

Introduction

The MPERS Board acknowledges its intention to establish and follow “best practices” in board governance in order to fulfill its fiduciary obligation to the membership and the fund. An essential part of sound governance is the practice of undertaking a board self-evaluation on a consistent basis.

Purpose

The purpose of the board self-evaluation is to give all board members an opportunity to evaluate and discuss the Board’s performance with candor and from multiple perspectives. The evaluation is particularly helpful when the Board is not functioning at an optimal level, but may also be useful when the Board is functioning well as a way to ensure continuous improvement in the way business is conducted. The Board believes the evaluation will lead to a closer working relationship among board members, greater efficiency in the use of the Board’s time, and increased effectiveness of the Board as a governing body.

Process

The process will be initiated annually unless the Board elects after discussion to defer the self-evaluation until the next fiscal year. The board self-evaluation will take place during the annual board workshop. At the Board’s discretion, a board designee, with staff assistance, may coordinate the board self-evaluation or a consultant may be retained to assist with this process. Copies of the evaluation form will be distributed to each board member approximately four weeks before the scheduled self-evaluation. Board members shall complete the forms and return them to the Board Chair or board designee or the governance consultant within two weeks of receipt of the forms.

Results will be tabulated and analyzed prior to the meeting and presented in a summary report to include composite scoring. The individually completed surveys will also be preserved and presented to the Board. Written comments will be attributed to individual board members to facilitate discussion. As part of the Board Chair’s ongoing communications with the Executive Director and/or executive staff, the Board Chair may include relevant and appropriate staff comments aggregated over the period since the last board evaluation. Input will also be gathered from the executive staff and shared in aggregated form during the evaluation.

The Board will discuss areas that are working well and those that need attention. The Board will then decide if changes to its governance practices and policies need to be made going forward. Staff and/or the governance consultant will work with the Governance Committee or board designee to follow up on any feedback or suggestions coming from the self-evaluation and to submit updates to the Board to implement recommended changes.

The meeting will be held in accordance with open meetings laws and in a manner that is most constructive and useful to the Board.

The evaluation form consists of two parts: A *Board Member Self-Evaluation* and an *Overall Board Evaluation*. In the *Board Member Self-Evaluation*, each board member is encouraged to be introspective about the personal responsibility of being a fiduciary; it need not be completed or submitted for tabulation. In the *Overall Board Evaluation*, each board member is asked to provide written input; this is the portion board members complete and submit for tabulation.

Evaluation Criteria

The Board has adopted the evaluation criteria and forms that are attached to this policy. These may be changed at any time by the Board.

MPERS Board Member Self-Evaluation

(This is for self-reflection purposes only.)

Evaluate the following statements in relation to your involvement as a board member of MPERS.

1.	I attend the board and committee meetings I am expected to attend, and I arrive on time and stay until meetings conclude.
2.	I contribute to the discussion in a meaningful and helpful way, listening to others and making my points concisely.
3.	I fully understand my fiduciary duties and act for the benefit of all members, not merely for or in response to pressure from a particular constituency.
4.	I make an effort to be educated on the aspects of the retirement plan that I do not understand.
5.	I am sufficiently knowledgeable on benefits and investments.
6.	I avoid conflicts of interest and ask questions of the Board Chair or Executive Director if I am unsure if a conflict exists.
7.	I read the materials distributed before the board meeting so I can constructively participate and make timely decisions.
8.	I work with the other board members as a team, striving for consensus whenever possible.
9.	I understand that certain work requests of staff and outside consultants need to be agreed to by the Board and I act accordingly.
10.	I work with the Executive Director in a way that creates an atmosphere of trust and cooperation.
11.	I understand that the Executive Director works for the entire Board and not for individual board members.
12.	I communicate governance and ethical problems to the Board Chair, Executive Director or General Counsel.

