



# Sample Company

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**BOARD GOVERNANCE REPORT**

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## Methodology

The assessment employs a six-point interval scale to evaluate your Board's performance measured against 67 best-practice statements tied to 8 Board Effectiveness categories. Each statement requires a response ranging from "Strongly Disagree" to "Strongly Agree". Participants may also choose a "Don't Know" or "Not Applicable" response. Responses from all participants are aggregated resulting in performance mean scores.

The Results & Key Findings report is designed to reflect:

1. **Priorities:** The areas the Board Members view to have the most impact on their current effectiveness.
2. **Performance:** The Board Member's perception of the Board's overall performance in each of the 8 categories.
3. **Comparison:** The degree to which Inside and Outside Directors agree or disagree on priorities and performance.
4. **Consensus:** The level of agreement or disagreement that exists among the Board Members regarding performance in key areas.

## How to Use this Report

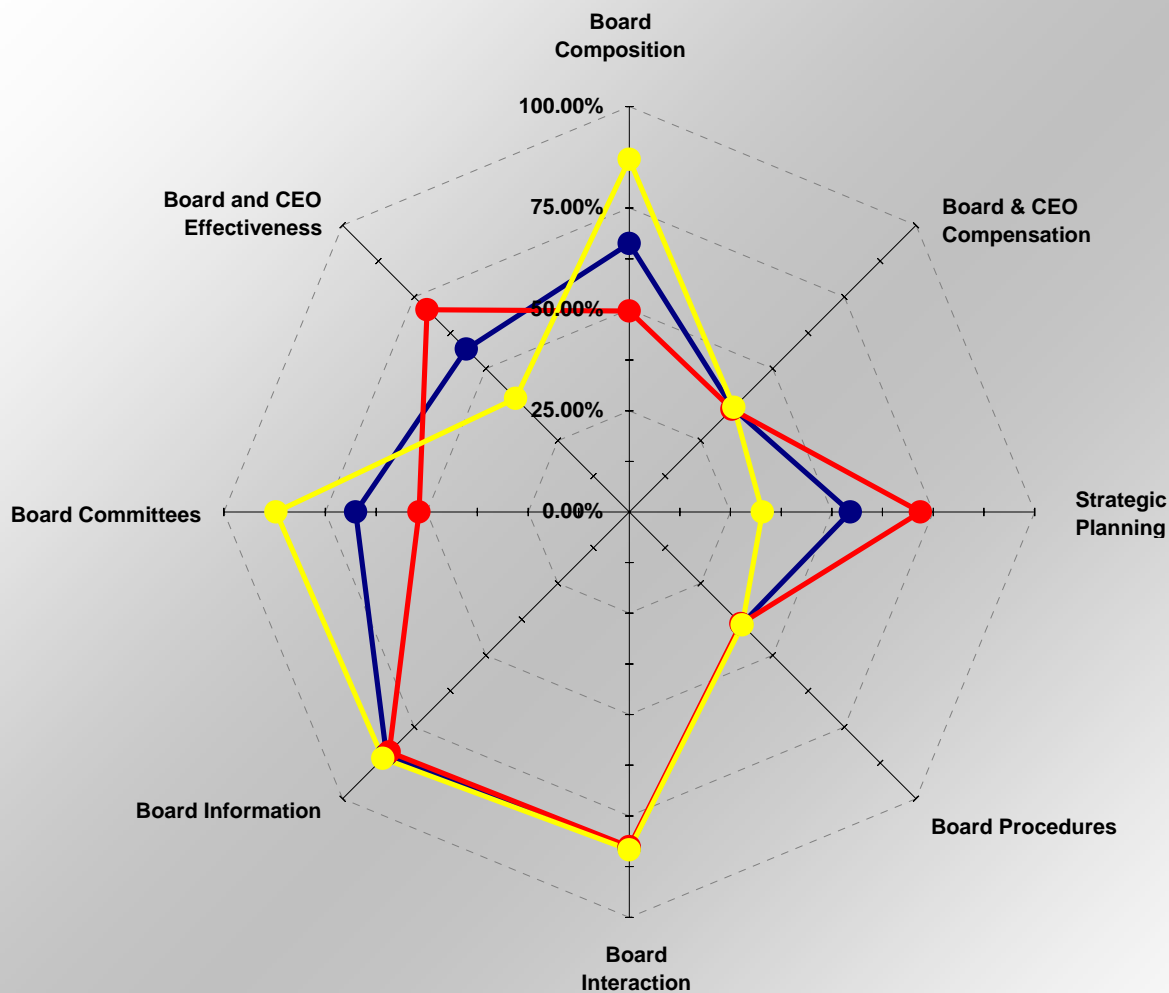
1. Review the Executive Summary/Board Member Comparison and Degree of Impact pages to understand:
  - How all Board Members collectively rate their overall performance.
  - How the inside and outside Board Members rate their overall performance.
  - How all Board Members collectively prioritized the each of the board effectiveness categories.
  - How the inside and outside Board Members prioritized each of the board effectiveness categories.
2. Use the Detail Results to see how participants individually rated performance of the high-impact areas. Is there consensus or polarity?
3. Use this information to prioritize key performance improvement goals and to develop and execute a Board Effectiveness plan.
4. Take the assessment again in approximately 6 to 12 months to compare results in targeted improvement areas.

Notice: This report reflects the views and opinions of the individuals that have completed the QuadBoard® assessment. The information contained within this report does not imply, direct, or recommend specific actions to be taken on the part of the assessment respondents or the company or firm they represent. It is recommended that you utilize the skills of a certified consultant to facilitate the process.

# EXECUTIVE SUMMARY

## Board Member Comparison

This page compares performance ratings for each of the 8 Board categories. Performance ratings are first displayed in aggregate and then separately for the Inside and Outside Board Member groups. Means scores are listed under "Perf."



