attribute, please mark an “X” for “Unsure/Don’t Know” to the right of the ratings rather than leaving it blank. Comments are often found to be very useful by the recipient. Therefore, please include comments to expand on your numerical rating where appropriate.

Your response will be held in strictest confidence only used in the tabulation and presentation of the summary for the results of all respondents.

Thank you for participating in this important process. Please complete the questionnaire by _____.

RATING KEY:

RATING	RATING KEY	DESCRIPTIONS
Outstanding	4	Exceptional performance. Demonstrates ability well above the norm.
Superior	3	Consistently exceeds expectations.
Commendable	2	Meets expectations.
Needs Improvement	1	Does not meet expectations. Further development or greater attention to this area is required.
Unsure/Don’t Know	DK	Unsure or don’t know enough about CEO’s attribute in this area to rate his performance.

PART ONE – ROLES AND RESPONSIBILITIES

NOTE: This section is to be completed by the CEO, Board Chair and all directors.

RATING	RATING KEY	DESCRIPTIONS	Needs Improvement	Commendable	Superior	Outstanding	Unsure/Don't Know
Outstanding	4	Exceptional performance. Demonstrates ability well above the norm.					
Superior	3	Consistently exceeds expectations.					
Commendable	2	Meets expectations.					
Needs Improvement	1	Does not meet expectations. Further development or greater attention to this area is required.					
Unsure/Don't Know	DK	Unsure or don't know enough about CEO's attribute in this area to rate his performance.					

Leadership

1. Provides solid leadership and management of LSS in accordance with the strategies, plans and policies approved by the Board.

1	2	3	4	DK
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments:

2. Effectively manages LSS to ensure strategies and annual plans are effectively implemented, financial and operational results are obtained, and results are monitored and reported to the Board.

1	2	3	4	DK
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments:

3. Keeps the Board fully informed of all significant operational, financial and other matters relevant to LSS, including external items emanating from the Government and stakeholders.

1	2	3	4	DK
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments:

4. Ensures all operation and activities of LSS are conducted in accordance with laws, regulations, LSS's Code of Conduct and Conflict of Interest guidelines.

1	2	3	4	DK
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments:

Planning

5. Leads the development of the vision and mission of LSS, the strategic plan, the service plan and the annual business plans including operating and capital budgets.

1	2	3	4	DK
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments:

RATING	RATING KEY	DESCRIPTIONS						
Outstanding	4	Exceptional performance. Demonstrates ability well above the norm.	Needs Improvement	Commendable	Superior	Outstanding	Unsure/Don't Know	
Superior	3	Consistently exceeds expectations.						
Commendable	2	Meets expectations.						
Needs Improvement	1	Does not meet expectations. Further development or greater attention to this area is required.						
Unsure/Don't Know	DK	Unsure or don't know enough about CEO's attribute in this area to rate his performance.						

6. Submits to the Board quarterly reports regarding the progress in achieving objectives, setting out the rationale for variances and recommending modifications of the plans as required for the remainder of the year.

1 2 3 4 DK

Comments:

7. Keeps the Board apprised of material issues that may affect LSS's ability to achieve the operational and financial objectives set out in LSS's strategic and business plans.

1 2 3 4 DK

Comments:

Financial and Risk Management

8. Develops ongoing operational forecasts of revenue, expenditures, operational results and financial performance.

1 2 3 4 DK

Comments:

9. Appropriately seeks approval from the Board as required for budget items falling outside of the CEO's limits of spending approval or falling outside of approved plans.

1 2 3 4 DK

Comments:

10. Identifies the principal risks of LSS's business and implements appropriate systems to manage those risks.

1 2 3 4 DK

Comments:

11. Ensures the integrity of LSS's internal controls, financial and management systems.

1 2 3 4 DK

Comments:

RATING	RATING KEY	DESCRIPTIONS						
Outstanding	4	Exceptional performance. Demonstrates ability well above the norm.	Needs Improvement	Commendable	Superior	Outstanding	Unsure/Don't Know	
Superior	3	Consistently exceeds expectations.						
Commendable	2	Meets expectations.						
Needs Improvement	1	Does not meet expectations. Further development or greater attention to this area is required.						
Unsure/Don't Know	DK	Unsure or don't know enough about CEO's attribute in this area to rate his performance.						

