

HARBOR BRANCH OCEANOGRAPHIC INSTITUTE

FOUNDATION

MINUTES
Governance Committee Meeting
January 14, 2015
At the Harbor Branch Oceanographic Institute Foundation

Present: Bill Stewart, Chair; Joe Duke*, Michael Minton*, Mike O'Reilly*

Also Present: Katha Kissman, President & CEO; Colleen Brennan, Director of Operations

*participated telephonically

Call to Order

The Meeting was called to order by Chair Stewart at 3:30 pm.

Approval of Minutes

The minutes from the June 5, 2014 meeting were approved unanimously.

Discussion of Board Leadership Succession Planning

BACKGROUND:

The respective chairs of the Governance (Bill Stewart) and Nominating (Bob Stilley) Committees had been informed that Joe Duke is ready to step down from his seat as Chair and as a Board member of the Foundation. He is thinking of doing this at the end of 2015 although his current term expires December 31, 2016.

In his discussion with Kissman, Duke related that he believed he has achieved his goal of "shepherding the foundation from a poorly functioning organization that was dependent on a strong Chairman for every aspect of operations to the smoothly running energetic Foundation it is today." He related that he is very proud and happy to have played a role in making that happen. He felt that the mission and goals of the Foundation were too good to let fail and he was regretful that a lot of good board members left during the rockiest part of the transition. But now he doesn't see that happening and he believes the framework for the next phase of growth has been established. He wonders if there may be others better suited to the role of Chair to help the Foundation move to its next level.

Kissman asked him to sincerely think about serving out the remainder of his term as a Board member and, if it is the Board's pleasure, as Chair during that time. Parenthetically, Kissman reconfirmed with Duke that it would be most helpful if he could assist in recruiting another member of the Johnson family for nomination to serve on the Board for legacy.

The Foundation currently does not have a formal Board Leadership Success Plan protocol in place. Typically in many organizations, the Vice Chair is slated to become the Chair. With concurrence from Stilley and Stewart, Kissman reached out to Vice Chair Michael Minton to determine his intentions for a continued role on the Foundation Board as well as his interest in serving as Chair which would be a logical succession.

As Committee members were aware, Minton had announced publically in meetings over the past year and a half that he would like to step down as Chair of the Audit Committee in the coming year. This is happening and Duke has asked new board member Marjorie Raines to serve in this capacity due to her skillset and experience. Raines has agreed and this will be announced at the January 22 Board Meeting.

After discussion with Minton, Kissman reported to Committee members that he would be willing to have his board term renewed for an additional three years (January 2, 2016-December 31, 2019) and would be in a position to serve as Chair for 2015 and possibly 2016 and 2017 if needed with the understanding that the Board will continue to look at the issues of term limits, strategic new board member recruitment and a more formalized leadership succession plan. (Reminder: officer terms are for one year.)

At the meeting, Duke reported that he will give his end date serious thought and come to a conclusion in the near future. Kissman reminded the Committee that as the November Board Meeting is now the Annual Meeting of the Foundation, we would need to work backward to develop the plan for succession. The Nominating Committee will also need to be invoked to call for nominations for officers and to finalize a recommended slate of 2016 officers for the Board's approval at the November 12, 2015 Board Meeting.

[From the current Bylaws:

Nominating Committee. The Chair of the Nominating Committee shall be appointed by the Chairperson of the Board of Directors. The Nominating Committee shall consist of not less than three nor more than seven persons who shall be selected by the Chairperson in consultation with the Chair of the Nominating Committee and elected by the Directors at the Annual Meeting. Members of the Nominating Committee shall hold office for a period of one year and until their successors are appointed. The Nominating Committee shall annually recommend candidates from among the elected Directors for the offices of Chairman of the Board of Directors, Vice Chairman of the Board of Directors, Secretary of the Board of Directors, and Treasurer of the Board of Directors. The Nominating Committee shall also, using a strategic process as defined by the Governance Committee, vet and annually recommend candidates for the Board membership.]

The Committee also discussed the need to identify possible new board candidates for the Nominating Committee to vet prior for a next cohort to serve a term of January 1, 2016 through December 31, 2019. Ideally one to three board candidates should be forwarded to the Board for their consideration and approval at the November 12, 2015 Board Meeting.

The Committee agreed to working toward this in a two-step process with the Nominating Committee. First, a communication to the full board will be developed by Stewart and Kissman to help identify the key experience, skillsets, and qualities needed in this cohort to fill out gaps with the current composition of the Board and, in certain areas, create some "bench depth" for continuity. The second step will be to review the previously compiled list of potential board members as well as ask the current Board for any further suggestions for board candidate consideration based on the identified needs. The Governance Committee will then review those names and forward to the Nominating Committee its suggestions for Board candidates to be vetted.

It was also discussed that there may be some value to having another joint Governance Committee-Nominating Committee to move this process along.

The Committee also once again discussed the idea of establishing term limits for this Board. It was acknowledged that term limits prevent the potential fatigue and burnout of existing members as well as allow the organization an opportunity to bring on new energy, expertise, and perspective. Kissman agreed to come up with a plan on how the Foundation can institute term limits for the Committee's review.

Discussion of CEO Performance Evaluation

BACKGROUND:

A Board of Directors is responsible for providing a performance evaluation for its CEO. The CEO is responsible for conducting performance evaluations for all other staff.

Best practices suggest that performance evaluations be conducted annually. For the CEO, a process should be devised with a mechanism for full board input (such as an online survey via something like Survey Monkey, <https://www.surveymonkey.com>, an online application to develop free customizable surveys, as well as a suite of paid back-end programs that include data analysis, sample selection, bias elimination, and data representation tools.)

Typically a CEO receives the best feedback when all Board Members are asked to complete the review instrument. Then the results are compiled so that the information provided is non-attributable to a specific Board Member. The compilation also provides an understanding as to whether the entire Board shares the same perception of strengths and weaknesses.

In addition to praising and/or providing constructive feedback to an employee, the results of a performance evaluation should also be used to set possible performance goals for the coming year. A performance evaluation can also be used to determine any merit based compensation (if any) should be provided; noted here because it may have budget impact. The Finance Committee will be reviewing the proposed budget at its April 17 board meeting and recommending for adoption of the FY16 budget at the April 23 board meeting.

Using the President & CEO position description, Kissman created a template for the Committee's consideration. This was based on the template she created for Colleen Brennan's evaluation last year. The Committee agreed that this template, with space for comments, is appropriate for use.

Stewart suggested that the Governance Committee steward the process. Once the results are compiled, he suggested that Chair Duke provide the written compilation of feedback from the entire Board along with a verbal presentation of the evaluation to Kissman. The written form will be signed after that discussion, signed, and placed in Kissman's personnel file at the office. Prior to the launch of the evaluation process, Stewart asked Kissman to provide a written recommendation for performance goals from her perspective for FY16.

Stewart and Kissman were tasked with creating the process and rolling it out to the Board when appropriate.

Adjournment

There being no further business, the meeting was adjourned at 4:15 pm.