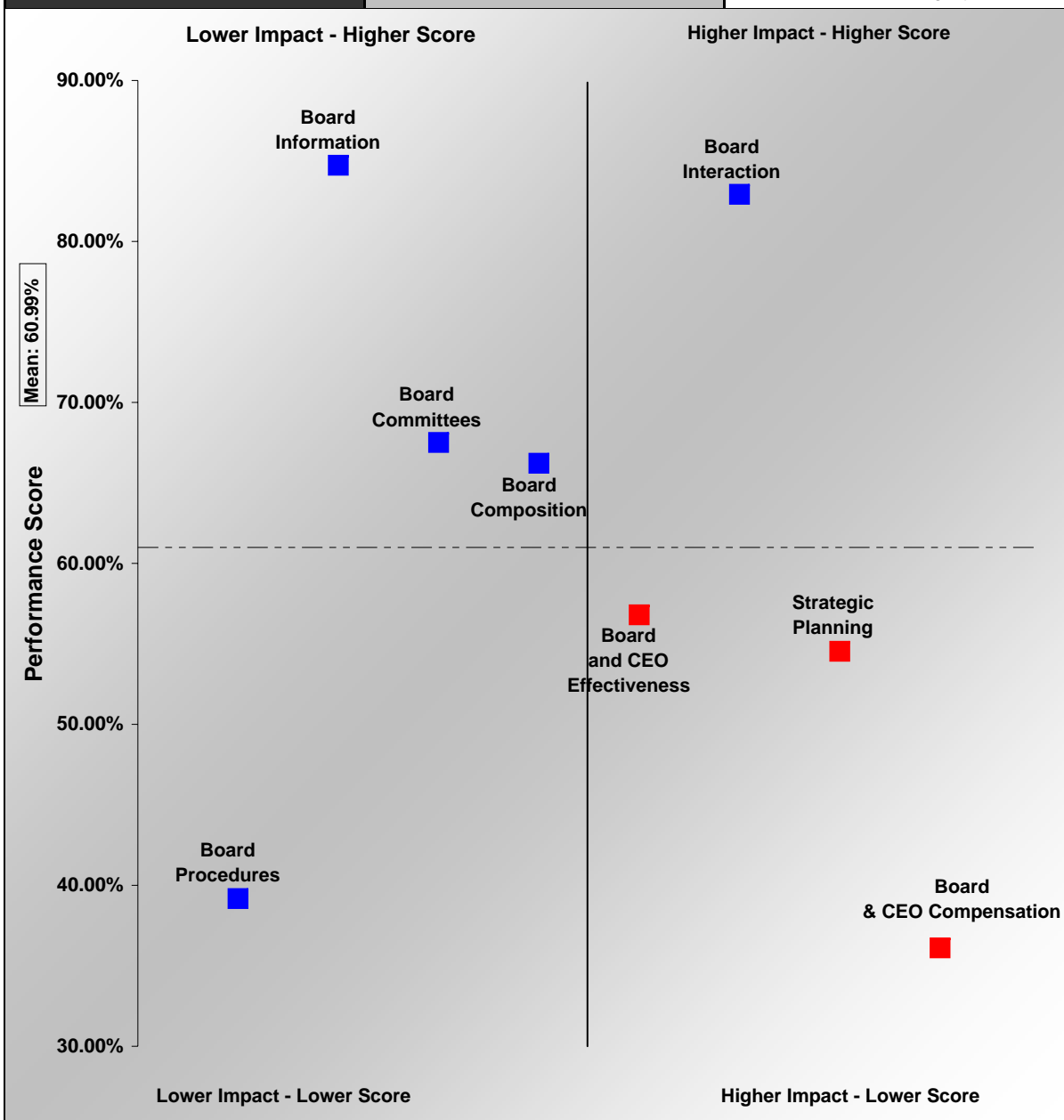
#	All Board Members	Impact	Perf.
1	Board & CEO Compensation	Low	36.11%
2	Strategic Planning	Low	54.53%
3	Board Interaction	Low	82.92%
4	Board and CEO Effectiveness	Low	56.79%
5	Board Composition	Low	66.20%
6	Board Committees	Low	67.51%
7	Board Information	Low	84.72%
8	Board Procedures	Low	39.17%
#	Inside Directors	Impact	Perf.
1	Board and CEO Effectiveness	Low	70.56%
2	Strategic Planning	Low	71.85%
3	Board & CEO Compensation	Low	35.83%
4	Board Committees	Low	51.82%
5	Board Composition	Low	49.58%
6	Board Interaction	Low	82.59%
7	Board Procedures	Low	38.97%
8	Board Information	Low	83.75%
#	Outside Directors	Impact	Perf.
1	Board & CEO Compensation	Low	36.46%
2	Board Interaction	Low	83.33%
3	Strategic Planning	Low	32.87%
4	Board Information	Low	85.94%
5	Board Composition	Low	86.98%
6	Board and CEO Effectiveness	Low	39.58%
7	Board Committees	Low	87.12%
8	Board Procedures	Low	39.42%

● All Board Members: 9  
● Inside Directors: 5  
● Outside Directors: 4

# EXECUTIVE SUMMARY

## Degree of Impact All Board Members

This page plots the 8 Categories of Board Effectiveness as perceived by **All Board Members**. The vertical axis represents the low to high performance mean scores. The horizontal axis represents the order of priority, with the highest priority to the right. The Priorities table reflects the 8 Categories in order of weighted priority, as determined by the group. The performance mean score ("Perf") is also listed for each Category.

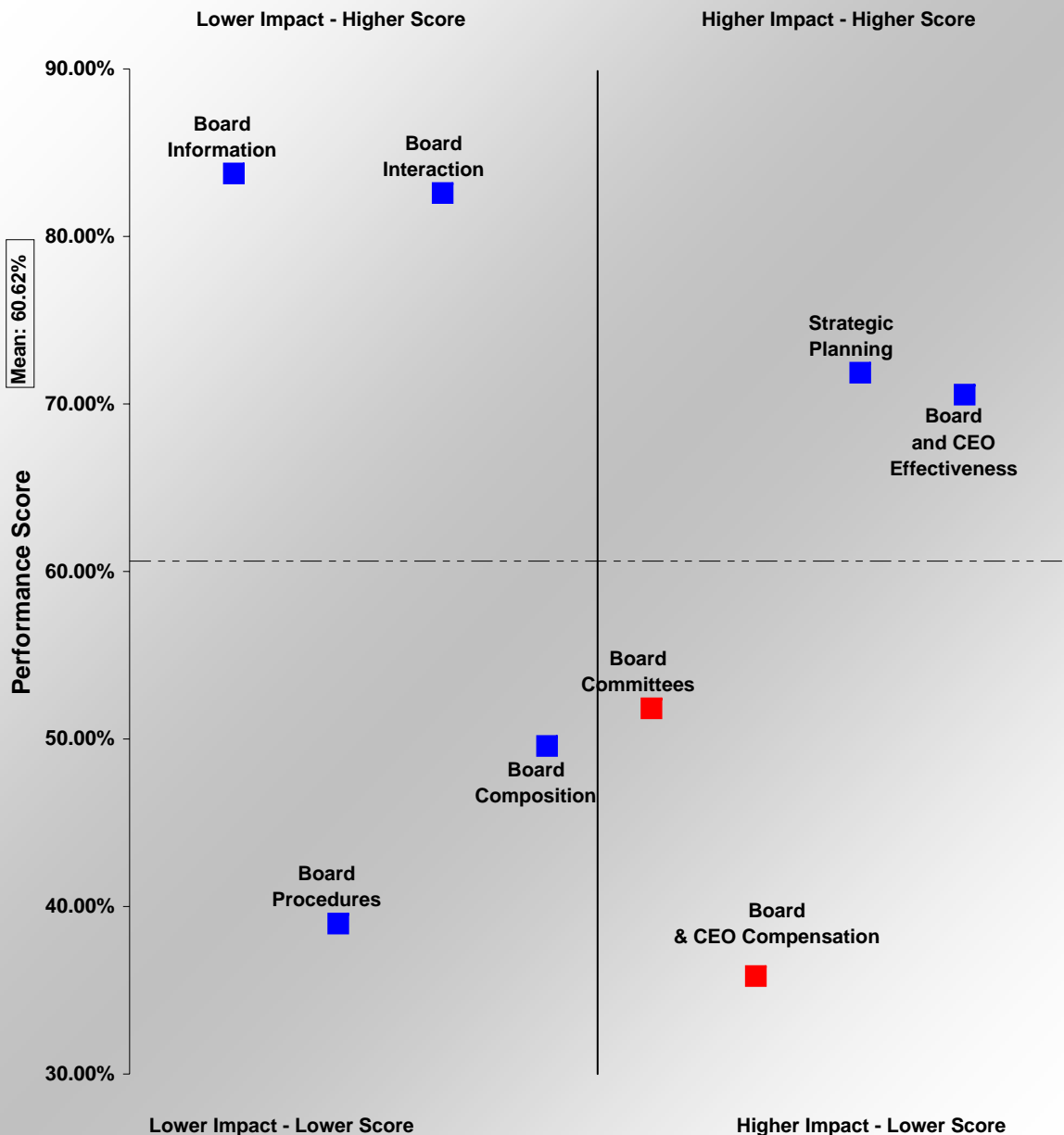


#	Priorities	Impact	Perf.
1	Board & CEO Compensation	Low	36.11%
2	Strategic Planning	Low	54.53%
3	Board Interaction	Low	82.92%
4	Board and CEO Effectiveness	Low	56.79%
5	Board Composition	Low	66.20%
6	Board Committees	Low	67.51%
7	Board Information	Low	84.72%
8	Board Procedures	Low	39.17%

# EXECUTIVE SUMMARY

## Degree of Impact Inside Directors

This page plots the 8 Categories of Board Effectiveness as perceived by the **Inside Board Members**. The vertical axis represents the low to high performance mean scores. The horizontal axis represents the order of priority, with the highest priority to the right. The Priorities table reflects the 8 Categories in order of weighted priority, as determined by the group. The performance mean score ("Perf") is also listed for each Category.