Human Resources

12. Fosters a corporate culture that promotes ethical practices and encourages individual integrity and responsibility. 1 2 3 4 DK

Comments:
13. Has developed a plan for the development and succession of senior management. 1 2 3 4 DK

Comments:
14. Has developed a compensation plan for senior management and reviewed the plan with the board. 1 2 3 4 DK

Comments:
15. Provides the Board and Committees with exposure to LSS's key management team members and, prior to appointing individuals to senior management positions, reviews their appointment with the Board. 1 2 3 4 DK

Comments:
16. Ensures that employee responsibilities and authorities are clear. 1 2 3 4 DK

Comments:
17. Ensures that LSS employees work in a safe and environmentally healthy environment. 1 2 3 4 DK

Comments:

RATING	RATING KEY	DESCRIPTIONS						
Outstanding	4	Exceptional performance. Demonstrates ability well above the norm.	Needs Improvement	Commendable	Superior	Outstanding	Unsure/Don't Know	
Superior	3	Consistently exceeds expectations.						
Commendable	2	Meets expectations.						
Needs Improvement	1	Does not meet expectations. Further development or greater attention to this area is required.						
Unsure/Don't Know	DK	Unsure or don't know enough about CEO's attribute in this area to rate his performance.						

External Relations

18. Establishes and maintains effective relationships with Government and key stakeholders. 1 2 3 4 DK
 Comments:
19. Prepares the Annual Report and Service Plan in consultation with, and on behalf of the Board. 1 2 3 4 DK
 Comments:
20. Ensures that LSS is appropriately involved with the legal services community and fosters confidence among the various stakeholders. 1 2 3 4 DK
 Comments:

Support to the Board

21. Provides effective support and information to the Board to allow it to fulfill its governance responsibilities. 1 2 3 4 DK
 Comments:

Additional Comments

22. Additional comments on the roles and responsibilities of the CEO.
 Comments:

PART TWO – STRATEGIC OBJECTIVES

This part of the evaluation addresses how well the CEO met his agreed-upon goals and objectives.

RATING	RATING KEY	DESCRIPTIONS						
Outstanding	4	Exceptional performance. Demonstrates ability well above the norm.		Needs Improvement	Commendable	Superior	Outstanding	Unsure/Don't Know
Superior	3	Consistently exceeds expectations.						
Commendable	2	Meets expectations.						
Needs Improvement	1	Does not meet expectations. Further development or greater attention to this area is required.						
Unsure/Don't Know	DK	Unsure or don't know enough about CEO's attribute in this area to rate his performance.						

Financial/Funding

23. _____ 1 2 3 4 DK

Comments:

24. _____ 1 2 3 4 DK

Comments:

25. _____ 1 2 3 4 DK

Comments:

Organization

26. _____ 1 2 3 4 DK

Comments:

27. _____ 1 2 3 4 DK

Comments:

28. _____ 1 2 3 4 DK

Comments:

29. _____ 1 2 3 4 DK

Comments:

RATING	RATING KEY	DESCRIPTIONS						
Outstanding	4	Exceptional performance. Demonstrates ability well above the norm.		Needs Improvement	Commendable	Superior	Outstanding	Unsure/Don't Know
Superior	3	Consistently exceeds expectations.						
Commendable	2	Meets expectations.						
Needs Improvement	1	Does not meet expectations. Further development or greater attention to this area is required.						
Unsure/Don't Know	DK	Unsure or don't know enough about CEO's attribute in this area to rate his performance.						

Program Delivery

30. _____ 1 2 3 4 DK

Comments:

31. _____ 1 2 3 4 DK

Comments:

Integrated Services

32. _____ 1 2 3 4 DK

Comments:

Additional Comments

Additional Comments on the CEO's performance in relation to LSS's strategic objectives.

Comments:

Appendix 9: Sample set of CEO candidate assessment criteria

SAMPLE SET OF CEO CANDIDATE ASSESSMENT CRITERIA

FROM “BUILDING BETTER BOARDS – A BLUEPRINT FOR EFFECTIVE GOVERNANCE” by

David A. Nadler, Beverly A. Behan and Mark B. Nadler

Strategic criteria

Strategic vision: Creates and articulates a future shared vision for the company based on the financial, political, and technical aspects of the business and industry.

Intellectual capacity: Demonstrates intellectual depth, agility, and guts. Encourages initiative and innovation.

Technological competence: Understands and leads the development of technology and makes that a significant part of the vision for the next generation of the company.

