


**Monitoring Report:
Global Executive Constraint (Policy 2.0)
(Oct 2019 - Dec 2020)**

**Service Committee: January 6th, 2021
Board Meeting: January 21st, 2021**

INFORMATION TYPE:
Decision
RECOMMENDED ACTION:
That the Board review this monitoring report and consider accepting it as (B), in compliance, except for items noted; or (C) is making reasonable progress towards compliance.
PRIOR RELEVANT BOARD ACTIONS & POLICIES
The Board monitored organizational performance through scheduled monitoring reports in FY 2020.
ISSUE SUMMARY:
<p>The board has monitored organization performance through Executive Limitation monitoring reports, financial reports, service reports and other ad-hoc reports and updates. Due to the pandemic, not all reports were completed or submitted. We should also note that in November 2020 the Board adopted a staff-proposed change to the schedule for monitoring reports which changed the dates for some submissions.</p> <p>I certify that the information in this report is true and complete to the best of my ability, and I request that the Board accept this as indicating an acceptable level of compliance, or as making reasonable progress considering the unusual circumstances of 2020.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="text-align: center;"> <p>CEO's Signature</p>  </div> <div style="text-align: center;"> <p>Date</p> <p>December 8, 2020</p> </div> </div>
BACKGROUND:
Executive limitation policies limit the unilateral authority of the CEO and address what the Board values as imprudent or unethical conditions or actions. Although sections and subsections are numbered, the numbering is not intended to indicate the importance or weight of the underlying section, unless otherwise stated.
ATTACHMENTS:
Global executive constraint monitoring report.

Policy 2.0: Global Executive Constraint

Preliminary CEO Interpretations and Evidence

POLICY 2.0

The CEO shall not cause, allow, or fail to address any practice, activity, decision, or organizational circumstance that is either unlawful, imprudent, or in violation of commonly accepted business practices or professional ethics.

Degree of Compliance: Partially compliant

Interpretation

The Board has fully interpreted this policy in the policies 2.1 through 2.11.
Demonstrated achievement of those policies constitutes achievement of this policy.

Further, I interpret this policy to mean that we must ensure that the organization's actions comply with relevant laws, demonstrate forethought and care for the consequences of our actions, demonstrate good judgment, and take only reasonable risks.

Compliance with this policy will be demonstrated when staff submit all scheduled monitoring reports and the Board accepts them.

Evidence (REVISED Jan 2021)				
	Policy monitored?	Reasonable interpretation?	Board Decision	Notes
2.1 Treatment of the Traveling Public	Yes Due January 2020	Yes	B. Is in compliance except for items noted	On time
2.2 Treatment of Staff	Yes Due Nov 2019	N/A	N/A	On time
2.3 Compensation & Benefits	No Due March 2020. Not submitted.	N/A	N/A	Monitoring report was completed and is available on the website . However, it was not submitted to the Board due to capacity constraints caused by the pandemic.
2.4 Financial Planning/ Budgeting	Yes September 2020	Yes	A: Is in compliance	On time
2.5 Financial Condition & Activities	Yes Due February 1 2020	Yes	B. Is in compliance except for items noted	Delayed and submitted in April.
2.6 Cash & Investments	Yes April 2020	Yes	A: Is in compliance	Delayed and submitted in May.
2.7 Ends Focus of Grants	Yes December 2019	N/A	A: Is in compliance	This policy was deleted in November 2020.
2.8 Asset Protection	Yes March 2020	Yes	B. Is in compliance except for items noted	Delayed and submitted in June.
2.9 Emergency CEO Succession	Yes June 2020	Yes	A: Is in compliance	On time
2.10 External Relationship	No June 2020. Not submitted.	N/A	N/A	Monitoring report was not completed or submitted due to the pandemic.
2.11 Communication & Support To the Board	Yes Due April 2020	Yes	B. Is in compliance except for items noted	Delayed and submitted in October.

All presented executive limitations were accepted as either level A, B or C. However, due to the pandemic not all executive limitations were presented and/or monitored. For that reason, I report only partial compliance on this policy.

Guidance on Determining “Reasonableness” of CEO Interpretations

The International Policy Governance Association has developed the following guidance for Board members to use in deciding whether a CEO’s interpretation is “reasonable”:

An interpretation is deemed to be reasonable when it provides an operational definition which includes defensible measures and standard(s) against which policy achievement can be assessed...

Defensible measures and standards are those that:

- *Are objectively verifiable (e.g., through research, testing, and/or credible confirmation of observable phenomena.)*
- *Are relevant and conceptually aligned with the policy criteria and the board’s policy set.*
- *Represent an appropriate level of fulfillment within the scope of the policy.*

- “What makes an Interpretation Reasonable and What are the Expectations for the Operational Definition: Policy Governance Consistency Framework Report Number 2”. International Policy Governance Association. June 11, 2016. Available on the IPGA website.

Board’s conclusion on monitoring report

The Board has received and reviewed the CEO’s Monitoring Report references above. Following the Board’s review and discussion with the CEO, the Board makes the following conclusions:

Ends Report (select one)

The Board finds that the CEO:

- A. Is in compliance
- B. Is in compliance, except for item(s) noted.**
- C. Is making reasonable progress toward compliance.
- D. Is *not* in compliance or is *not* making reasonable progress toward compliance
- E. Cannot be determined.

Board notes: (If applicable)

The Board found the CEO to be (B) in compliance, except for item(s) noted at the January 21, 2021 AAATA Board Meeting.