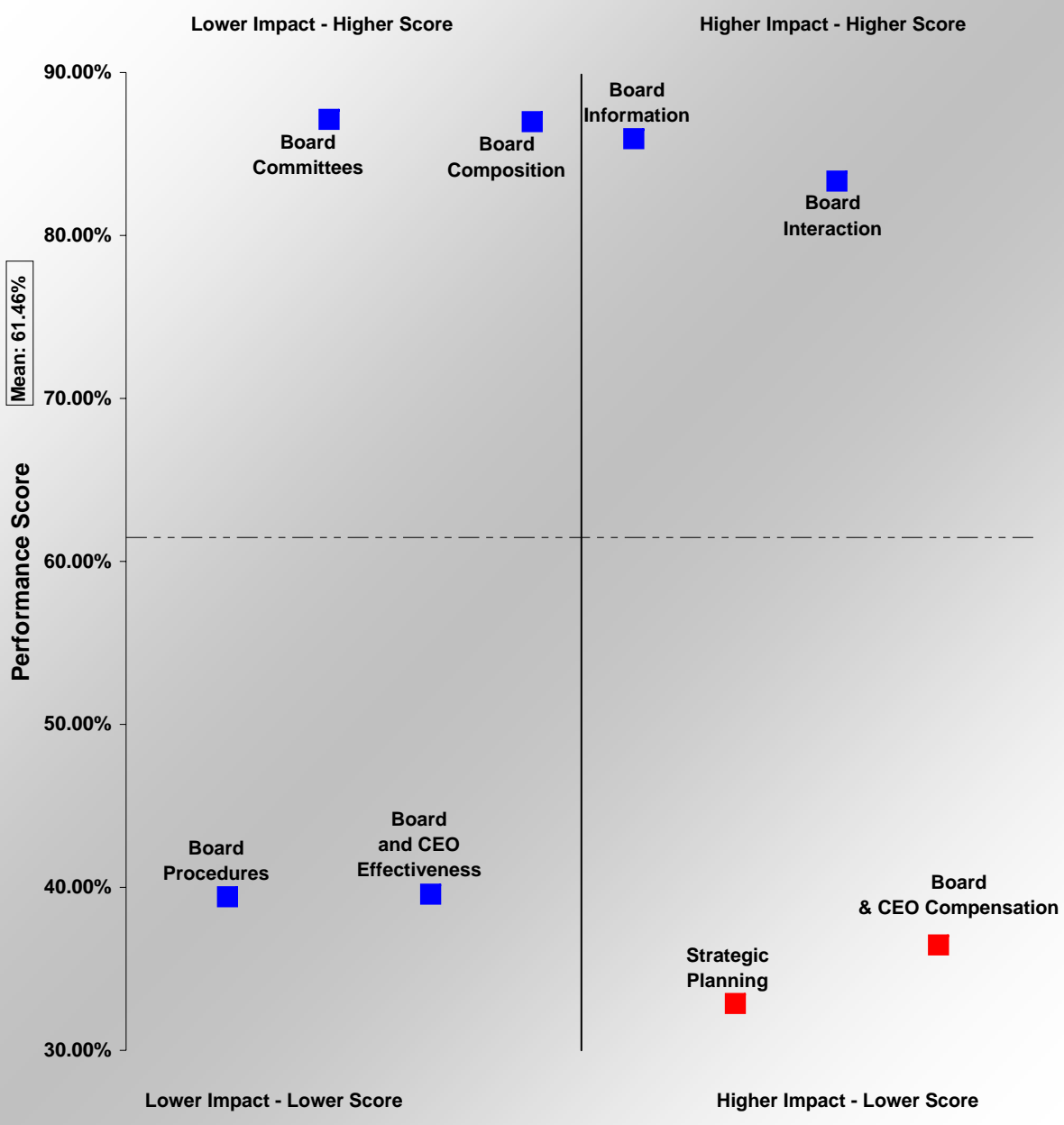


#	Priorities	Impact	Perf.
1	Board and CEO Effectiveness	Low	70.56%
2	Strategic Planning	Low	71.85%
3	Board & CEO Compensation	Low	35.83%
4	Board Committees	Low	51.82%
5	Board Composition	Low	49.58%
6	Board Interaction	Low	82.59%
7	Board Procedures	Low	38.97%
8	Board Information	Low	83.75%

# EXECUTIVE SUMMARY

## Degree of Impact Outside Directors

This page plots the 8 Categories of Board Effectiveness as perceived by **Outside Board Members**. The vertical axis represents the low to high performance mean scores. The horizontal axis represents the order of priority, with the highest priority to the right. The Priorities table reflects the 8 Categories in order of weighted priority, as determined by the group. The performance mean score ("Perf") is also listed for each Category.