Personal criteria

Inspirational leadership: Motivates others through his excitement and enthusiasm about the future direction of the company.

Ethics and values: Conveys high personal standards in how she behaves. Has a sense of social responsibility and social justice.

Respect for the company’s heritage: Personally demonstrates the values, beliefs, and philosophy of the company.

Interpersonal criteria

Constituency relationship management: Seeks out opportunities to represent the company and its leadership in order to develop positive relationships with important external and internal constituency groups.

Team builder: Shares information openly and freely with those who have a need to know. Focuses on the development of people and recognizes team accomplishments.

Operational criteria

Breadth of management experience: Demonstrates sufficient knowledge of a wide range of functional areas of the business, including finance, marketing, and customer service.

Execution and operational excellence: Translates vision and strategic intentions into concrete objectives and plans.

Focus and delegation: Focuses time and energy on the most important priorities. Grants sufficient authority to direct reports to enable them to make significant decisions within their areas of responsibility.

Appendix 10: Board of Directors Remuneration and Expense Reimbursement Policy

Board of Directors Remuneration and Expense Reimbursement Policy - Aligns with Treasury Board Directive 3/11 Remuneration Guidelines for Appointees to Crown Agency Boards

This policy addresses:

- remuneration board members receive for work done as board members;
- reimbursement for expenses incurred by board members (see attached **Appendix 1**).

The Executive Director is the final authority on interpretation of this policy.

Payment of Annual Retainers paid quarterly in advance

For each board member (other than the Chair):	\$3,000
For Board Chair:	\$6,000
For Finance Committee Chair an additional:	\$2,000, i.e., total of \$5,000
For Stakeholder Engagement Committee Chair an additional:	\$1,000, i.e., total of \$4,000

The payment of annual retainers on a quarterly basis will be automatically processed by LSS. If a board member is unable to complete his/her term during the quarter for which they have been paid a retainer, the retainer will be repaid on a pro-rata basis.

Board and Committee Meetings

The maximum remuneration payable to board members will be limited to:

- Board Chair: Annual retainer plus 60 meeting fees per year
- Board Member: Annual retainer plus 30 meeting fees per year

Directors will receive the following remuneration for board and committee meetings. These rates include preparation time for these meetings:

- (a) A meeting fee of \$300 for the chair and directors (see definition of “Meeting Fee” in **Appendix 2** to determine full or half day payment)
- (b) A half day meeting fee of \$150 for the chair and directors (see definition of “Meeting Fee” in **Appendix 2** to determine full or half day payment)

These fees will be processed by the Executive and Board Coordinator immediately following the meetings:

Other Board Member Work including Travel Time

- (a) A full day per diem fee of \$300 for board member work undertaken at the direction of the Chair (see definition of “Per Diem Fee” in **Appendix 2**) for meetings lasting more than 4 hours, including travel time of more than 32 km from their residence
- (b) A half day per diem fee of \$150 for board member work undertaken at the direction of the Chair (see definition of “Per Diem Fee” in **Appendix 2**) for meetings lasting less than 4 hours, including travel time of more than 32 km from their residence.

Board members will notify the Executive and Board Coordinator of the length and purpose of the work performed on behalf of the board.

Reimbursement of expenses

Expenses are set according to rates set by the Province. The policies and procedures relating to disbursements can be obtained from the executive director, the Executive and Board Coordinator or can be found on the website at:

<http://www.fin.gov.bc.ca/ocg/fmb/manuals/TBDirs/TBD3-11.pdf> in accordance with Treasury Board Directive 3/11

Reimbursement requests must be submitted no later than April 10 in any year in order to ensure that expenses are charged in the appropriate operational year for the society. Any expenses and/or remuneration for a prior fiscal year not submitted by April 30 will not be reimbursed.

The rates given below have been updated effective July 2013. Updates can be found at:

<http://www.fin.gov.bc.ca/ocg/fmb/manuals/TBDirs/TBD3-11.pdf> . LSS is eligible to receive **Group II** rates.

