TAF The Atmospheric Fund

REPORT FOR ACTION

Executive Compensation and Performance Review Committee Update

Date: February 13, 2020
To: Toronto Atmospheric Board of Directors
From: Board Chair

SUMMARY

This report provides an update on the Executive Compensation and Performance Review Committee activity, namely undertaking the CEO's performance review, and recommends appointment of new Committee members.

RECOMMENDATIONS

The Chair recommends that the Board of Directors of the Toronto Atmospheric Fund appoint the following members to the Executive Compensation and Performance Review Committee:

- Parminder Sandhu (Board Chair)
- Karim Bardeesy (Citizen member), and
- Shelley Carroll (City Council member)

FINANCIAL IMPACT

None.

DECISION HISTORY

At the Board meeting on April 21, 2017, the Executive Compensation and Performance Review Committee (the Committee) was established, Terms of Reference were approved, and Committee members (Sandra Odendahl, Rob Roberti, and Mike Layton) were appointed.
(http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.TA15.5)

On September 27, 2017, the TAF Board approved the current Executive Compensation Policy (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.TA17.8). This update was recommended by the Committee to bring the policy into compliance with City Council's directions set out in EX44.8, Executive Compensation Policy for City

Agencies and Corporations, adopted at its meeting of August 2014. In 2016, City Council was updated on all Agencies' implementation of executive compensation policies and TAF indicated that its policy would be reviewed for alignment with the directions in 2017. (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX44.8http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX44.8http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX44.8)

COMMENTS

The Chair and CEO discussed an approach and schedule for the CEO performance appraisal, which was last undertaken in 2017. The Committee responsibilities include:

1. Initiate the performance appraisal and a schedule

The Chair has proposed the following schedule with the aim of having a recommendation to the Board on April 28

- February 17: Committee approves approach, proposed list of internal and external reviewers, and workplan schedule
- First week of March: CEO circulates 360 review survey to internal and external reviewers
- Third week of March: deadline for survey completion, returned to the Committee directly
- Last week of March: Committee analyzes results of Self-Assessment and 360 Review, develop performance review conclusions. Review and update, if needed, the CEO's employment contract
- First week of April: Committee meet with CEO
- April 14: Committee report to the Board

2. Establish the approach

The appraisal is focused on four categories:

- Strategic orientation;
- Relationship building (external);
- Engaging leadership (internal, eg: teamwork, culture of responsibility/accountability);
- Continuous improvement and innovation

The methodology includes:

a) Self-assessment, reflecting what has been accomplished (70). To include a rating of each area of responsibility, on a 1-5 scale (un-satisfactory, developing/requires further effort, satisfactory/meets expectations, exceeds expectations, outstanding) with a sentence or two about why.

b) 360 review, reflecting behavioural characteristics (30). Based on but not as complex as the City of Toronto process, specifically: Survey Monkey format, with 1-5 ranking on these categories, plus opportunity for comments at the end (anything missing, exceptional, needing improvement, other). The 360 review will be completed by least three individuals in each of three sectors, as identified by the CEO: Direct Reports, Board members (other than this Committee) and External Stakeholders (including Province). Responses will be anonymous, only indicating sector.

c) The Committee's assessment, reflecting the self-assessment and 360 review.

3. Undertake analysis and formulate conclusions and action steps

4. Meet with and debrief the CEO

5. Recommend confidential action to the Board regarding appraisal and compensation

6. Convey Board decision to CEO

CONTACT

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SIGNATURE

Parminder Sandhu
Board Chair