

MEMO

Date: November 4, 2010
To: Board of Directors
From: Barbara J. Bonifas, CEO
Subject: Monitoring Report Memo

In compliance with our Board Calendar, please review the attached report for Executive Limitations Policy 2.4.

According to Policy Governance, you should look for the following in Executive Limitation monitoring reports:

1. Enough evidence to overcome any reasonable doubt as to whether the expectations have been fulfilled.
2. Reasonableness of the CEO's interpretation.
3. Operational definitions when possible and appropriate.
4. Data selection to support the CEO's interpretation.
5. Actual data to show compliance.
6. Interpretation that shows results-orientation, not an accounting of activities.
7. Comparisons to objective standards of performance or administrative practices.

If you have any questions, please feel free to contact me.