Roundtable 5 – How Do You Use CEO Evaluations to Position Your Credit Union for the Future?

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<tr>
<th>Participant Name(s):</th>
<th>James Martens and Kyle Johnson</th>
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<td>Credit Union:</td>
<td>Affinity Credit Union</td>
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<td>Des Moines IA</td>
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1. **How can a board of directors most effectively evaluate a CEO?**

2. **What criteria would you use to assess a peer?**

3. **How is your CEO deliberately positioning your credit union for the future?**

   1. Tracking and measuring the progress of the goals that have been established. Results of the state examinations make a good tool to make an evaluation of the overall performance of the credit union.

   2. Look at the type of field of membership they serve vs our field of membership. Look at NCUA peer comparatives for your asset size in your geographical area. Look at the number of employees’ vs asset size, number of branches and the locations.

   3. Making sure we are aligned with the goals we have set, and making sure we have the right management and staff in place to carry out and achieve our goals and to restructure and change positions as he sees necessary.
Roundtable 5 – How Do You Use CEO Evaluations to Position Your Credit Union for the Future?

Participant Name(s): Daniel Smith
Credit Union: Astera          City/State: Lansing, MI

1. **How can a board of directors most effectively evaluate a CEO?**

   By establishing joint agreed upon goals / targets to be achieved. We then monitor the progress and success or lack thereof to evaluate the CEO.

2. **What criteria would you use to assess a peer?**

   Establish a standard of a successful peer and measure the results of your CEO against that standard.

3. **How is your CEO deliberately positioning your credit union for the future?**

   It appears there is a focus on potential mergers. This could become an area of contention going forward.
1. **How can a board of directors most effectively evaluate a CEO?**

   The CEO needs to know at least a year in advance the exact metrics on which they will be judged, from both a subjective and objective perspective. We use a framework originally adapted from VAP 117 and modified.

   The base salary increase is subjective and the bonus is objective. These items are awarded 6 months apart.

   There are two parts to the evaluation;

   **Part 1 - Performance Planning** - 6 sections and the combined total represents 30%. Individual line items within each section are scored on a 10 point scale. The sections are:
   - **Board / Management relationship** 6%
     - Info Sharing
     - Quality / timeless of BOD packet
     - Follow-up on action items
     - CEO Cooperation
   - **Member Services** 30%
     - Service Excellence to members
   - **Strategic Planning** 15%
     - Business Plan results
     - Planning process follow-up
     - Goal reflection in Strategic Plan
     - Tactics:
       - Budget
       - Technology Plan
       - Marketing Plan
       - Human Resources
   - **Initiative and Leadership** 20%
     - Responsibility and Actions
     - Initiative to effect changes
   - **Financial. Perf., Budget Compl., & Effectiveness** 30%
     - NCUA exam and audit results
     - ATM Policy Compliance
     - Budget Compliance
Accuracy of decision making
Management Team development
Guidance for Effectiveness

Part 2 - Performance Against Business Plan – counts for 70%

<table>
<thead>
<tr>
<th>Goal</th>
<th>Projected Actuals</th>
<th>% of Goal</th>
<th>Rating</th>
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<tbody>
<tr>
<td>Increase Services / HH</td>
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<td>Single Svcs HH / T HH</td>
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<td>Loan Growth</td>
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<td>Delinquencies</td>
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<td>Net Charge offs</td>
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<td>ROA</td>
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<td>Net Worth</td>
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Bonus is sum of parts 1* 30% and 2 * 70%

2. What criteria would you use to assess a peer?

We use a third party that ranks us against our competitors in the area, which includes other CU’s, Banks, and SNL’s. They show the criteria for all the financial services in the area and highlight our position in the ratings for the services we offer. It allows us to see how we have positioned ourselves vs the competition.

3. How is your CEO deliberately positioning your credit union for the future?

We are building capital in anticipation of a rule change in Risk Based Capital. We have positioned ourselves so we have a positive RSGAP Ratio (Rate Sensitive Gap / Total Assets), in anticipation of a “rising” rate environment.

Also the CEO and each Manager must have a written plan on who their successor should be and have a defined plan to train them for the position.
Roundtable 5 – How Do You Use CEO Evaluations to Position Your Credit Union for the Future?

Participant Name(s): Costanzo Maestranzi
Credit Union: Corporate America Family CU | City/State: Elgin, IL

1. How can a board of directors most effectively evaluate a CEO?

At the end of the year, I have a formal evaluation with the CEO to review not only his financial goals but also his other duties he has with all his employees and the outside world.

