

LOYALIST COLLEGE

Board of Governors Policy

2. COLLEGE PRESIDENT PERFORMANCE MANAGEMENT REVIEW

Date Last Approved: February 19, 2026

Next Review Date: 2031

Background

In this policy, capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Definitions Schedule.

The role of the President is critical to the success of the College. The President is the chief executive officer of the College. Success in the role requires a demonstrated ability to establish and carry out long term plans and to achieve complementary annual performance goals. Creating a vision and enabling the College's strategic plan, annual business planning, goal setting, and leadership/administration of the College is the focus of the President's annual performance review.

The President, as chief executive officer, is the only employee of the Board, as such providing feedback on performance and input into goal setting is a primary function of the Board. Feedback is encouraged by all Governors. The rating, discussion and resolution of performance is a matter reserved for External Governors only as per the conflict of interest by-laws of the Board.

This policy establishes a transparent, objective, and structured process for performance management of the President and Short-Term Incentive payout, ensuring alignment between individual and organizational success.

Policy / Procedure

Definitions

For the purposes of this policy:

- A. **“Annual Review”** means the annual review of the President's job performance based on mutually agreed-on objectives and measurements.
- B. **“Payout Range”** refers to the percentage of base salary awarded as Short-Term Incentive, based on the President's performance. The payout levels within the Payout Range are defined as follows: (a) minimum performance results in zero percent (0%) of base salary; (b) target performance results in five percent (5%) of base salary; and (c) maximum performance results in nine percent (9%) of base salary.
- C. **“Corporate Metrics”** refer to organizational performance measures established annually for the President, which shall include, but are not limited to, the following:

- Financial Performance: The accuracy with which the President achieves budgetary targets, including the attainment of a balanced budget or surplus, as set forth in the College’s financial plan.
 - Domestic Enrolment Growth and Retention: The effectiveness of strategies implemented by the President to increase and retain domestic student enrolment, as measured against annual targets approved by the Board.
- D. **“Individual Metrics”** refer to personal performance measures established annually for the President, which shall include, but are not limited to, the following:
- Achievement of Strategic Plan Goals: The extent to which the President successfully attains the year-over-year objectives set forth in the College’s strategic plan.
 - Crisis Management: The effectiveness with which the President initiates, revises, and implements crisis management initiatives, including but not limited to financial sustainability planning, threat assessment, and succession planning.
 - Community Engagements: The degree to which the President organizes and participates in community engagement activities, as measured against established targets for stakeholder involvement and impact.
- E. **“Performance Range”** refers to the levels of achievement for each Corporate and Individual Metric.
- F. **“Short-Term Incentive”** means an annual performance-based cash incentive, determined by achievement of Corporate Metrics and Individual Metrics.

Annual Review

The purpose of the Annual Review is to evaluate the President’s success in achieving the Corporate and Individual Metrics, as established by the Board and consistent with achievement of the College’s strategic plan. This Annual Review process will also identify any areas for further development and describe a plan to guide and support such development.

Short-Term Incentive Payout Structure

1. The Short-Term Incentive payout is calculated as a percentage of the President’s base salary, based on Performance Range against both Corporate Metrics and Individual Metrics.
2. Corporate Metrics are weighted at seventy percent (70%) of the total Short-Term Incentive payout, while Individual Metrics are weighted at thirty percent (30%) of the total Short-Term Incentive payout.
3. The Payout Range shall not exceed nine percent (9%) of the President’s base salary.
4. Corporate Metrics are evaluated on a three-point scale: Minimum, Target, and Maximum. Each level corresponds to a specific percentage of achievement, and these thresholds will vary depending on how difficult the metric is to achieve and the impact of not meeting the metric. For example, one metric might

define Minimum as 80% achievement, Target as 90%, and Maximum as 100%, while another metric could use different percentages based on its complexity and importance.

5. Individual Metrics are evaluated using a five-point scale. The scale is defined as follows:

- a. 1 - Unsatisfactory
- b. 2 - Met Most Expectations
- c. 3 - Met Expectations
- d. 4 - Exceeded Expectations
- e. 5 - Superior Performance

Ratings of 4 (“Exceeded Expectations”) and 5 (“Superior Performance”) should be realistically attainable for the President.

Performance Review Process

Setting Corporate and Individual Metrics

6. At the April in-camera session of the Board meeting (first meeting of the new or current fiscal year) or nearest date if no April Board meeting, the Executive and Governance Committee shall present a proposed set of Corporate and Individual Metrics to the Board for the fiscal year. These metrics will be derived from the College’s strategic plan. All Governors shall participate in this discussion.
7. External Governors may make revisions or approve the Corporate and Individual Metrics as presented. If revisions are required, steps 1 and 2 are repeated until an approved set of Corporate and Individual Metrics are established.
8. Using a mutually agreed reporting template, the President will provide updates at each Board meeting on progress toward the approved Corporate and Individual Metrics. The Board may request clarifications or additional information at any time.

Mid-Year Review

9. In November (or the nearest date if no November meeting), the Executive and Governance Committee, on behalf of the Board, will hold a mid-year discussion with the President to: (a) review the President’s progress against the approved Corporate and Individual Metrics; (b) identify barriers or risks impacting achievement; and (c) recommend adjustments to the President’s performance, if necessary. Any suggested changes to performance will be documented and incorporated into the evaluation framework for the Annual Review.

End of Year Review

10. The Annual Review process shall be carried out in accordance with the following guiding principles:

- a. fairness and objectivity;
 - b. clear, mutually agreed-on methodology for assigning the level of performance to the Corporate and Individual Metrics; and
 - c. performance level of the annual Corporate and Individual Metrics linked to effective development and execution of the College's strategic plan.
11. At the March Board meeting (the last month of the fiscal year) or nearest date if no March Board meeting, the President will formally present the final update, including a written report on the approved forms, on the status and progress of each Corporate and Individual Metric.
12. Following the Board meeting, Governors will have an opportunity to provide comments and opinions (either in an online survey or a manual paper survey) about the status and progress of each Corporate and Individual Metric on the approved form and return the same to the Executive and Governance Committee.
 - a. External Governors may provide comments for each Corporate and Individual Metric and will complete an overall rating of the President's performance against the Corporate and Individual Metrics.
 - b. Internal Governors may provide comments concerning each Corporate and Individual Metric but will not provide a rating.
13. The Executive and Governance Committee will compile the results and will discuss the same with the President. Once the President has had an opportunity to review the past year's Annual Review results, they may provide comments.
14. Results of the President's Annual Review for the past fiscal year will be shared with External Governors in writing by the Past Chair (or Chair if Past Chair is not available) at the in-camera session of the Board meeting in April. The Governors' responses and ratings shall remain confidential but shall not be anonymous vis-à-vis the participants in the in-camera session. The Past Chair (or Chair if Past Chair is not available) will present a motion for approval with respect to the overall performance of the President in the past fiscal year. The President has an opportunity to respond verbally and in written form to the comments and overall rating to the Board. Internal Governors will be excused for the presentation, discussion and vote on performance.
15. A copy signed by both the Chair and the President will be retained in the President's personnel file.

Payout Recommendation

16. In every fiscal year, the Executive and Governance Committee will:
 - a. convene a meeting to review and discuss the President's performance against the agreed Corporate Metrics and Individual Metrics;

- b. discuss and recommend a Short-Term Incentive payout within the approved Payout Range in accordance with the provisions of this policy; and
 - c. present its recommendation to the Board at an in-camera session and solicit a vote from the External Governors only.
17. The Executive and Governance Committee shall endeavour to hold the payout recommendation meeting in May. The Board shall endeavour to hold the payout recommendation meeting in June.

Monitoring

The Board will evaluate the performance of the President. This document will be amended as necessary to facilitate an efficient and effective performance review.