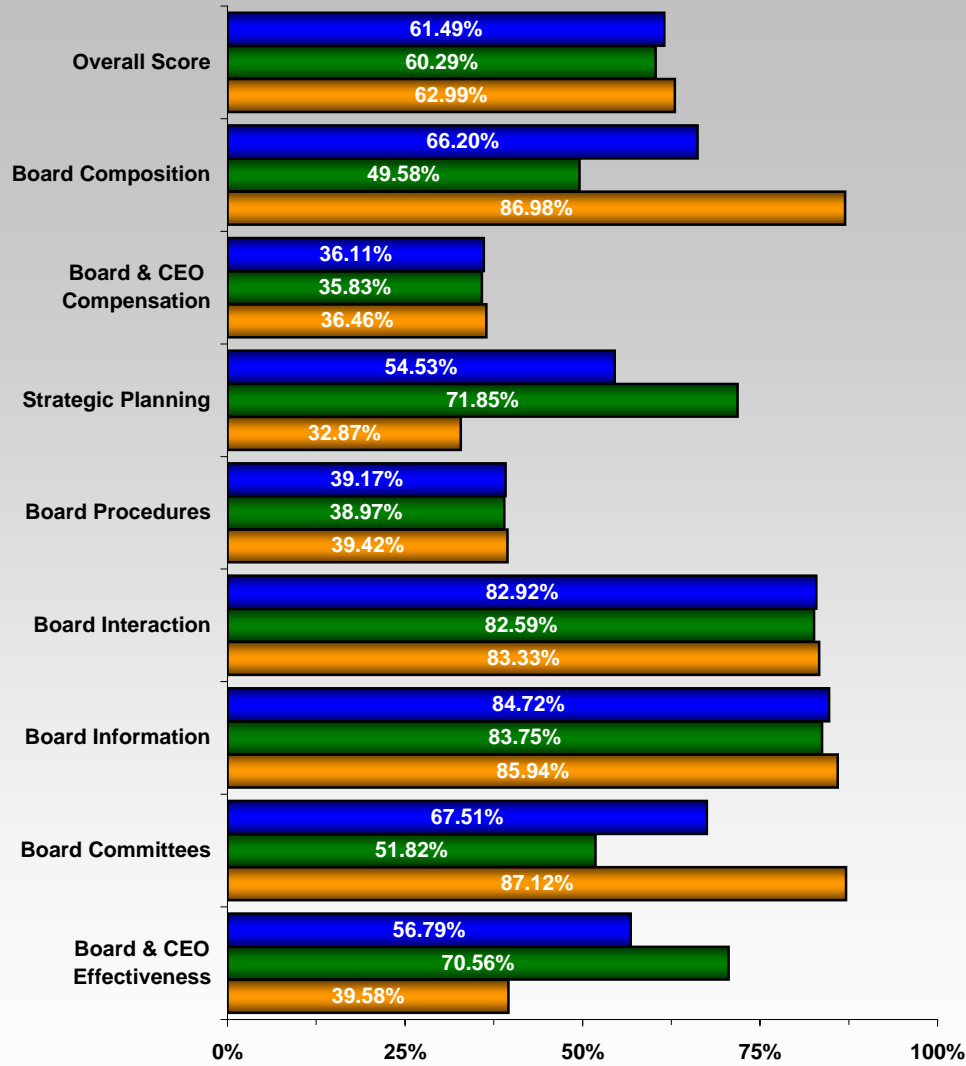


#	Priorities	Impact	Perf.
1	Board & CEO Compensation	Low	36.46%
2	Board Interaction	Low	83.33%
3	Strategic Planning	Low	32.87%
4	Board Information	Low	85.94%
5	Board Composition	Low	86.98%
6	Board and CEO Effectiveness	Low	39.58%
7	Board Committees	Low	87.12%
8	Board Procedures	Low	39.42%

# Board Effectiveness

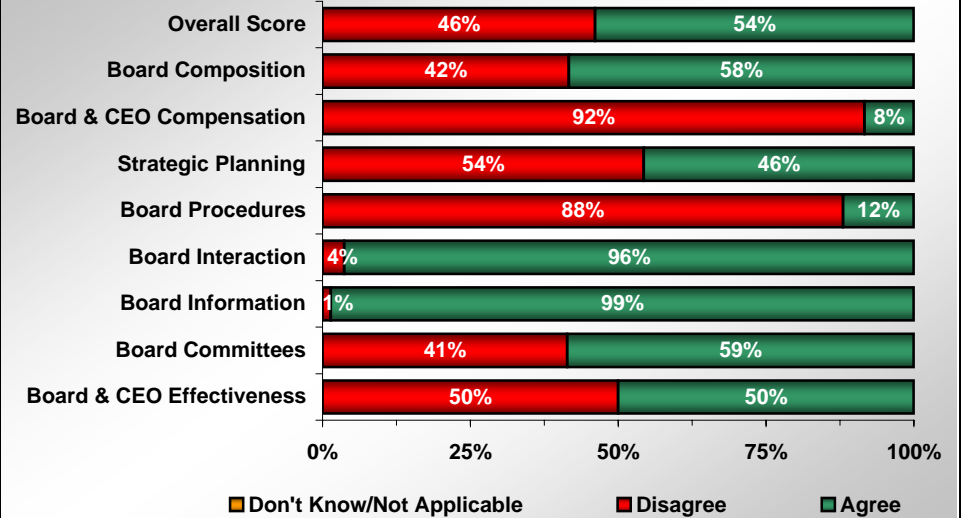
## Results Detail

This section of the report presents performance scores and shows the percent of Agree or Disagree responses selected by the respondents for each of the 8 Categories. This section of the report also shows the distribution of responses for each statement by group.

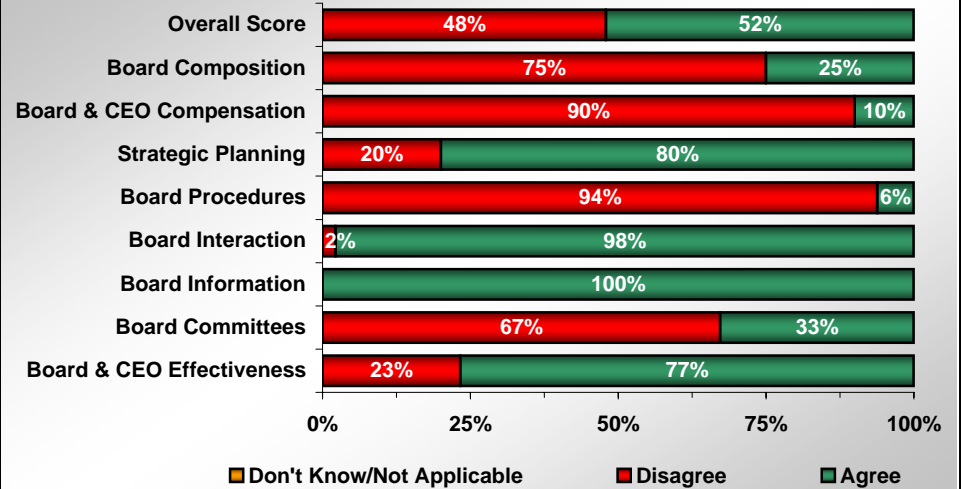


■ All Board Members: 9  
■ Inside Directors: 5  
■ Outside Directors: 4

### Level of Awareness/Agreement: All Board Members



### Level of Awareness/Agreement: Inside Directors

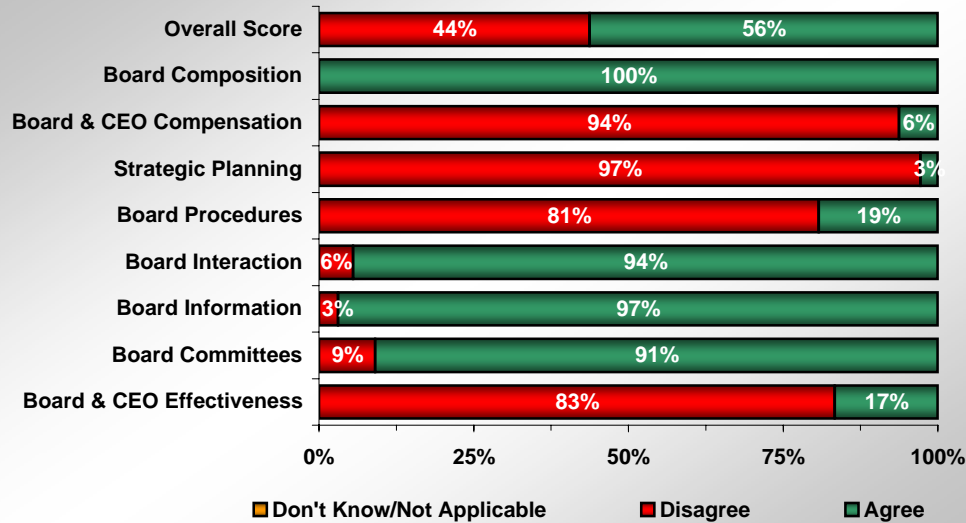


# Board Effectiveness

## Results Detail

This section of the report presents performance scores and shows the percent of Agree or Disagree responses selected by the respondents for each of the 8 Categories. This section of the report also shows the distribution of responses for each statement by group.

### Level of Awareness/Agreement: Outside Directors



# Board Effectiveness

## Detail Results

This page shows the distribution of responses for each statement. The distribution information is presented for All Board Members and then for Inside and Outside Directors respectively.

Board Composition		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
1. We have identified the necessary skills and knowledge we must have on the Board.	All Board Members	0%	11%	11%	22%	22%	11%	22%	33%	62.96%	28.60	All Board Members	66.20%	25.48
	Inside Directors	0%	20%	20%	40%	20%	0%	0%	0%	43.33%	19.00	Inside Directors	49.58%	21.18
	Outside Directors	0%	0%	0%	0%	25%	25%	50%	75%	87.50%	15.96	Outside Directors	86.98%	10.99
2. The Board currently has the appropriate mix of skills and experience.	All Board Members	0%	0%	22%	11%	11%	33%	22%	56%	70.37%	26.06	<b>DK = Don't Know/Not Applicable</b> <b>1 = Strongly Disagree</b> <b>2 = Disagree</b> <b>3 = Somewhat Disagree</b> <b>4 = Somewhat Agree</b> <b>5 = Agree</b> <b>6 = Strongly Agree</b>		
	Inside Directors	0%	0%	40%	20%	20%	20%	0%	20%	53.33%	21.73			
	Outside Directors	0%	0%	0%	0%	0%	50%	50%	100%	91.67%	9.62			
3. The Board currently has the appropriate mix of inside and outside directors.	All Board Members	0%	0%	0%	44%	0%	33%	22%	56%	72.22%	22.05			
	Inside Directors	0%	0%	0%	80%	0%	0%	20%	20%	60.00%	22.36			
	Outside Directors	0%	0%	0%	0%	0%	75%	25%	100%	87.50%	8.34			
4. When selecting new members, we recruit the most talented individuals who possess necessary skills and experience we need.	All Board Members	0%	0%	44%	0%	11%	44%	0%	44%	59.26%	25.15			
	Inside Directors	0%	0%	80%	0%	0%	20%	0%	20%	43.33%	22.36			
	Outside Directors	0%	0%	0%	0%	25%	75%	0%	75%	79.17%	8.33			
5. The Board has determined clear policies and criteria for selecting new members.	All Board Members	0%	11%	11%	22%	11%	44%	0%	44%	61.11%	25.00			
	Inside Directors	0%	20%	20%	40%	20%	0%	0%	0%	43.33%	19.00			
	Outside Directors	0%	0%	0%	0%	0%	100%	0%	100%	83.33%	0.00			
6. I am satisfied with the process we use for nominating new directors.	All Board Members	0%	11%	11%	22%	0%	33%	22%	56%	66.67%	30.05			
	Inside Directors	0%	20%	20%	40%	0%	20%	0%	20%	46.67%	24.72			
	Outside Directors	0%	0%	0%	0%	0%	50%	50%	100%	91.67%	9.62			
7. Our current Board is made up of qualified members.	All Board Members	0%	0%	11%	22%	22%	11%	33%	44%	72.22%	25.00			
	Inside Directors	0%	0%	20%	40%	20%	0%	20%	20%	60.00%	25.28			
	Outside Directors	0%	0%	0%	0%	25%	25%	50%	75%	87.50%	15.96			
8. We are able to reach consensus when nominating new directors.	All Board Members	0%	0%	33%	11%	11%	22%	22%	44%	64.81%	28.19			
	Inside Directors	0%	0%	60%	20%	0%	20%	0%	20%	46.67%	21.73			
	Outside Directors	0%	0%	0%	0%	25%	25%	50%	75%	87.50%	15.96			
Board & CEO Compensation		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
9. Our Board compensation is fair.	All Board Members	0%	22%	22%	33%	22%	0%	0%	0%	42.59%	18.84	All Board Members	36.11%	14.64
	Inside Directors	0%	20%	20%	40%	20%	0%	0%	0%	43.33%	19.00	Inside Directors	35.83%	16.47
	Outside Directors	0%	25%	25%	25%	25%	0%	0%	0%	41.67%	21.52	Outside Directors	36.46%	12.50
10. Our CEO's current compensation package is fair and competitive.	All Board Members	0%	11%	44%	33%	11%	0%	0%	0%	40.74%	14.70			
	Inside Directors	0%	20%	40%	20%	20%	0%	0%	0%	40.00%	19.00			
	Outside Directors	0%	0%	50%	50%	0%	0%	0%	0%	41.67%	9.62			
11. Our CEO's compensation is tied to the performance of the organization as it relates to our strategic plan.	All Board Members	0%	22%	56%	22%	0%	0%	0%	0%	33.33%	11.78			
	Inside Directors	0%	40%	20%	40%	0%	0%	0%	0%	33.33%	16.67			
	Outside Directors	0%	0%	100%	0%	0%	0%	0%	0%	33.33%	0.00			
12. The board is compensated with the appropriate amount of non-cash compensation (stock or options).	All Board Members	0%	33%	67%	0%	0%	0%	0%	0%	27.78%	8.33			
	Inside Directors	0%	40%	60%	0%	0%	0%	0%	0%	26.67%	9.12			
	Outside Directors	0%	25%	75%	0%	0%	0%	0%	0%	29.17%	8.33			

# Board Effectiveness

## Detail Results

This page shows the distribution of responses for each statement. The distribution information is presented for All Board Members and then for Inside and Outside Directors respectively.

Strategic Planning		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
13. The CEO has a strategic plan that has been approved by the Board.	All Board Members	0%	11%	11%	33%	11%	33%	0%	33%	57.41%	23.73	All Board Members	54.53%	27.00
	Inside Directors	0%	0%	0%	20%	20%	60%	0%	60%	73.33%	14.91	Inside Directors	71.85%	22.42
	Outside Directors	0%	25%	25%	50%	0%	0%	0%	0%	37.50%	15.96	Outside Directors	32.87%	12.90
14. The Board has a clear understanding of our market and the people that we service.	All Board Members	0%	22%	33%	0%	11%	22%	11%	33%	51.85%	31.67	<b>DK = Don't Know/Not Applicable</b> <b>1 = Strongly Disagree</b> <b>2 = Disagree</b> <b>3 = Somewhat Disagree</b> <b>4 = Somewhat Agree</b> <b>5 = Agree</b> <b>6 = Strongly Agree</b>		
	Inside Directors	0%	0%	20%	0%	20%	40%	20%	60%	73.33%	25.28			
	Outside Directors	0%	50%	50%	0%	0%	0%	0%	0%	25.00%	9.62			
15. The CEO has a strategic vision of how the organization should be evolving over the next three to five years.	All Board Members	0%	22%	11%	22%	0%	22%	22%	44%	59.26%	33.45			
	Inside Directors	0%	20%	0%	0%	0%	40%	40%	80%	76.67%	34.56			
	Outside Directors	0%	25%	25%	50%	0%	0%	0%	0%	37.50%	15.96			
16. The Board engages in strategic planning discussions with the CEO.	All Board Members	0%	22%	22%	0%	22%	11%	22%	33%	57.41%	33.45			
	Inside Directors	0%	0%	20%	0%	20%	20%	40%	60%	76.67%	27.89			
	Outside Directors	0%	50%	25%	0%	25%	0%	0%	0%	33.33%	23.57			
17. The Board has a process for tracking the progress of the strategic plan.	All Board Members	0%	11%	22%	22%	11%	33%	0%	33%	55.56%	25.00			
	Inside Directors	0%	0%	0%	20%	20%	60%	0%	60%	73.33%	14.91			
	Outside Directors	0%	25%	50%	25%	0%	0%	0%	0%	33.33%	13.61			
18. The CEO utilizes Board members' skills and experience in crafting the strategic plan.	All Board Members	0%	11%	44%	0%	0%	33%	11%	44%	55.56%	31.18			
	Inside Directors	0%	0%	20%	0%	0%	60%	20%	80%	76.67%	25.28			
	Outside Directors	0%	25%	75%	0%	0%	0%	0%	0%	29.17%	8.33			
19. The CEO regularly updates Board members on progress of the strategic plan.	All Board Members	0%	11%	44%	0%	22%	22%	0%	22%	50.00%	25.00			
	Inside Directors	0%	20%	0%	0%	40%	40%	0%	40%	63.33%	27.38			
	Outside Directors	0%	0%	100%	0%	0%	0%	0%	0%	33.33%	0.00			
20. The Board devotes an appropriate amount of time discussing strategy at board meetings.	All Board Members	0%	22%	22%	11%	22%	22%	0%	22%	50.00%	26.35			
	Inside Directors	0%	0%	20%	0%	40%	40%	0%	40%	66.67%	20.41			
	Outside Directors	0%	50%	25%	25%	0%	0%	0%	0%	29.17%	15.96			
21. The organization is achieving its strategic goals.	All Board Members	0%	0%	44%	11%	22%	22%	0%	22%	53.70%	21.70			
	Inside Directors	0%	0%	20%	0%	40%	40%	0%	40%	66.67%	20.41			
	Outside Directors	0%	0%	75%	25%	0%	0%	0%	0%	37.50%	8.34			
Board Procedures		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
22. Board members meet no less than 4 times per year.	All Board Members	0%	22%	22%	33%	22%	0%	0%	0%	42.59%	18.84	All Board Members	39.17%	16.13
	Inside Directors	0%	20%	20%	40%	20%	0%	0%	0%	43.33%	19.00	Inside Directors	38.97%	13.27
	Outside Directors	0%	25%	25%	25%	25%	0%	0%	0%	41.67%	21.52	Outside Directors	39.42%	19.25
23. The Board has effectively established its own goals and objectives.	All Board Members	0%	11%	56%	33%	0%	0%	0%	0%	37.04%	11.11			
	Inside Directors	0%	20%	60%	20%	0%	0%	0%	0%	33.33%	11.78			
	Outside Directors	0%	0%	50%	50%	0%	0%	0%	0%	41.67%	9.62			
24. The Board has effectively established the CEO's goals and objectives.	All Board Members	0%	33%	22%	33%	11%	0%	0%	0%	37.04%	18.21			
	Inside Directors	0%	40%	0%	60%	0%	0%	0%	0%	36.67%	18.26			
	Outside Directors	0%	25%	50%	0%	25%	0%	0%	0%	37.50%	20.97			

# Board Effectiveness

## Detail Results

This page shows the distribution of responses for each statement. The distribution information is presented for All Board Members and then for Inside and Outside Directors respectively.

Board Procedures (cont.)		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
25. The CEO's performance is effectively evaluated by the Board.	All Board Members	0%	11%	44%	22%	22%	0%	0%	0%	42.59%	16.90	All Board Members	39.17%	16.13
	Inside Directors	0%	0%	40%	40%	20%	0%	0%	0%	46.67%	13.95	Inside Directors	38.97%	13.27
	Outside Directors	0%	25%	50%	0%	25%	0%	0%	0%	37.50%	20.97	Outside Directors	39.42%	19.25
26. The Board effectively delegates work to the Board committees.	All Board Members	0%	11%	33%	44%	11%	0%	0%	0%	42.59%	14.70	<b>DK = Don't Know/Not Applicable</b> <b>1 = Strongly Disagree</b> <b>2 = Disagree</b> <b>3 = Somewhat Disagree</b> <b>4 = Somewhat Agree</b> <b>5 = Agree</b> <b>6 = Strongly Agree</b>		
	Inside Directors	0%	0%	40%	60%	0%	0%	0%	0%	43.33%	9.13			
	Outside Directors	0%	25%	25%	25%	25%	0%	0%	0%	41.67%	21.52			
27. The Board effectively selects the appropriate corporate officers to serve on the Board.	All Board Members	0%	11%	67%	22%	0%	0%	0%	0%	35.19%	10.02			
	Inside Directors	0%	20%	80%	0%	0%	0%	0%	0%	30.00%	7.45			
	Outside Directors	0%	0%	50%	50%	0%	0%	0%	0%	41.67%	9.62			
28. The Board achieves consensus on strategic decisions.	All Board Members	0%	33%	67%	0%	0%	0%	0%	0%	27.78%	8.33			
	Inside Directors	0%	20%	80%	0%	0%	0%	0%	0%	30.00%	7.45			
	Outside Directors	0%	50%	50%	0%	0%	0%	0%	0%	25.00%	9.62			
29. The Board has developed a succession plan for itself.	All Board Members	0%	0%	56%	44%	0%	0%	0%	0%	40.74%	8.79			
	Inside Directors	0%	0%	60%	40%	0%	0%	0%	0%	40.00%	9.13			
	Outside Directors	0%	0%	50%	50%	0%	0%	0%	0%	41.67%	9.62			
30. The Board has developed a succession plan for the CEO.	All Board Members	0%	33%	0%	56%	11%	0%	0%	0%	40.74%	18.84			
	Inside Directors	0%	20%	0%	80%	0%	0%	0%	0%	43.33%	14.91			
	Outside Directors	0%	50%	0%	25%	25%	0%	0%	0%	37.50%	25.00			
31. The Board is actively involved in monitoring Ethics and Business Practices.	All Board Members	0%	11%	44%	22%	11%	11%	0%	11%	44.44%	20.41			
	Inside Directors	0%	20%	40%	20%	20%	0%	0%	0%	40.00%	19.00			
	Outside Directors	0%	0%	50%	25%	0%	25%	0%	25%	50.00%	23.57			
32. When our standards or ethics are violated, we take the appropriate action.	All Board Members	0%	33%	56%	0%	11%	0%	0%	0%	31.48%	15.47			
	Inside Directors	0%	20%	80%	0%	0%	0%	0%	0%	30.00%	7.45			
	Outside Directors	0%	50%	25%	0%	25%	0%	0%	0%	33.33%	23.57			
33. The Board effectively resolves conflicts of interest.	All Board Members	0%	22%	22%	22%	22%	11%	0%	11%	46.30%	23.24			
	Inside Directors	0%	0%	40%	40%	20%	0%	0%	0%	46.67%	13.95			
	Outside Directors	0%	50%	0%	0%	25%	25%	0%	25%	45.83%	34.36			
34. Board meetings are carefully planned to ensure that we effectively use the Board members time.	All Board Members	0%	22%	22%	44%	11%	0%	0%	0%	40.74%	16.90			
	Inside Directors	0%	0%	40%	60%	0%	0%	0%	0%	43.33%	9.13			
	Outside Directors	0%	50%	0%	25%	25%	0%	0%	0%	37.50%	25.00			
Board Interaction		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
35. Board members clearly understand their roles and responsibilities as directors.	All Board Members	0%	0%	0%	0%	11%	44%	44%	89%	88.89%	11.79	All Board Members	82.92%	13.94
	Inside Directors	0%	0%	0%	0%	0%	60%	40%	100%	90.00%	9.13	Inside Directors	82.59%	13.27
	Outside Directors	0%	0%	0%	0%	25%	25%	50%	75%	87.50%	15.96	Outside Directors	83.33%	14.91
36. The Board has frank and open discussions.	All Board Members	0%	0%	0%	0%	22%	33%	44%	78%	87.04%	13.89			
	Inside Directors	0%	0%	0%	0%	40%	40%	20%	60%	80.00%	13.94			
	Outside Directors	0%	0%	0%	0%	0%	25%	75%	100%	95.83%	8.34			

# Board Effectiveness

## Detail Results

This page shows the distribution of responses for each statement. The distribution information is presented for All Board Members and then for Inside and Outside Directors respectively.

Board Interaction (cont.)		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
37. Board members respect differing opinions of others.	All Board Members	0%	0%	0%	0%	11%	44%	44%	89%	88.89%	11.79	All Board Members	82.92%	13.94
	Inside Directors	0%	0%	0%	0%	20%	40%	40%	80%	86.67%	13.94	Inside Directors	82.59%	13.27
	Outside Directors	0%	0%	0%	0%	0%	50%	50%	100%	91.67%	9.62	Outside Directors	83.33%	14.91
38. Board members in the minority support the majority decision when consensus is not achieved.	All Board Members	0%	0%	0%	11%	44%	22%	22%	44%	75.93%	16.90	<b>DK = Don't Know/Not Applicable</b> <b>1 = Strongly Disagree</b> <b>2 = Disagree</b> <b>3 = Somewhat Disagree</b> <b>4 = Somewhat Agree</b> <b>5 = Agree</b> <b>6 = Strongly Agree</b>		
	Inside Directors	0%	0%	0%	0%	60%	0%	40%	40%	80.00%	18.26			
	Outside Directors	0%	0%	0%	25%	25%	50%	0%	50%	70.83%	15.96			
39. Board members participate fully in decision-making.	All Board Members	0%	0%	0%	0%	33%	44%	22%	67%	81.48%	13.03			
	Inside Directors	0%	0%	0%	0%	20%	60%	20%	80%	83.33%	11.78			
	Outside Directors	0%	0%	0%	0%	50%	25%	25%	50%	79.17%	15.96			
40. We are careful to ensure that some Board members do not dominate meetings more than others.	All Board Members	0%	0%	0%	0%	11%	78%	11%	89%	83.33%	8.33			
	Inside Directors	0%	0%	0%	0%	20%	80%	0%	80%	80.00%	7.45			
	Outside Directors	0%	0%	0%	0%	0%	75%	25%	100%	87.50%	8.34			
41. Board members regularly call on each other to discuss issues outside of Board and committee meetings.	All Board Members	0%	0%	0%	0%	44%	33%	22%	56%	79.63%	13.89			
	Inside Directors	0%	0%	0%	0%	40%	40%	20%	60%	80.00%	13.94			
	Outside Directors	0%	0%	0%	0%	50%	25%	25%	50%	79.17%	15.96			
42. Board members resolve conflict with trust and respect.	All Board Members	0%	0%	0%	11%	11%	56%	22%	78%	81.48%	15.47			
	Inside Directors	0%	0%	0%	20%	20%	40%	20%	60%	76.67%	19.00			
	Outside Directors	0%	0%	0%	0%	0%	75%	25%	100%	87.50%	8.34			
43. Our Board members have an excellent attendance record for Board meetings.	All Board Members	0%	0%	0%	11%	33%	22%	33%	56%	79.63%	18.21			
	Inside Directors	0%	0%	0%	0%	20%	40%	40%	80%	86.67%	13.94			
	Outside Directors	0%	0%	0%	25%	50%	0%	25%	25%	70.83%	20.97			
Board Information		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
44. The amount of information Board members receive for Board meetings is manageable.	All Board Members	0%	0%	0%	0%	11%	78%	11%	89%	83.33%	8.33	All Board Members	84.72%	13.05
	Inside Directors	0%	0%	0%	0%	20%	60%	20%	80%	83.33%	11.78	Inside Directors	83.75%	12.22
	Outside Directors	0%	0%	0%	0%	0%	100%	0%	100%	83.33%	0.00	Outside Directors	85.94%	14.11
45. The quality of Board information materials is good.	All Board Members	0%	0%	0%	0%	33%	33%	33%	67%	83.33%	14.43			
	Inside Directors	0%	0%	0%	0%	60%	20%	20%	40%	76.67%	14.91			
	Outside Directors	0%	0%	0%	0%	0%	50%	50%	100%	91.67%	9.62			
46. Information and reports from committees are received in ample time for adequate preparation for Board meetings.	All Board Members	0%	0%	0%	0%	22%	44%	33%	78%	85.19%	13.03			
	Inside Directors	0%	0%	0%	0%	20%	60%	20%	80%	83.33%	11.78			
	Outside Directors	0%	0%	0%	0%	25%	25%	50%	75%	87.50%	15.96			
47. Information and reports from management are received in ample time for adequate preparation for Board meetings.	All Board Members	0%	0%	0%	0%	44%	44%	11%	56%	77.78%	11.78			
	Inside Directors	0%	0%	0%	0%	40%	60%	0%	60%	76.67%	9.12			
	Outside Directors	0%	0%	0%	0%	50%	25%	25%	50%	79.17%	15.96			
48. The Board is updated regularly by the executive team at meetings.	All Board Members	0%	0%	0%	0%	0%	56%	44%	100%	90.74%	8.79			
	Inside Directors	0%	0%	0%	0%	0%	20%	80%	100%	96.67%	7.46			
	Outside Directors	0%	0%	0%	0%	0%	100%	0%	100%	83.33%	0.00			

# Board Effectiveness

## Detail Results

This page shows the distribution of responses for each statement. The distribution information is presented for All Board Members and then for Inside and Outside Directors respectively.

Board Information (cont.)		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
49. The Board seeks outside expert advice when necessary.	All Board Members	0%	0%	0%	0%	0%	67%	33%	100%	88.89%	8.33	All Board Members	84.72%	13.05
	Inside Directors	0%	0%	0%	0%	0%	80%	20%	100%	86.67%	7.46	Inside Directors	83.75%	12.22
	Outside Directors	0%	0%	0%	0%	0%	50%	50%	100%	91.67%	9.62	Outside Directors	85.94%	14.11
50. The executive team can be counted on to provide useful information to help the Board carry out its duties.	All Board Members	0%	0%	0%	0%	22%	22%	56%	78%	88.89%	14.43			
	Inside Directors	0%	0%	0%	0%	40%	20%	40%	60%	83.33%	16.67			
	Outside Directors	0%	0%	0%	0%	0%	25%	75%	100%	95.83%	8.34			
51. Our Board members take the time to prepare for meetings.	All Board Members	0%	0%	11%	0%	11%	56%	22%	78%	79.63%	20.03			
	Inside Directors	0%	0%	0%	0%	20%	60%	20%	80%	83.33%	11.78			
	Outside Directors	0%	0%	25%	0%	0%	50%	25%	75%	75.00%	28.87			
Board Committees		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
52. We have established an Audit committee with a charter.	All Board Members	0%	0%	22%	11%	11%	44%	11%	56%	68.52%	24.22	All Board Members	67.51%	24.67
	Inside Directors	0%	0%	40%	20%	20%	20%	0%	20%	53.33%	21.73	Inside Directors	51.82%	19.42
	Outside Directors	0%	0%	0%	0%	0%	75%	25%	100%	87.50%	8.34	Outside Directors	87.12%	14.32
53. We have established a Compensation committee with a clear charter.	All Board Members	0%	0%	11%	33%	11%	44%	0%	44%	64.81%	19.44	<b>DK = Don't Know/Not Applicable</b> <b>1 = Strongly Disagree</b> <b>2 = Disagree</b> <b>3 = Somewhat Disagree</b> <b>4 = Somewhat Agree</b> <b>5 = Agree</b> <b>6 = Strongly Agree</b>		
	Inside Directors	0%	0%	20%	60%	20%	0%	0%	0%	50.00%	11.79			
	Outside Directors	0%	0%	0%	0%	0%	100%	0%	100%	83.33%	0.00			
54. We have established a Governance & Nominating committee with a clear charter.	All Board Members	0%	0%	11%	33%	0%	33%	22%	56%	70.37%	24.69			
	Inside Directors	0%	0%	20%	60%	0%	20%	0%	20%	53.33%	18.26			
	Outside Directors	0%	0%	0%	0%	0%	50%	50%	100%	91.67%	9.62			
55. We have established a Strategy committee with a clear charter.	All Board Members	0%	0%	0%	56%	22%	0%	22%	22%	64.81%	21.16			
	Inside Directors	0%	0%	0%	60%	40%	0%	0%	0%	56.67%	9.13			
	Outside Directors	0%	0%	0%	50%	0%	0%	50%	50%	75.00%	28.87			
56. Our Audit committee is effective.	All Board Members	0%	0%	11%	22%	22%	0%	44%	44%	74.07%	26.50			
	Inside Directors	0%	0%	20%	40%	40%	0%	0%	0%	53.33%	13.95			
	Outside Directors	0%	0%	0%	0%	0%	0%	100%	100%	100.00%	0.00			
57. Our Compensation committee is effective.	All Board Members	0%	11%	11%	11%	11%	33%	22%	56%	68.52%	29.40			
	Inside Directors	0%	20%	20%	20%	20%	20%	0%	20%	50.00%	26.35			
	Outside Directors	0%	0%	0%	0%	0%	50%	50%	100%	91.67%	9.62			
58. Our Governance & Nominating committee is effective.	All Board Members	0%	0%	22%	11%	11%	44%	11%	56%	68.52%	24.22			
	Inside Directors	0%	0%	40%	20%	20%	0%	20%	20%	56.67%	27.89			
	Outside Directors	0%	0%	0%	0%	0%	100%	0%	100%	83.33%	0.00			
59. Our Strategy committee is effective.	All Board Members	0%	0%	33%	22%	0%	44%	0%	44%	59.26%	23.73			
	Inside Directors	0%	0%	60%	0%	0%	40%	0%	40%	53.33%	27.39			
	Outside Directors	0%	0%	0%	50%	0%	50%	0%	50%	66.67%	19.24			
60. Committee reports are frequently considered when making important Board decisions.	All Board Members	0%	11%	11%	22%	0%	44%	11%	56%	64.81%	28.19			
	Inside Directors	0%	20%	20%	40%	0%	20%	0%	20%	46.67%	24.72			
	Outside Directors	0%	0%	0%	0%	0%	75%	25%	100%	87.50%	8.34			