I review his compensation package with the reports I receive from CUES, CUNA and NACUC which are put out every year to see if he is in the right percentile for his pay. We also use a customized compensation review from D. Hilton.

Finally, I get input from the other directors by giving them an evaluation form to comment on.

2. What criteria would you use to assess a peer?

No Peer is perfect. We primarily compare ourselves based on Assets and Membership.

3. How is your CEO deliberately positioning your credit union for the future?

We have a strategic three year plan which we monitor and review every year at a planning seminar.
Discussion Guide: Roundtable 5
“How Do You Use CEO Evaluations to Position Your Credit Union for the Future?”

The Board and CEO must form a critical partnership. A key element to making this partnership work well is how the board monitors the CEO, assesses his or her performance, and provides constructive feedback that the CEO can use to improve performance.

Consider these questions when exploring CEO Evaluations:

Roundtable 5 – How Do You Use CEO Evaluations to Position Your Credit Union for the Future?

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<tr>
<th>Participant Name(s):</th>
<th>Secretary B. Graczyk, Vice Chairman B. VanCaneghan</th>
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<tr>
<td>Credit Union:</td>
<td>Financial Resources FCU</td>
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<td>City/State:</td>
<td>Bridgewater, NJ</td>
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1. How can a board of directors most effectively evaluate a CEO?

I believe an effective measure of a CEO comes from working closely with the CEO and for the Board to make a concerted effort to be inclusive in discussions. Most well run credit unions benefit from strong Board/CEO relationships and this is not a coincidence. It is important for both parties to work together towards meeting the organizational mission and objectives. The CEO role and its influence spans across the entire organization and beyond the confines of the office and into the communities we serve and for any measurement to be reflective of the value of the CEO and the true complexities of the position a broad scope of measurement needs to be used.

Include the CEO in all substantive discussions of Board/Credit Union business and, remembering that he/she is the industry professional, listen.

2. What criteria would you use to assess a peer?

3. How is your CEO deliberately positioning your credit union for the future?

   **Answer to #2 & #3:** Strengthening and broadening the senior management team; returning the credit card business to be managed under the CU umbrella; outsourcing IT services.

   Our CEO recognizes the strengths of the organization today and is mindful that these strengths need to be fortified further as well as expanded to be able to leverage these characteristics for the future. She has employed a strong sense of creative thinking and openness to new thinking and strategy. There is a strong element of corporate character in place and a definite commitment to maintaining and strengthening this aspect of the organization. She has a perspective that balances the value of people, systems and process with a mindful eye for looking forward. She is placing an emphasis on technology, messaging and perhaps most importantly staff development and training.
Roundtable 5 – **How Do You Use CEO Evaluations to Position Your Credit Union for the Future?**

| Participant Name(s): Georgean Smith(Chair) & Sharon Kemp(Vice Chair) |
| Credit Union: Johns Hopkins Federal CU | City/State: Baltimore, Maryland |

1. **How can a board of directors most effectively evaluate a CEO?**
   It’s important to have a documented process of how the CEO evaluation is conducted. While many directors may not realize it, they are monitoring and evaluating the CEO performance at every monthly meeting. For JHFCU we have tasked the Board Chair and Executive Committee (made up of the Vice Chair, Treasurer and Secretary) to take the lead, collaborate and finalize the annual CEO performance review. Our particular review looks at many of the categories you would include to assess a peer board member.
   1. Leadership
      a. Management and Supervision of the Credit Union
      b. Fiscal Management
      c. Skills
   2. Relationship with Board of Directors
   3. Relationship with Members
   4. Policy formulation and execution
   5. Strategic Planning
   6. Initiatives and Innovation

2. **What criteria would you use to assess a peer?**
   I recently read an article that talked about the criteria CEO’s would use to evaluate a peer. I plan to present this information to our Executive Committee to see if these items are considerations we should change in our current review outline above. It’s key that CEO’s are focused on the future and future development of the CU. It is imperative the CEO remains strongly connected to the members. CEO’s should also have a substantial interest in staff and their personal development within the CU. CEO’s must be able to achieve and sustain results even in times of financial and market setbacks. Your CU CEO should also be positioning others across the VP and Sr. Management level to cover in his absence or be part of the future leadership team or even CEO of the CU.