MPERS Overall Board Evaluation

(This is to be filled out and returned to the board designee or governance consultant)

Each board member is to rate the following statements in relation to the overall operation of the Board during the last year. Please place an X in the appropriate box next to each statement using the indicated scale. Please use the space under each item to provide any specific comments you may have on that issue. The board designee or governance consultant will tabulate the responses and copy any comments provided into a summary report. Individual board member comments will be attributed to facilitate discussion. The results will be shared with the full Board during the upcoming meeting.

	3 Meets or met expectations	2 Concern or fell short of expectations	1 Did not meet expectations
1. The Board knows and understands MPERS' mission and reflects this understanding when addressing key issues throughout the year.			
2. The Board engages in long-range strategic thinking and planning.			
3. The Board has achieved what it set out to accomplish during the past year.			
4. The Board stays abreast of issues and trends affecting the plan, using this information to assess and guide the organization over the long term.			
5. The Board conducts a comprehensive evaluation of the Executive Director annually.			
6. The Board ensures that new board members receive a prompt, thorough orientation.			
7. Board meetings are conducted in a manner that ensures open communication, meaningful participation, and sound resolution of issues.			
8. The board meeting agendas are well-balanced, allowing appropriate time for the most critical issues.			
9. The board and committee meetings are of reasonable length.			
10. The committees are comprised of the right number and type of members.			

	3 Meets or met expectations	2 Concern or fell short of expectations	1 Did not meet expectations
11. The committees are effective, focusing on pertinent topics and allocating reasonable time.			
12. The committees report back to the Board as they should and do not exceed their authority.			
13. The Board is well-educated on benefits and investment issues.			
14. The Board recognizes its policy-making role, and reconsiders and revises policies as necessary.			
15. The Board is consistent about being prepared for meetings and staying engaged.			
16. The Board receives timely, accurate, and useful information upon which to make decisions.			
17. The Board as a whole (and board members as individuals) evaluates its performance as prescribed in the Board Charter and in a meaningful way.			
18. The Board reviews and adopts a reasonable operating budget that is followed and monitored throughout the year.			
19. The Board periodically monitors investment performance and measures it against appropriate benchmarks.			
20. The Board periodically monitors benefit levels as well as service to members and retirees.			
21. The Board comprehends and respects the difference between its oversight role and the Chief Investment Officer's investment management role.			
22. Board goals, expectations, and concerns are promptly, candidly, and effectively communicated to the Board Chair and Executive Director.			
23. The Board anticipates issues and does not often find itself reacting to "crisis" situations.			

	3 Meets or met expectations	2 Concern or fell short of expectations	1 Did not meet expectations
24. The Board speaks in “one voice” when directing or delegating to staff and Board members respect the majority votes on issues.			
25. The Board brings discussions to a conclusion with clear direction to staff.			
26. The Board is collegial and polite during meetings.			

Identify the greatest achievement(s) of the Board during the past year.

What critical issues need to be addressed by the Board in the future?

Please provide below any additional comments or suggestions which you believe would help improve the Board’s function.

MPERS Board Evaluation

The MPERS Board conducts an annual self-evaluation in an effort of continuous improvement. In that regard, the Board would like to gather input from the executive staff. As such, each executive staff member is asked to rate the following statements in relation to the overall operation of the Board during the last year.

Please place an X in the appropriate box next to each statement using the indicated scale. Please use the space under each item to provide any specific comments you may have on that issue. The board designee, governance consultant, or designated staff person will collect and tabulate the results, which will be shared with the full Board during the upcoming meeting in aggregated form.

	3 Meets or met expectations	2 Concern or fell short of expectations	1 Did not meet expectations
1. The Board appears to understand MPERS' mission and reflects this understanding when addressing key issues throughout the year.			
2. The Board speaks in one voice and communicates clear expectations to staff.			
3. The Board values the staff's views on matters facing the System.			
4. The Board provides useful feedback on work product, reports, and advice received from the staff.			
5. Individual board members are good about not making time-intensive staff requests outside of board meetings.			

Comments on areas for improvement:

Other comments: