

**Maximizing Board Effectiveness
Cass Bettinger & Associates**

Feb 2008

Introduction

The purpose of the Maximizing Board Effectiveness Evaluation process is to provide the quality feedback that is a prerequisite for all personal and professional development.

Corporate governance experts identified annual board evaluations as a "best practice" in the early 1990s and since that time have strongly encouraged enlightened boards to implement such a process. Under Sarbanes-Oxley and related regulations, of course, annual board evaluations are, or will soon become, a requirement for most companies. Beyond that, most directors today are taking their board responsibilities much more seriously, recognize that the environment in which they operate continues to be far more demanding (and less forgiving), and understand clearly the need for continuously developing their effectiveness as directors.

Interpreting the Results

The feedback from the Maximizing Board Effectiveness survey includes:

1. The average score for all 41 statements (overall score);
2. The average score for each of the 5 components;
3. The average scores for each of the 41 statements (statement summary);
4. A listing of the 10 highest scoring and 10 lowest scoring statements, with average scores for each;
5. The average scores for each of the 5 components with the average scores for each statement in each component; and
6. Responses to each of the 5 open-ended questions.

The scoring uses a six-point scale ranging from strongly disagree (1 point) to strongly agree (6 points). Using this scale the midpoint is 3.50. Responses selecting "Don't Know" or "No Response" are not included in the tabulations.

Maximizing Board Effectiveness for Cass Bettinger & Associates
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Overall and Component Summaries

Response Counts

	Feb 2008
Response Counts	10

Overall Summary

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Not Relevant	No Response	Score	
Total	32%	43%	14%	7%	2%	1%	0%	0%	4.94	

Component Summary

#	Component	Score	
1	General	4.88	
2	Supports Shareholder Interests	5.27	
3	Selects and Retains Quality Leadership/Management	5.18	
4	Contribution to Strategic Planning	4.72	
5	Stays Current on Existing Laws and Regulations; Ensures Existence of Appropriate Internal Policies and Controls; Monitors Compliance	4.99	
6	Other	5.17	

Component 2

Supports Shareholder Interests

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Not Relevant	No Response	Score	
Total	33%	60%	7%	0%	0%	0%	0%	0%	5.27	

Statement 16

As a board we are strong and responsible advocates for shareholder interests.

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Not Relevant	No Response	Score	
Total	3	7	0	0	0	0	0	0	5.30	

Statement 17

As a board we understand fully the key financial drivers of shareholder value for our industry and company and monitor those drivers regularly.

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Not Relevant	No Response	Score	
Total	5	5	0	0	0	0	0	0	5.50	

Statement 18

Our board has an effective process (formal or informal) in place to address proactively any financial performance shortcomings which threaten shareholder satisfaction.

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Not Relevant	No Response	Score	
Total	2	6	2	0	0	0	0	0	5.00	