3. **How is your CEO deliberately positioning your credit union for the future?**
   Our CEO is actively involved with the State and National organizations who are evaluating the rules, regulations and expectations of Credit Union operations for the future. Being part of those organizations specifically focused on member needs, emerging products and how new legislations and rules impact daily operations also excel at forecasting trends and determining what technical skills and knowledge will be needed. We support this activity and feel it significantly places us at an advantage to be pro-active with everything from technology to rate changes.
   In regard to positioning our CU for the future in terms of staffing, our CEO currently has an impressive VP and Senior Management Team. As we work to fully develop a strong succession plan, we will be certain to focus on potential leadership gaps, how they can be forecasted and what developmental plans can be initiated for internal candidates. Our Board is responsible to guarantee the stability of the CU to our membership. Our Board will ultimately determine the competencies required to meet present and future needs of the credit union through hard and measurable skills, soft and personal skills, and professional mastery skills. We will focus on being specific on how to measure competency in each area and begin coordinating the succession plan with the annual strategic plan development.
Roundtable 5 – **How Do You Use CEO Evaluations to Position Your Credit Union for the Future?**

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<th>Participant Name(s):</th>
<th>John Tochko</th>
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<tr>
<td>Credit Union:</td>
<td>APLFCU</td>
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<td>City/State:</td>
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1. **How can a board of directors most effectively evaluate a CEO?**

We use focused, open-ended questions on a written form to gather data from the directors on the CEO’s performance. We do not use financial metrics. We look at the overall success of the Credit Union, and how the CEO has dealt with the challenges the Credit Union faced.

2. **What criteria would you use to assess a peer?**

Besides strong financial ratios, we would look at how a Credit Union gives its members an advantage over banks. We would look at the fee structure of a peer and see how much it depends on fees to be successful. High fee income is a disservice to members—it is a bad habit that some Credit Unions have acquired from our friends in banking. We would also look at how well the peer Credit Union follows the philosophy of the Credit Union movement—are your members treated as co-owners or customers?

3. **How is your CEO deliberately positioning your credit union for the future?**

Our CEO is a forward-thinker who is always looking around the corner for the next service/product that would benefit our members. He has consistently done this in the past to great results. We were one of the first financial institutions in the country to offer “home banking”. We are currently working on a project to produce our own Chip-and-Pin (EVM) VISA cards in-house.
Roundtable 5 – How Do You Use CEO Evaluations to Position Your Credit Union for the Future?

Participant Name: Jane Pipkin
Credit Union: Knoxville TVA Employees Credit Union    Knoxville, TN

1. How can Board of Directors most effectively evaluate a CEO?
   Working together throughout the year is the best evaluation for a CEO. Boards that have free and open discussion partnered with monitoring the progress of the Credit Union have a better understanding how to effectively evaluate the CEO.

   Board and Management sets the goals each year to position the Credit Union on the track of the overall strategic plan. Are these goals in line with the plan, are they realistic, and are they communicated to everyone?

2. What criteria would you use to assess a peer?
   Criteria used to assess a peer would be based on the overall positioning of the credit union their respective market. Example: Market Competition how competitive in the market they are in. Lots of other credit unions in the market or very few.

   Growth trends are an example how the peer is serving members. culture of the Credit Union. All credit unions are focused on the philosophy of “People Helping People.” The culture of an individual credit union determines its success serving its membership. Culture determines strategy. The CEO sets the tone and communicates it to the staff and holds everyone accountable.

3. How is your CEO deliberately positioning your credit union for the future?

   The CEO and senior management develop a five year plan and at the annual Board and manage planning meeting each year it is discussed and everyone is in agreement with the plan and any necessary changes. From this overall plan an Operational Strategy is developed each year to accomplish the Credit Union’s Mission and the goals set forth for the year.
1. **How can a board of directors most effectively evaluate a CEO?**

   A CEO can be evaluated most effectively by a combination of ways. The CEO completes and submits to the board a self-evaluation containing his accomplishments during the past year. Additionally, the CEO is evaluated on successfully accomplishing board goals, effective board communication, growth in membership, achieving stated ROA/ROE goals and progress made on attaining strategic plan goals. Each board member then evaluates the CEO using these criteria and submits their findings for determining the final evaluation and any salary adjustment as needed.

2. **What criteria would you use to assess a peer?**

   Information gathered for possible peer CEO assessment would include asset size, field of membership, location, number of members and also key ratio comparisons from CEO’s current credit union and information from CUNA and the NCUA.

3. **How is your CEO deliberately positioning your credit union for the future?**

   Our CEO conducts a Strategic Planning meeting with Senior Management and the board of directors. All issues regarding the future of the credit union are discussed with everyone participating. Topics include but are limited to: growth, expanding field of membership, new branches, closing branches, etc.
Roundtable 5 – How Do You Use CEO Evaluations to Position Your Credit Union for the Future?