# Board Effectiveness

## Detail Results

This page shows the distribution of responses for each statement. The distribution information is presented for All Board Members and then for Inside and Outside Directors respectively.

Board Committees (cont.)		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
61. Committee assignments reflect an appropriate mix of interests, experience, and skills of Board members.	All Board Members	0%	0%	33%	11%	11%	22%	22%	44%	64.81%	28.19	All Board Members	67.51%	24.67
	Inside Directors	0%	0%	60%	20%	20%	0%	0%	0%	43.33%	14.91	Inside Directors	51.82%	19.42
	Outside Directors	0%	0%	0%	0%	0%	50%	50%	100%	91.67%	9.62	Outside Directors	87.12%	14.32
62. We ensure that our Board Committees are made up exclusively from outside members.	All Board Members	0%	11%	0%	22%	11%	11%	44%	56%	74.07%	30.17			
	Inside Directors	0%	20%	0%	40%	20%	20%	0%	20%	53.33%	24.72			
	Outside Directors	0%	0%	0%	0%	0%	0%	100%	100%	100.00%	0.00			
Board and CEO Effectiveness		FREQUENCY OF RESPONSE							Pos. Score	Mean Score	Std. Dev.		Mean Score	Std. Dev.
		DK	1	2	3	4	5	6						
63. The Board is very effective in delegating to the CEO and top management full responsibility for implementing policies.	All Board Members	0%	11%	11%	22%	22%	33%	0%	33%	59.26%	23.73	All Board Members	56.79%	26.01
	Inside Directors	0%	0%	0%	20%	20%	60%	0%	60%	73.33%	14.91	Inside Directors	70.56%	21.74
	Outside Directors	0%	25%	25%	25%	25%	0%	0%	0%	41.67%	21.52	Outside Directors	39.58%	20.15
64. The Board effectively works with the CEO to increase his or her effectiveness.	All Board Members	0%	11%	22%	22%	11%	11%	22%	33%	59.26%	30.17	<b>DK = Don't Know/Not Applicable</b> <b>1 = Strongly Disagree</b> <b>2 = Disagree</b> <b>3 = Somewhat Disagree</b> <b>4 = Somewhat Agree</b> <b>5 = Agree</b> <b>6 = Strongly Agree</b>		
	Inside Directors	0%	0%	20%	0%	20%	20%	40%	60%	76.67%	27.89			
	Outside Directors	0%	25%	25%	50%	0%	0%	0%	0%	37.50%	15.96			
65. We provide Board Members with training and development opportunities to increase their effectiveness.	All Board Members	0%	11%	44%	0%	11%	33%	0%	33%	51.85%	26.93			
	Inside Directors	0%	20%	0%	0%	20%	60%	0%	60%	66.67%	28.86			
	Outside Directors	0%	0%	100%	0%	0%	0%	0%	0%	33.33%	0.00			
66. The overall performance of the Board is very effective.	All Board Members	0%	22%	11%	0%	33%	33%	0%	33%	57.41%	27.78			
	Inside Directors	0%	0%	20%	0%	40%	40%	0%	40%	66.67%	20.41			
	Outside Directors	0%	50%	0%	0%	25%	25%	0%	25%	45.83%	34.36			
67. The overall performance of the CEO is very effective.	All Board Members	0%	22%	11%	22%	22%	0%	22%	22%	55.56%	31.18			
	Inside Directors	0%	0%	20%	0%	40%	0%	40%	40%	73.33%	27.89			
	Outside Directors	0%	50%	0%	50%	0%	0%	0%	0%	33.33%	19.24			
68. The effective interaction of the Board and the CEO has resulted in the successful execution of our strategic plan.	All Board Members	0%	0%	33%	22%	11%	33%	0%	33%	57.41%	22.22			
	Inside Directors	0%	0%	0%	40%	20%	40%	0%	40%	66.67%	16.67			
	Outside Directors	0%	0%	75%	0%	0%	25%	0%	25%	45.83%	25.00			

## Inside Directors - Comments.

### 1. *As you look back over the past year on the Board, what successes stand out most?*

The upgrade of our technology has been very important in keeping us competitive.

We added some very good board members.

How well management and board work together to come up with our strategy.

The board really engaged in supporting our strategic planning process.

### 2. *What specific goals would you like to see the CEO pursue this year?*

Continue upgrading our systems so that important information is available to all key decision-makers.

I'd like to see a stronger strategic planning process in place.

Better internal controls.

Opening new markets.

### 3. *Use this space to enter any other comments you'd like to make about the Board.*

I feel confident that we have the right mix of skills on the Board.

We have to revisit the whole board compensation structure and policy.

I'd like to see the board demonstrate a higher degree of trust in the management team.

I'd like to see better documentation around policies and procedures.

## Outside Directors - Comments.

### **1. As you look back over the past year on the Board, what successes stand out most?**

Our decisions regarding acquisitions have been thorough and generally successful.

I think we have done a very good job at selecting talented individuals for key senior management positions.

### **2. What specific goals would you like to see the CEO pursue this year?**

We need to ensure a more active role of the Board in the strategic planning of the company.

We all need to take a bigger role in determining the strategy for this organization over the next 3 to 5 years.

### **3. Use this space to enter any other comments you'd like to make about the Board.**

I have a lot of respect for the degree of skills and experiences of our Board Members.

I'd like to see some younger members on the Board when we think about replacing departing Board Members.