

## **Issue Brief:** Monitoring Report 2.9 Emergency CEO Succession

**Meeting:** Board

Meeting Date: June 20, 2019

**Information Type:** Monitoring, Decision Preparation, Other

**Recommended Action(s):** That the Board accept the monitoring report as “A – Full Compliance”.

**Issue Summary:** The CEO feels the report is complete and will ask the Board to accept.

**Background:** Monitoring Reports are a key Policy Governance tool to assess organizational/CEO performance in achieving Ends (1.0) within Executive Limitations (2.0). A Policy-Governance-consistent Monitoring Process is:

1. CEO sends Monitoring Report and survey link to all board members
2. All board members complete survey on acceptability of Monitoring Report, looking particularly for two things in the Monitoring Report:
  - a. A reasonable interpretation of the policy
  - b. Evidence of compliance with the reasonable interpretation
3. Committee reviews survey results and develops recommendation to accept/not accept Monitoring Report
4. At Board meeting, board accepts Monitoring Report through majority vote (or if not acceptable, determines next steps)

**Impacts of Recommended Action(s):**

- **Budgetary/Fiscal, Social, Environmental: NA**
- **Governance: Monitoring policy is part of the Board’s responsibility.**

**Attachments:** Monitoring Report 2.9 Emergency CEO Succession

## Monitoring Report

# 2.9 Emergency CEO Succession

Period: July 1, 2017 – May 1, 2019

Date of Report: May 20, 2019  
Board Survey due: May 20-30, 2019  
Board Review: June 20, 2019

AAATA board;

In accordance with the Board's Policy Manual; I present the June Monitoring report on **Executive Limitation Policy 2.9: Emergency CEO Succession**. This report consists of internal report information from staff.

I certify that the information is true and complete.

Matt Carpenter,  
CEO  
Ann Arbor Area Transportation Authority

## **Executive Limitations Policy 2.9**

*In order to protect the Board from sudden loss of CEO services, the CEO may have no fewer than one, and preferably two, other executives who are sufficiently familiar with Board and CEO issues and processes to be able to temporarily assume the duties of CEO.*

**Compliance:** In compliance

### **Current Interpretation and Rationale:**

Compliance will be demonstrated when there are one or two staff members that can function as CEO for the AAATA if the CEO position is suddenly vacant.

These individuals must be able to maintain all key AAATA functions without my guidance including:

- leadership of organization's operations and administration
- working knowledge of board policies, processes, and staff obligations

### **Evidence and data:**

In response to this policy, and as a way to effectively manage the organization, I have developed three Deputy CEO positions

- Deputy CEO of Operations
- Deputy CEO of Finance and Administration
- Deputy CEO of Planning and Innovation

During this monitoring period, these three positions have been filled except a one-time three-month period where one seat was vacant. Each of the deputies has sufficient professional qualifications to lead the organization. As AAATA's Executive Team, the CEO and deputies meet regularly to discuss the organization's business and ensure that we are collectively well-informed and well prepared. They are familiar with all department managers and their responsibilities. They all attend board meetings, two of them have received training in Policy Governance and the third is scheduled for training in June 2019

(To be filled in based on Board action after submission)

**Executive Limitations Policy 2.9**

**Date Submitted:** May 20, 2019

**Date of Board Response:** May 30, 2019

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:

**(select one)**

The Board finds that the CEO:

- A. **Full Compliance:** All interpretations are reasonable; all evidence is sufficient.
- B. **Partial Compliance:** Some interpretations or evidence need work. Compliance date noted. (see notes).
  - a. (Board should specific which interpretations or evidence are not reasonable.)
- C. **Not Compliant:** Some interpretation or evidence are not accepted. Compliance date noted. (see notes).

Board notes:

Full Compliance