Participant Name(s): George Papaioannou
Credit Union: NEFCU
City/State: Westbury, NY

1. How can a board of directors most effectively evaluate a CEO?
   By having a well-designed and -articulated instrument.

2. What criteria would you use to assess a peer?
   Integrity; well-prepared; thoughtful contributions to board deliberations

3. How is your CEO deliberately positioning your credit union for the future?
   • Appropriate market positioning and strategic planning for CU
   • Good selection of area chief officers
   • Competitive compensation of employees
### Roundtable 5 – How Do You Use CEO Evaluations to Position Your Credit Union for the Future?

**Participant Name(s):** Denny Baumgartner & Jackie Ostrowski  
**Credit Union:** Partners 1st FCU  
**City/State:** Fort Wayne

1. **How can a board of directors most effectively evaluate a CEO?**

   We feel that the most effective evaluation of the CEO involves a combination of board evaluation, management evaluation, and performance to stated goals.

   Our formal CEO review process includes a board member assessment consisting of ten questions that are rated (1 to 5) with a comment section that is completed by all board members. Added to that is a management team assessment that also consists of ten questions (different from those the board answer) that are rated (1 to 5) with a comment section. These questionnaires provide the board a good evaluation of the credit union culture and roll the CEO plays in developing that culture, the dynamics between the CEO and the board as well as the CEO and the management team/staff. And, of course, it provides information on the CEO’s overall knowledge of the credit union AND the achievement of goals and objectives.

   The next step in the process is the completion of the review which has three distinct parts: Part I is the board assessment which carries a weighting of 20%; Part II is the goal performance objectives which carries a weighting of 70%; and Part III is the management assessment which carries a weighting of 10%. These three combined will generate a numeric score that is used to set a merit increase.

2. **What criteria would you use to assess a peer?**

   We are not sure we understand this question. Is this to assess a CEO peer at another credit union or another credit union that is in our peer group?

3. **How is your CEO deliberately positioning your credit union for the future?**

   The management team and CEO approached last year’s planning with the question “what is most critical to our future growth/success?” They recognized the importance of improving our net interest margin and built other goals and objectives around it – specifically loan growth, improved investment yield, diversified risk tiers, etc. Additionally, there was the definition of what constitutes a primary checking account (not simply checking account) and a targeted goal for these accounts. Rounding out the key financial metrics were Gen Y growth, opt-in percentage, and debit and credit card usage. Strategically, we also set goals to grow through mergers and acquisition, and put a strong emphasis on employee education and development, and on our culture, vision and values. The financial growth of the credit union and increasing the size of the credit union will position us to be very relevant in the world that is ever changing.
Roundtable 5 – How Do You Use CEO Evaluations to Position Your Credit Union for the Future?

| Participant Name(s): E.H. Pete Weldon |
| Credit Union: 1st Community FCU | City/State: San Angelo, TX |

1. How can a board of directors most effectively evaluate a CEO?

   Measure his/her performance and the success of the CU.

2. What criteria would you use to assess a peer?

   His/her performance on the board and is he/she a team player. Does he/she carry out assignments and stay informed.

3. How is your CEO deliberately positioning your credit union for the future?

   Hands on and being a good supervisor. Build the management team. Then plan for the future, which means growth. Without growth the CU dies.
1. **How can a board of directors most effectively evaluate a CEO?**

   We at XCEL set goals (realistic goals) for our CEO and communicate our expectations to the CEO. We have a committee to evaluate the CEO. Reports are given to the Board quarterly by the committee. We also evaluate our CEO by determining if our CEO is creating an atmosphere at the Credit Union that promotes our Mission statement and the Board’s vision.

2. **What criteria would you use to assess a peer?**

   My criteria are how much time and energy is put into the position. Does the Director just sit there or are they part of the conversations. Do they give their opinions and ideas to the Board? How involved are they with the membership. Do they promote the Credit Union?

3. **How is your CEO deliberately positioning your credit union for the future?**

   Our CEO has our Credit Union actively involved with our SEGS. Our CEO is quick to help a member or SEG. This she relays to the employees of the Credit Union. For them to also be involve. And the employees are encouraged to give their ideas that can help the Credit Union. Our CEO is actively involved with our state’s Credit Union League. She constantly updates the Board on trends and policies that may affect the Credit Union.
1. **How can a board of directors most effectively evaluate a CEO?**
   Create annual goals for the CEO to meet in order to drive performance in specific areas. Use a formal review process on an annual basis gaining feedback from all board members.