(a) Meal allowance

Breakfast	\$22.00
Lunch	\$22.00
Dinner	\$28.50
Breakfast and Lunch only:	\$30.00
Lunch and Dinner only:	\$36.50
Breakfast and Dinner only:	\$36.50
Full Day:	\$49.00

(b) Travel Expenses within British Columbia

Airfare:	should be the most current economy or advance booking fare
Bus, taxi, train or ferry:	reasonable expenses
Car rental:	reasonable expenses
Parking:	reasonable expenses
Mileage:	\$0.52 per kilometre
Long Distance:	Long distance charges are discouraged, but whenever these cannot be avoided, reasonable expenses will be paid.
Fax and photocopies:	up to \$0.15 per page

Accommodation:

In accordance with accommodation rates set out on the BC Government website at <http://csa.pss.gov.bc.ca/businesstravel/>

Directors will choose the most reasonable accommodation at BC government non-smoking rates suitable for their needs in each location. Reimbursement may also be claimed for reasonable expenses incurred that relate to conference/training attendance.

**Privately owned
Accommodation:**

Where private lodging is used in lieu of commercial accommodation, reimbursement of \$30 maximum per day may be claimed.

(c) Travel outside British Columbia

Travel expenses outside British Columbia in excess of the amounts allowed are to be approved by the Executive Director, whenever reasonable.

TREASURY BOARD DIRECTIVE 2/10 EXCERPTS, EFFECTIVE APRIL 1, 2010

KEY SECTIONS RELEVANT TO LEGAL SERVICES SOCIETY

1. DEFINITIONS

“Appointee” means an individual appointed by the Lieutenant Governor in Council or a Minister Responsible to serve on the board of a Crown Agency. The appointee may be designated chair, director, board member, or such equivalent description.

“Board” means a governing board council or advisory board, as the case may be.

“Board Committee” means any committee established on a permanent or on-going basis by the board of a Crown Agency to assist the board in carrying out the board’s work.

“Meeting Fee” means a payment made to an appointee as remuneration for attending a board or board committee meeting. If the meeting lasts longer than four hours in a twenty-four hour day, the full meeting fee is payable. If the meeting lasts four hours or less in a twenty-four hours day, one half of the meeting fee is payable.

“Per Diem Fee” means an amount equivalent to the Crown Agency’s assigned meeting fee and payable to an appointee in respect of work undertaken by an appointee on behalf of the Crown Agency’s board at the direction of the Crown Agency’s board chair and/or travel time to and from board business when the location is more than 32 kilometres from the appointee’s residence.

“Retainer” means a fixed annual amount payable to an appointee for overall board service including preparation time and travel time. Retainers are typically paid quarterly in advance.

2. REMUNERATION FRAMEWORK

Level 3 - Mid-size Service Delivery Crown Corporations

Maximum Remuneration	
Retainer – Chair	6,000
Retainer– Director	3,000
Retainer – Audit Committee Chair	2,000
Retainer Other Committee Chair	1,000
Meeting Fee – Chair	300
Meeting Fee – Director	300

3. REMUNERATION PAYMENT GUIDELINES

- 3.1 Only one meeting fee will be paid to any appointee for each twenty-four hour day in respect of work carried out for a Crown Agency. An appointee may receive additional remuneration during the same day in respect of work carried out for another Crown Agency or a Crown Agency subsidiary.
- 3.2 If a director is requested by the board Chair to conduct specific business on behalf of the board or attend a specific function or speaking engagement on behalf of the board, other than educational or social functions, the Board Chair may authorize a per diem fee to the director equivalent to the Crown Agency's applicable meeting fee.
- 3.3 Directors are not entitled to remuneration for time spent attending educational or social events although directors will be reimbursed for expenses incurred in connection with relevant professional development opportunities (e.g. conference fees and associated travel, meal expenses, etc.). All such expense reimbursement must be authorized by the Board Chair.
- 3.4 Remuneration will be paid only to the person named on the instrument appointing that person to a Crown Agency.
- 3.5 Appointees are not subject to deductions for the Canada Pension Plan or for Employment Insurance.
- 3.6 Remuneration paid to appointees is reported annually to the Canada Revenue Agency on a T4A Supplementary Slip.

4. BUSINESS TRAVEL AND EXPENSE REIMBURSEMENT GUIDELINES

4.1 An appointee will only receive remuneration in respect of travel time undertaken in the course of his or her duties as a member of a Crown Agency board if the appointee resides more than 32 kilometres from the destination location.

4.2 Appointees incurring transportation, accommodation, meal and out of pocket expenses in the course of their duties as members of a Crown agency board will be reimbursed in accordance with Group 11 rates, policies and procedures. Rates of reimbursement for travel-related expense are established by Public Service Act, Directive 4.6 found at:

http://www2.gov.bc.ca/local/myhr/documents/travel/travel_allowances_app1.pdf.