2. **What criteria would you use to assess a peer?**
   - Compliance
   - Community Presence
   - Professional Development
   - Financial Management
   - Leadership
   - Innovation/Vision
   - Marketing
   - Member Satisfaction
   - Teamwork

3. **How is your CEO deliberately positioning your credit union for the future?**
   We just held a strategic planning session with a facilitator.
Roundtable 5 – How Do You Use CEO Evaluations to Position Your Credit Union for the Future?

Participants Name(s): Gordon Stankavage
Credit Union: Rutgers Federal Credit Union  City/State: New Brunswick, NJ

1. How can a board of directors most effectively evaluate a CEO?

   By closely attending to the CEO’s performance with respect to the credit union’s values and to actions the board believes best represent effective performance. We use a standard evaluation process that includes a survey of the board and our Supervisory Committee chair and concludes with discussion between the board as a whole and the CEO.

2. What criteria would you use to assess a peer?  

   Did not understand question.

3. How is your CEO deliberately positioning your credit union for the future?

   By working in partnership with the board and her team to do so. That may sound a bit repetitive (going back to roundtable question one, about CEO compensation, but in our board’s view it really is a joint effort.

   Aside from that, though, it is critical that our CEO and her team understand (and seek opportunities to understand) the current and changing elements of the credit union’s relationship with our sole-sponsor, consider local economic factors, and, of course, attend to each of the elements of the business she has ultimate responsibility for.

   Probably the most important thing is simply ensuring that communication is adequate and effective at all levels.
Roundtable 5 – **How Do You Use CEO Evaluations to Position Your Credit Union for the Future?**

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<th>Participant Name(s):</th>
<th>William Carr</th>
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<tr>
<td>Credit Union:</td>
<td>Sun Federal</td>
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<tr>
<td>City/State:</td>
<td>Maumee, OH</td>
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1. **How can a board of directors most effectively evaluate a CEO?** By having clear goals and metrics (e.g., maintain capital of 9.5%, grow SEG penetration by 10%, etc.). Also observe his interaction both with the board and staff and members. Finally, at review time, I always ask myself if I would hire the CEO again based on what I know of his past performance.

2. **What criteria would you use to assess a peer?** As a board member and chairman, I rank leadership ability, passion for the CU cause, intelligence, and relevant life experience, in that order, as requirements.

3. **How is your CEO deliberately positioning your credit union for the future?** By building an excellent staff with depth, by keeping up with technological developments, and by investing in education for staff, volunteers, and members (financial literacy). Also, importantly, by setting up the organization to be capable of reacting swiftly and appropriately to the vast changes coming our way in the near future.

“What changes do you see coming in the future that will impact credit unions?” would be a good topic for next year’s discussion.
1. How can a board of directors most effectively evaluate a CEO?  
   By maintaining an open line of communication with the CEO.  
   Monitor the results of objectives established during planning sessions.

2. What criteria would you use to assess a peer?  
   If we’re evaluating our CEO by comparing our performance results with a peer group credit union’s results we would use the following criteria:  
   Member Growth; Net Interest Margin; Loan Growth; Delinquencies; Efficiency Ratio:

3. How is your CEO deliberately positioning your credit union for the future?  
   Hiring the right personnel that will fit our corporate culture.  
   Ongoing education of staff and volunteers  
   CEO self development  
   Consistently refining our strategic vision  
   Managing Risk
The Board and CEO must form a critical partnership. A key element to making this partnership work well is how the board monitors the CEO, assesses his or her performance, and provides constructive feedback that the CEO can use to improve performance.

1. **How can a board of directors most effectively evaluate a CEO?**
   
   Our Credit Union has used a third-party compensation consultant for over ten years now to assist us in providing an effective evaluation for our CEO. The process works well, allows for a smooth transition when we rotate Chairs (every three years), and provides an expert resource to the Executive Committee (Executive Committee oversees CEO compensation/performance). The Board also ensures agreed upon goals are in place, strong objective measures are reported to the Board on a regular basis, and both parties commit to “no surprises” through effective and timely communications. The CEO’s evaluation is personally delivered by the Board Chair each year.

2. **What criteria would you use to assess a peer?**
   
   Given the definition of peer is “CEO,” we use the following criteria. There are two parts to the President/CEO’s incentive plan: the incentive plan objectives, which make up 85% of the total award, and the subjective review of overall individual performance, which is 15% of the award. The objective plan goals are agreed upon by the Board of Directors for each performance year. The subjective review is based on an assessment of the President/CEO’s overall performance. There are three major categories to help determine the subjective portion of the incentive award: 1) Performance Review—key aspects of the CEO’s job performance, 2) Overall Performance—overall evaluation of the CEO’s job performance and 3) Summary Comments (see below):

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<th>Performance Category</th>
<th>Description</th>
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<td><strong>1. Leadership and Shared Values:</strong></td>
<td>Please rate the President/CEO’s leadership by considering performance in the following areas:</td>
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<td>▪ Strategic thinking and positioning,</td>
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<td>▪ Setting and executing on strategies, and</td>
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<td>▪ Building a consensus for change.</td>
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<td>▪ Inspiring Shared Values within the organization and leading by example.</td>
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| **2. Financial Management:** | Please rate the President/CEO by considering performance in the following areas: |
| | ▪ Budgeting and financial management |
Encouraging strong financial management throughout the Credit Union
Achieving or exceeding the financial plan

3. **Planning and Organizational Management:** Please rate the President/CEO’s overall management by considering:
   - Operational management.
   - Establishing an effective organization and a strong management team.
   - Establishing a climate for continuous improvement of products, processes and people.
   - Establishing effective controls and systems to safeguard assets.

4. **Relationships and Industry/Community Involvement:** Please rate the President/CEO based on relationships established with:
   - Members,
   - Employees (building an organization with strong, capable people; maintaining an excellent work environment), and
   - External organizations, professional organizations, the community, regulators and governmental bodies.

5. **Board/CEO Relationship:** Please rate this category considering how the President/CEO:
   - Maintains a positive relationship with the Board and Committees,
   - Regularly updates the Board and Committees,
   - Consults with the Board in a timely manner, and
   - Provides overall support for organizing Board/Committee meetings, agendas, minutes, and tracking/completing action items.

3. **How is your CEO deliberately positioning your credit union for the future?**
   Our strategic planning sessions (a spring and fall session is held) set the course for what we believe the future will hold and is based on an environmental and economic landscape scan, an internal environment review, and trends in products and services. We believe that the branch of the future will look different, so we will be designing a new footprint for future branches. We also believe that there will be significant changes in how commerce is conducted between a retail merchant and the customer, so we are following the payments industry very closely. Members are migrating to different channels for service, so we are building infrastructure to allow us to meet these needs. We are looking for new sources of revenue to offset losses from declining check volume/fees, interchange, and traditional sources of revenue. Recognizing that we can’t always “see” evolving or even rapid change, building a resilient organization with strong leaders that work well together and can react quickly and effectively is critical; we have invested in our culture and such an environment. We have been “tested” with this belief on a couple of occasions with excellent outcomes. Our employee base is also changing, both in the skills sets needed and in the design of their work duties; we are migrating in a number of ways to transition to this platform.
1. **How can a board of directors most effectively evaluate a CEO?**

In order to effectively evaluate a CEO, the board should ensure that the Mission, Vision, Values and the Strategic Direction are clear and meaningful.

The second piece is on-going dialogue. More formal evaluations are important, but are not sufficient. The sooner any problem is addressed, the more effective the performance will be.

2. **What criteria would you use to assess a peer?** The following criteria could be used to assess a board peer: Participation and attendance at board and committee meetings and planning retreats; Efforts taken toward continuing education; Constructive engagement in board/committee meetings; Preparedness for board meetings.

3. **How is your CEO deliberately positioning your credit union for the future?**

The current CEO has placed a great emphasis on growth, especially in members. Membership numbers have been stagnant for many years. As our marketplace has grown, we have remained the same size. This needs to change in order to be successful in the future.

He is placing more emphasis on staff development and member service. To underline the importance of member service he is spending time in the branches meeting members. The credit union is building a sales culture, based on focus on the member. Training has been increased and incentive payments have also been increased.

The credit union is also increasing its connections to the communities we serve. The executives are making a commitment to serve on boards or assist with community events. This commitment will filter down to the staff in upcoming years.

Another area of emphasis is honing the brand, products, and services of the credit union. The idea is by becoming clearer about who the credit union serves. We need to create a strong brand promise and image in our community. The Seattle marketplace is very crowded. If we are just another financial institution, we run the risk of getting lost in the crowd. Though the credit union will continue to serve all, we believe if we focus on several key segments of the population, we will have products, services and delivery options that will stand out from the crowd.